



City Council Regular Meeting Agenda

June 16, 2026 at 7:00 PM

City Council Chambers, Whittier Alaska

Mayor: Victor Shen

City Manager: Jackie C. Wilde

City Clerk: Shelby Carlson

City Attorney: Holly Wells

Council Members: Tom Wagner, Seat B, Jamie Loan, Seat C, Renner Macal tao, Seat D, David Pinquoch, Seat E, Peter Denmark, Seat F, Lorianne Borg, Seat G

Call to Order

Opening Ceremony

Roll Call

Citizen Comments on Any Agenda Item Except Those Items Scheduled For Public

Hearing: Those who have signed in will be given the first opportunity to speak on any agenda item except those scheduled for Public Hearing. Time is limited to two (2) minutes per speaker and thirty (30) minutes total time for this agenda item.

Approval of Agenda and Consent Agenda: Approval of Consent Agenda passes all routine items indicated by asterisk (*). Consent Agenda items are not considered separately unless a council member requests. In the event of such a request, the item is returned to the Regular Agenda

Conflict of Interest: Immediately after the Council approves the agenda at a regular or special meeting, each Council member shall declare any financial interest in a matter appearing on the agenda. Any Council member or member of the public present at the meeting may question whether another Council member has a financial interest in a matter appearing on the agenda.

Presentations and Reports

1. Presentations
2. Mayor's Report
3. Vice Mayor's Report
4. City Manager Report – City Manager's Report includes, among other things, the Finance Director Report and the Water/Wastewater Manager Report

Public Hearings

Ordinances for Introduction

5. *Ordinance 2026-003 Amending Chapter 10.30 of the Whittier Municipal Code to Clarify the "Commercial Recreational Ground Passenger Fee" is a Fee and Not a Toll on Roads Owned or Maintained by the Federal Government or the State of Alaska

Resolutions

6. Resolution 2026-030 Approving the Community Beautification Matching Grant Awards Recommended by the Council Beautification Grant Committee
7. Resolution 2026-031 Adopting Standardized Lease Templates Pursuant to Whittier Municipal Code Section 3.38.340

Other New Business

8. *Approval of the May 4, 2026 Special Meeting Minutes
9. *Approval of the May 26, 2026 Rescheduled Regular Meeting Minutes
10. *Approval of the June 2, 2026 Special Meeting Minutes

Informational Items and Reports (No Action Required)

11. April 2026 City Financial Reports: Please see City Council packet which contains monthly Financial Statements
12. Parks & Recreation Committee Minutes - May 8, 2026
13. State Legislative Reports

Council Comments

Citizen Discussion: Those signed-in will be given the first opportunity to speak on any subject over which the Council has control. Time is limited to five (5) minutes per speaker.

Council and Administration Response to Citizen Comments

Executive Session

- 14.** Discuss the Alaska Railroad Corporation Land Purchase, as per Whittier Municipal Code 2.08.040(B)(1), matters that, if immediately disclosed, would tend to adversely affect the finances of the city.

Adjournment

To: Whittier City Council
From: City Manager Jackie C. Wilde
Re: City Manager Report for June 2026 Council Meeting

This month's report captures significant progress and critical updates across multiple departments, showcasing the City's continued commitment to infrastructure development, financial accountability, and community engagement.

City Manager Office

The City continues to move into a very active construction and tourism season. Staff are coordinating multiple projects simultaneously, including paving improvements, park enhancements, harbor infrastructure work, utility projects, and ongoing grant-funded initiatives. Administration has been focused on ensuring contractors, consultants, and City departments remain aligned on project schedules, permitting requirements, and funding obligations. Several project coordination meetings have been held in recent weeks to prepare for upcoming construction activities and minimize impacts to residents, businesses, and visitors.

Administration has continued to focus on strengthening coordination between departments and improving overall operational effectiveness. With several major projects scheduled throughout the summer and fall, efforts are being directed toward project planning, resource allocation, staff development, and long-term community priorities. The coming months will be particularly busy as construction, tourism, and seasonal operations overlap, and staff are working to ensure projects move forward while maintaining the high level of service expected by residents, businesses, and visitors.

Manager's Monthly Wilde Recognition

This month's Manager's Monthly Wilde Recognition goes to... Junior Turituri

Junior is being recognized for his outstanding attitude, strong work ethic, and unwavering commitment to the Whittier community. Whether he is assisting residents, supporting City projects, or working alongside his coworkers, Junior consistently approaches every task with a positive attitude and a smile.

His willingness to help, dedication to getting the job done, and genuine care for the people of Whittier do not go unnoticed. Junior's professionalism and community spirit reflect the very best of public service and help make Whittier a better place to live and work.

Thank you, Junior, for your hard work, positive energy, and continued commitment to our community. Your efforts make a difference every day, and we are proud to recognize you with this month's Wilde Recognition Award.

Finance Department Report

This report reflects an abbreviated look at finance-related activities through the end of May, 2026, with financial statements through April, 2026, where 33% of the fiscal year has elapsed.

FINANCIAL HIGHLIGHTS THROUGH FEBRUARY

GENERAL FUND: Cash Balance in the General Fund at April 30 is \$1,712,596. Based on 2026 Budgeted expenditures of \$5,136,920 that level of cash is sufficient to cover 4.0 months of operations. The City's budget policy reflects the goal of establishing a reserve of between nine (9) and twelve (12) months, or between \$3,852,690 and \$5,136,920. The current level of cash is lower than the 9-month goal by \$2,140,094. During the upcoming budget season in preparation for the City's 2027/2028 Biennial Budget, staff will present a Fund Balance recovery plan aimed at building the City's reserves to fall within the City's Fund Balance Policy. Revenues through April are at 12.8%, or actual of \$587,873 versus budget of \$4,608,378. Tax revenues are at 6.6%, with Property Tax at 3.5% of budget and sales tax at 17.3%, as little tax is generated and reported early in the calendar year.

License and Permits are at 24% largely reflecting collection of \$15,408 in ambulance fees. Intergovernmental Revenues (from state and federal sources) are at 11.2% of budget, or \$27,470 largely due to the receipt of National Forest Receipts.

General Fund expenditures are at 28.8% of budget through April, with 33% of the year having elapsed. Transfers between Funds have not been recorded. All General Fund departments are under budget through except for City Council/City Clerk and Property and Facilities. The largest budget overage is in community support, where contributions toward BTI/Whittier Manor capital repairs have been recorded as future liabilities, increasing actual expenses early in the year. Property and Facilities budget is higher than year-to-date estimates due to payment for boiler repairs at the Public Safety Building totaling.

GENERAL FUND MAJOR REPAIR & REPLACEMENT FUND – F72: Cash Balance in the General Fund's Major Repair and Replacement Fund at April 30 is \$823,680. The purpose of this Fund is to replace capital assets and infrastructure that are not components of the City's enterprise funds (Harbor, Delong Dock, Water/Sewer). This includes things such as land, streets, sidewalks, public restrooms, City-owned condos, stormwater systems, culverts, Public Safety Building, Fire and EMS rescue vehicles and fire trucks, snow removal equipment, vehicles, dispatch equipment, generators, EMS defibrillators and breathing apparatus, dispatch equipment, police equipment, boilers, IT equipment and networks, etc.

WATER AND SEWER FUND: The Cash balance in the Water and Sewer Fund (the "operating fund", Fund 50) is \$647,626 in addition to cash available in the Water and Sewer Major Maintenance and Repair Fund (the "capital fund", Fund 75) of \$1,369,927. Based on 2026 Budgeted Expenses (excluding depreciation) of \$380,511, cash reserves available in the operating fund are sufficient to cover 20.4 months of expenses. Cash reserves available in both the operating and capital funds, are sufficient to cover 63.6 months of operations. Water and Sewer Fund revenues through April are at 16.2% of the budget, excluding inter-fund transfers. The Water and Sewer Fund revenues are largely seasonal and will increase during the busier summer months. It is not anticipated that the

community's largest seafood operator will be open for business in 2026; this is not expected to have a large impact on revenues since it was foreseen that the seafood industry would not contribute significantly to water/sewer revenues in the coming year. Investment income has not been recorded nor have for one-time cash transfers from the General Fund of \$23,341, in repayment of a short-term loan for the purchase of a loader. Excluding depreciation, expenses through April are at 28.1%.

WATER/SEWER MRRF: The Cash balance in the Water/Sewer MRRF Fund, as mentioned above, is \$1,369,927 to be used for the repair and replacement of major Water and Sewer capital assets. This

includes infrastructure such as the City's wastewater lift stations and pumps, automated controls, generators, wellhouses, buildings/plant, vac truck, loader, underground water and sewer lines, other system improvements, water wells, etc.

HARBOR FUND: The Cash balance in the Harbor Fund (the "operating fund", Fund 51) is \$697,398, in addition to cash available in the Harbor Major Repair and Replacement Fund (the "capital fund", Fund 73) of \$693,180, at April 30. Based on 2026 Budgeted Expenses (excluding depreciation) of \$2,026,967, cash reserves available in the operating fund are sufficient to cover 4.1 months of expenses. Cash reserves available in both the operating and capital funds (total \$1,390,578), are sufficient to cover 8.2 months of operations. Harbor Fund Revenues for the Harbor Fund are at 58.8%, as the largest sources of revenue, preferential (annual) moorage, is brought in early in the year. Transfers-In and Transfers-Out have yet to be recorded. Overall, Charges for Services (includes moorage, utilities, wharfage, launch, parking, etc) are at 65%; Lease revenues exceed the annual budget largely because the portion of the lease that is payable to the Railroad, is pending. Investment income has not been recorded.

HARBOR MRRF: The Cash balance in the Harbor MRRF Fund is \$693,180 to be used for the repair and replacement of major Harbor capital assets. This Fund accounts for the Water-Borne Passenger Fee which was implemented in January, 2025, and which accounts for per-passenger fees of \$8 set aside entirely to pay for capital asset and infrastructure replacement in the Harbor, to benefit payers of the fee. Revenues through April are entirely related to the Water-Borne Passenger Fee collections of \$21,985; these revenues are initially used to cover harbor bond debt (through a transfer-out to the Harbor Enterprise Fund for debt payments), and then for capital assets and infrastructure. This includes harbor floats, electrical system, harbormaster building and boilers/furnace, harbor water/sewer systems, breakwater, boat ramps, passenger, sheet piles, grid, fuel float, Ocean Dock, Passenger Dock, City Dock, harbor restrooms, boardwalk, computer systems, cameras, parking meters, pay stations, vehicles, pump out carts, skiff, crane, backup generator, snowblowers, and other harbor capital assets and infrastructure.

DELONG DOCK: The Cash balance in the Delong Dock Fund is \$1,470,543. These reserves are intended for future use as matching funds for the replacement of the dock. The City was recently awarded a PIDP grant in the amount of \$4,074,520 for engineering and design of the dock replacement, and the City is applying for a construction grant to replace the dock. The City will commit the reserves from the Delong Dock Fund toward the City's match to replace the dock. Delong Dock actual revenues reflect only a single permit for the use of the dock in the coming year. Otherwise, revenues are not expected to be recorded until the summer season. Interest revenues have not been recorded and only \$49,701 in expenses have been recorded through April, related to electricity and insurance.

GRANTS: Since the first of the year, the City has been awarded \$5.2 million in grants, including: 1) \$3,500 for Alaskans for Litter Patrol and Recycling; 2) \$410,000 additional funding to extend Shotgun Cove Road; 3) \$4,074,520 for engineering/design of DeLong Dock replacement; 4) \$10,000 for accessible pocket parks; 5) \$3,559 in fish disaster funding from the Pacific Marine Cod Fisheries; 6) 406,299 in Title 23 FHWA earmark funding for Shotgun Cove Road; 7) \$28,035 in funding from DOT/NHTSA to outfit police vehicles with TraCS system; and 8) \$310,000 in funding for asbestos abatement at the BTI Building. Staff continues to seek funding for a new ambulance, DeLong Dock construction, and Shotgun Cove Road. Current grant projects that are underway include the Water Well Replacement Project which began in May, which will replace the City's well field and significantly increase the capacity of the water system to handling the growth in demand. The backup generator for the City's water system is expected to arrive by July. The Safety Action Plan draft has been completed. The EPA contamination mitigation program is underway, and Shotgun Cove Road construction will continue through the end of the year. The City continues to address the Harbor Phase III float replacement project issues and the wastewater sludge removal and 301H waiver projects. The City also expects additional wastewater CDS funds to pursue the recommendations in the City's sludge removal and maintenance plan.

OTHER FINANCE ACTIVITIES: Staff completed the annual audit and are working to finalize the 2025 financial statements. The auditors will present their findings to the Council in a work session in the coming month. Issues that were addressed in the audit included the issuance of new debt in 2025 (harbor revenue bonds, wastewater loan for Lift Station No. 5, and the motor grader loan), legal issues surrounding the new Ground Passenger Fee, and a Single Audit of the Shotgun Cove Road federal grant and the State DOT Harbor Phase III Replacement grant. The City is currently responding to a standard PERS Audit with focus on the status of rehired retirees. The Administration is working with PERS to determine the termination costs associated with the potential removal of the Public Safety Director from PERS, to offer additional flexibility to the City in hiring and retention. Staff continue to identify businesses operating in Whittier, to ensure that they are properly licensed and registered. We have received positive responses from ground passenger businesses and are seeing improvements in Ground Passenger registration compliance.

City Clerk/Assistant City Manager Report

I had the opportunity to travel to Washington, D.C., which felt like a pilgrimage to the roots of our nation's democracy. The trip provided valuable perspective on the federal systems, institutions, and relationships that directly affect local governments like Whittier, particularly as we continue to pursue federal funding opportunities for critical infrastructure and redevelopment needs.

Significant progress was made on transportation planning efforts. The draft Safety Action Plan has been prepared, along with the draft *Whittier Moves Transportation Master Plan*. Public pop-up booths are scheduled for Wednesday, June 24, to share information with the community and gather feedback. Booths will be held from 1:30–3:30 p.m. at the Head of the Bay and Harbor Triangle, and from 4:30–6:30 p.m. at the Museum Shuttle Stop and the BTI West Lobby.

Administration also worked with the City's grant writing contractor to prepare the Port Infrastructure Development Program grant application for construction funding for the DeLong Dock replacement project. This remains one of the City's most important infrastructure priorities, and staff continue

working through the many grant, compliance, and project development steps necessary to move the project forward.

Brownfields work also continued. Administration submitted a grant application as part of the process to release the \$5 million in Congressionally Directed Spending secured by Senator Murkowski for remediation of the Buckner Building. Staff also checked in with NORTECH regarding the data gap analysis and anticipate receiving a draft soon. This work is a necessary step in positioning the City to responsibly pursue environmental assessment, cleanup planning, and eventual remediation activities.

The Council Beautification Grant Review Committee met and reviewed the applications received for the 2026 pilot program. The recommended awards are before Council at this meeting for approval. Because funds remain available, Administration has decided to re-publish and re-open the application period to allow additional eligible projects to be considered this year.

Staff also continued work on lease compliance and follow-through on Council direction regarding City leases. This includes reviewing lease files, tracking required documentation, communicating with leaseholders, and continuing to build a more consistent and accountable lease administration process.

In addition to these larger projects, routine Clerk and Administration work continued, including land use permits, public records requests, film permits, facility use permits, and other day-to-day administrative matters.

Harbor Department Report

Admin: Aniva provided information for city wide audit. We continue with our transition over to MarineGo from Marina Office. Transition is going well and the redundant systems are helpful to truth our our transition and processes. Field staff are coming up to speed on doing the daily inventory on Ipads which updates MarinaGo in real time.

Harbormaster attended the Whittier Moves worksession online

Harbormaster attended Washington State deligation that traveled to Whittier to observe port/rail operations. Toured DeLong Dock, Railyard and AML operations.

Harbormaster hosted the US Army Corp of Engineers Civil Works Section. The event was for their Small Boat Harbor and Deep Draft Navigation class for Corp Planning Associates. These 18 engineers came from all over the US to visit Whittier and discuss harbor operations, Army Corp involvement in the development of Whittier and other marintime operations.

Harbormaster was engaged in several zoom meetings and Whittier site visits of security personel (Navy/Army/Marine/Coast Guard) regarding the USS Ted Stevens Commissioning ceremony.

Harbormaster met with USCG representative to discuss our local Marine Transportation System Recovery Plan updates.

Harbormaster hosted the quarterly city wide safety meeting.

Harbormaster updated four of the city's safety plans to include Fall Protection, Confined Space Entry, Emergency Action Plan for Harbor Staff, and Lockout Tagout procedures. This is a collateral duty of the Harbormaster.

Harbormaster continues to engage with Harris Sand and Gravel about the float performance issue and

anticipates more information in the coming days.

Harbormaster attended meeting with Greater Whittier Seafoods to discuss ongoing efforts and operations, meet and greet with new staff and managers.

Operations: Harbor staff assisted two vessels from that were taking on water from sinking. Assembled net pens and released approximately 125k Coho smelt, anticipate the receipt of the same number of Chinook salmon on 15 June. I want to thank SeaTow for offering their platform, Captain and time to the chinook salmon effort!

Chinook Fire and Safety came down at the end of May and conducted the annual inspection of the harbor and citywide fire safety, sprinkler systems, and fire extinguishers.

Staff continue to replace electrical pedestal bases, water fixtures and make general repairs throughout the harbor as needed.

Police Department Report

Calls by Service Area

Service Area	Calls
Whittier	85
Girdwood Service Area	148
Other	8
Total	247

Narrative Summary

In May 2026, WPD handled 247 calls for service. Excluding Security Checks, Whittier accounted for 55 and Girdwood 49 calls. Serious incidents stood out, including MVA/Accident (4), Theft/Burglary (1). Additionally, there was a fatal MVA WPD assisted APD with. Jurisdictional mix: Whittier 34.4%, Girdwood 59.9%, Other 3.2%.

Bullet-Point Summary

- Whittier: 85 calls. Top types: Parking Problem (20), Traffic (6), Unspecified in CAD (5).
- Girdwood: 148 calls. Top types: Traffic (16), Welfare Check (5), Disturbance (5).
- Other: 8 calls. Top types: Traffic (5), Agency Assist (2), MVA/Accident (1).

Call Types by Jurisdiction

Call Type	Whittier	Girdwood	Other	Total
Security Check	30	99	0	129
Traffic	6	16	5	27
Parking Problem	20	3	0	23
Disturbance	3	5	0	8
Welfare Check	2	5	0	7
Agency Assist	0	4	2	6
Unspecified in CAD	5	1	0	6

MVA/Accident	1	2	1	4
Animal	1	2	0	3
Parking Enforcement	3	0	0	3
Phone Call Request	2	1	0	3
Citizen Assist	2	0	0	2
EMS/Fire	2	0	0	2
Public Assist	1	1	0	2
Reddi	0	2	0	2
Suspicious	1	1	0	2
Trespassing	1	1	0	2
Drugs	1	0	0	1
Dui	0	1	0	1
Fd Community Relations	1	0	0	1
Found/lost Property	0	1	0	1
Fraud	0	1	0	1
Hazmat Spill	1	0	0	1
Paper Service	0	1	0	1
Public Contact	0	1	0	1
Vehicle Check	1	0	0	1
Wildlife Violation	1	0	0	1

Citation Information

Category	Whittier	Girdwood Service Area	Other	Total
Parking	13	0	0	13
Speeding	4	1	0	5
Other Traffic	1	1	0	2
Other	1	0	0	1
Total	19	2	0	21

Personnel and Training

Currently the Whittier Police Department is one position down. We are continuing our recruitment process and will conduct boards on potential police candidates within the next couple weeks.

- Officer Lloyd Willis was awarded his Alaska Police Standards Council Advance Police Certificate in May 2026.
- Officer Tim Sampson was awarded his Alaska Police Standards Council Intermediate Police Certificate in May 2026.
- Lieutenant Jerry Herrod was awarded his Intermediate Police Certificated in June 2026.
- Officer Colin Neace's Alaska Police Standards Council Basic Police Certificate was renewed in June 2026.

Whittier Police Department is currently preparing for upcoming training in July 2026. We will be conducting our annual in-service training on use of force, reality-based simulation training and recertification on new equipment (Taser 10).

We also anticipate the complete installation of our in-car videos and mobile data terminals with new software.

Fire Department Report

During the month of May, Whittier Fire/EMS responded to **23 total incidents** and continued providing community outreach, and public service support throughout the community.

Incident Summary

- **18 EMS Calls**
- **2 Fire Calls**
- **2 Rescue Calls**
- **1 Out of service area Call**

Community Support & Meal Program

Whittier Fire/EMS continues to support children and less-fortunate members of our community by providing access to meals.

Meals remain available at the fire station between 9:00 AM and 5:00 PM.

During the month of May, the department provided 130 meals to community members and local Church.

Community Relations and Outreach

Whittier Fire/EMS remained actively engaged in supporting and strengthening community relationships through outreach activities including:

- Participated in and supported Breakfast at the School
- Assisted a single mother with clothing support for her children
- Conducted water rescue training with school-age children to promote water safety awareness and emergency preparedness
- Fire lane painting in the Triangle area with participation from the Fire Chief and two youth volunteers
- Youth Volunteers and the Fire Chief conducted several Head of the Bay clean-ups
- Fire Department Staff attended Whittier School Graduation
- Fire Department Staff conducted several station tours for out-of-town guest

Whittier Fire/EMS remains committed to emergency response readiness, community engagement, and supporting the health and safety of residents and visitors.



City of Whittier Fire/EMS Department Yearly Statistics 2026



	Jan			Feb			Mar			Apr			May			Jun			Jul			Aug			Sep			Oct			Nov			Dec		
	Time			Time			Time			Time			Time			Time			Time			Time			Time			Time			Shift					
	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C			
EMS/Medical		4	1	2	6		1	7	1	1	7		1	12	5																					
Fire		2	2	1		2					5			1	1																					
Rescue			2			1			1			2			2																					
Walk-In				1					1			2			2																					
Transport out of Whittier		1			1	5			1	5	1	1			1	5	2																			
After hrs call duty phone							2				4	2		6			4																			
Out of Service Area																1																				
Sub-total		2	8	2	2	9	0	1	8	1	1	14	0	1	15	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Totals		12			11			10			15			23			0			0			0			0			0			0				
Community Outreach																																				
	Jan			Feb			Mar			Apr			May			Jun			Jul			Aug			Sep			Oct			Nov			Dec		
	Time B			Time B			Time B			Time B			Time B			Time B			Time B			Time B			Time B			Time B			Time B					
Station Tours				1			1			7			10																							
Meals Provided	30			16			127			74			130																							
Outreach				1			3			16			9																							
Totals	30			18			131			97			149			0			0			0			0			0			0			0		

2026 Calls

71 Total calls for service

6 Calls for cruise ship related calls

8% of all calls cruise ship related

Time

A - 0000-0800

B - 0800-1800

C - 1800-2400





Public Works Monthly Report

Public Works and Water Departments continued focusing on infrastructure improvements, seasonal maintenance activities, and major capital project implementation. Efforts were directed toward improving transportation infrastructure, preparing for peak summer visitation, and advancing major construction projects throughout the community.

Public Works staff met with the Department of Public Safety to review roadway signage and traffic enforcement concerns throughout the community. Final recommendations are being developed and will be implemented in coordination with Public Safety. Public Works also worked closely with the City Manager to advance the Gateway Road paving project from Prince William Sound Way to the tunnel approach. The City Council approved the project at the June 2 Special Meeting, and paving operations are scheduled for the week of June 15. Construction activities will occur during nighttime hours between 11:00 p.m. and 5:00 a.m. to minimize disruption to traffic. Coordination is ongoing with the Anton Anderson Memorial Tunnel and campground operators, as temporary road closures will be required during paving operations. In preparation for the project, Public Works extended three 36-inch culverts to accommodate roadway improvements. Staff also placed approximately three tons of cold patch asphalt throughout the City to address potholes and improve roadway conditions. Additionally, the viewing platform at Lou Young Park was demolished and removed after it was determined the structure was beyond repair and could not be safely rebuilt. Public Works staff also successfully returned the City's pavement striping machine to operational status and will begin roadway striping activities as weather and staffing levels permit.

The Water Department continued preparations for the Whittier Well Field Improvement Project. The construction contract has been fully executed, and a preconstruction meeting is anticipated during the week of June 15. Construction activities are expected to begin shortly thereafter and continue through April 2027. This project represents a significant investment in the City's water infrastructure and will

improve system reliability, operational efficiency, and long-term water supply capacity for the community.

The Shotgun Cove Road Project continues to progress on schedule and within budget. The City has enjoyed working with Quality Asphalt Paving (QAP), whose professionalism and responsiveness have contributed to the success of the project. In addition to their work on Shotgun Cove Road, the City has contracted with QAP to provide roadway preparation and paving services for the Gateway Road and Prince William Sound Way paving project. Local businesses and stakeholders are also benefiting from having a paving and heavy civil contractor mobilized in Whittier, allowing several private and commercial improvement projects to move forward while equipment and personnel are available locally.

Agenda Statement

Meeting Date: June 16, 2026
To: City Council
From: Jackie C. Wilde, City Manager



Agenda Item: Amending Chapter 10.30 of the Whittier Municipal Code to Clarify the “Commercial Recreational Ground Passenger Fee” is a Fee and not a Toll on Roads Owned or Maintained by the Federal Government of the State of Alaska

BACKGROUND, JUSTIFICATION, & INTENT:

On November 19, 2024, the City Council adopted Ordinance 2024-005, establishing a Commercial Recreational Ground Passenger Fee with an implementation date of January 1, 2026. The Council later adopted Ordinance 2026-001 on February 17, 2026, to clarify reporting procedures and timelines for businesses registered and subject to the fee. On April 24, 2026, former Acting Attorney General Cox sent a letter to the City demanding repeal of the fee based on the State of Alaska’s concern that the fee may constitute a toll in violation of the 1997 toll agreement between the State of Alaska and the Federal Highway Administration. The City maintains that the fee does not charge for the privilege of using any road, including any federal or State road, but instead applies to services and facilities provided to passengers of recreational commercial ground transportation vehicles and to the industry itself. The proposed amendment is intended to preserve the City’s ability to use fee revenue for improvements to City-maintained roads that are not federally aided or State-owned or maintained, where those roads are frequented by recreational commercial ground transportation passengers and vehicles, while making expressly clear that the fee is not a toll.

CONSISTENCY CHECKLIST:

	Yes	No	N/A
1. Legislative Priorities	☐	☐	☒
2. Comprehensive Plan	☐	☐	☒
3. Whittier Code: <i>Chapter 10.30</i>	☒	☐	☐
4. Other: <i>April 24, 2026 Letter from former Acting Attorney General Cox</i>	☒	☐	☐

FISCAL NOTE: No fiscal impact.

ATTORNEY REVIEW: ☒ Yes ☐ No ☐ Not Applicable

RECOMMENDATION: Administration recommends Council introduce Ordinance 2026-003 and set it for public hearing at the July 21, 2026 Regular Meeting.

Sponsored by: Wilde
Introduction Date: June 16, 2026
1st Public Hearing: _____
2nd Public Hearing/Enactment Date: _____

CITY OF WHITTIER, ALASKA
ORDINANCE 2026-003

**AN ORDINANCE OF THE CITY COUNCIL OF WHITTIER, ALASKA AMENDING
 CHAPTER 10.30 OF THE WHITTIER MUNICIPAL CODE TO CLARIFY THE
 “COMMERCIAL RECREATIONAL GROUND PASSENGER FEE” IS A FEE AND
 NOT A TOLL ON ROADS OWNED OR MAINTAINED BY THE FEDERAL
 GOVERNMENT OR THE STATE OF ALASKA**

WHEREAS, the City of Whittier, Alaska (the “City”) adopted a Commercial Recreational Ground Passenger Fee on November 19, 2024, via Ordinance 2024-005 with an implementation date of January 1, 2026; and

WHEREAS, amending Ordinance 2026-001 was adopted on February 17, 2026, which clarified reporting procedures and timelines for businesses registered and subject to the fee; and

WHEREAS, on April 24, 2026, former acting Attorney General Cox sent a letter to the City demanding that the City repeal its commercial recreational ground passenger fee because the State of Alaska feared the fee constituted a toll and violated the 1997 toll agreement between the State of Alaska and the Federal Highway Administration; and

WHEREAS, the commercial recreational ground passenger fee does not in any way charge a fee for the privilege of using any road, much less a federal or State road, and instead imposes a fee for services and facilities provided to passengers of recreational commercial ground transportation vehicles and the industry itself; and

WHEREAS, the City hopes to retain language in the Code that allows the fee to be used for improvements to City-maintained roads that are not federally aided or State-owned or maintained roads that are frequented by recreational commercial ground transportation passengers and vehicles while making it expressly clear that the fee is not a toll,

NOW, THEREFORE, THE WHITTIER CITY COUNCIL ORDAINS:

Section 1. Whittier Municipal Code Chapter 10.30 COMMERCIAL RECREATIONAL GROUND PASSENGER FEES is hereby amended as follows:

CHAPTER 10.30 COMMERCIAL RECREATIONAL GROUND PASSENGER FEE**10.30.010 Establishment of commercial recreational ground passenger fee.**

Commercial recreational ground passengers in the city shall be charged a flat per-passenger fee. Such fees shall be used to offset costs incurred by the city in operating, equipping and maintaining city-owned facilities and providing ~~its capital assets, roads, and public infrastructure to provide related services~~ to those offering commercial recreational services in the city and their passengers who visit the city, and to mitigate impacts of increased utilization of city services and resources by commercial recreational businesses and their passengers. **No fees shall be used to operate, equip, finance or maintain State or Federal-owned or maintained State or federal roads or related infrastructure nor shall the fee be charged for the privilege of the use of any State or federally owned or maintained road.**

10.30.020 Imposition of commercial recreational ground passenger fee.

- A. Beginning January 1, 2026, upon each entry or departure from the city by ground conveyance, including by rail, a commercial recreational ground passenger fee of \$ \$5.00 per passenger shall be assessed.
- B. The commercial recreational *ground* passenger fee shall be assessed on commercial recreational ground passengers being delivered to or from a cruise ship that is exempt from the commercial recreational *waterborne* passenger fee, as well as to or from other Whittier destinations.

10.30.030 Registration.

To facilitate the timely and efficient payment of the commercial recreational ground passenger fee, the owner, operator, or agent of any commercial recreation transportation business operating in Whittier shall register the following information on an application properly executed by a person authorized to bind the applicant under this chapter for each name under which the applicant does business in the City of Whittier. The application shall state the full name of the applicant and each business name under which the applicant will do business and:

- A. The name of the person in charge, physical and mailing address, e-mail address, telephone number, and facsimile number for:
 - 1. The office or agent for the business that is located within the City of Whittier;
 - 2. The office or agent within Alaska that is responsible for the administration of the provision of transportation services into or out of the City of Whittier;
 - 3. The headquarters, central or other office to which the office under subsection (A)(2) of this section reports.
- B. A description of the type of commercial recreation services that are or will be provided within Whittier city limits, including the approximate passenger capacity of the conveyances that will be used, the estimated number of passengers during the calendar year for each mode or different form of conveyance that will be used by the business, and a description of the relationship of the applicant to any other commercial recreation business with respect to passengers of the applicant.

- C. A copy of the current Alaska business license issued to the business.
- D. A copy of the current City of Whittier business license issued to the business.
- E. The name, title, physical and mailing addresses, e-mail address, telephone and facsimile numbers for the following persons:
 - 1. The chief executive officer;
 - 2. The chief financial officer;
 - 3. The controller, comptroller, or treasurer, if other than the chief financial officer;
 - 4. The person or persons who will be primarily responsible for filing the return, verifying its accuracy and paying the tax under this chapter; and
 - 5. Each other person who is authorized to pay or to require others within the business to pay the fee under this chapter to the city.

10.30.040 Update of information.

Upon the sale of a registered business, a change of the name of the business, a change in the form of the business or a change in the address of any office as last provided to the city, a registered commercial services business shall promptly provide, in writing, notice to the finance director of such changes, with an update of the information required for registration under section 10.30.030(A), (B), (C) and (E).

10.30.050 Calculation of fees.

- A. The total amount of commercial recreational ground passenger fees shall be calculated based on the number of passengers reported and certified by the registered business as being present on the passenger manifest upon arrival and upon departure.

10.30.060 Payment of fees.

Commercial Recreational Passenger Fees shall be collected and remitted by the owner, operator or agent of the commercial recreational business to the city quarterly in accordance with payment procedures set forth by the city manager. Commercial recreational businesses who become delinquent in their remittance of the commercial ground passenger fees may be required to submit on a monthly basis at the direction of the city manager. Where commercial recreational businesses are operating in tandem, one business can collect and remit ground passenger fees and waterborne passenger fees, as may be due pursuant to chapter 12.32 of this code, on behalf of other operators so long as the operators certify the accuracy of the passenger counts relied upon in calculating the fees. Such payment procedures shall provide for the payment of penalties and interest as set forth in section 10.30.070.

10.30.070 Penalties and interest.

- A. Interest shall accrue on all delinquent fees at a rate of 15 percent per annum until paid, and shall accrue on a penalty only after a penalty or part thereof has been unpaid for 30 days following the date of written notice of the penalty due.
- B. For any fee payment that is not received before the delinquency date or which is less than the amount owed, a penalty of five percent of the fees due but not timely received shall accrue, to which there shall be added an amount equal to five percent of the delinquent amount for each

month or part of a month during which any delinquency in the payment continues. The minimum penalty for a delinquent payment of any amount is \$100.00.

- C. A penalty of \$100.00 shall be paid by a registered business that fails to provide the information requested under sections 10.30.030 or 10.30.040 within 30 days of the date of the written request from the city.
- D. A registered business that fails to make records available within 15 days of the date of the written request for such records pursuant to section 10.30.140, or such later time as the city may specify or agree shall pay a penalty of \$300.00 plus an amount equal to the delinquent fees found to be owing as a result of the examination or audit of such records. The penalty under this section is in addition to the penalty for delinquent fees, the additional fees found to be owing as a result of the examination or audit of the records and the interest on such delinquent fees.
- E. Upon receipt of any payment for any amount that may be due under this chapter, and notwithstanding any designation of the purpose or statement of intended application of such payment by the registered business submitting payment, the city shall apply such amount first to the oldest penalties that are due until all penalties are paid; it shall then apply the balance to the oldest interest due, until all interest is paid; it shall then apply the balance to the oldest principal due until all fees are paid.

10.30.080 Liens and other costs.

- A. The amount of delinquent fees and penalties shall constitute a lien on real and personal property of the commercial recreation business.
- B. The city may also collect from the owner, operator or agent of the commercial recreation business all expenses that relate to the city's effort to collect, including but not limited to the costs of collection; attorney's fees and costs; recorder's fees; and court costs.
- C. Prior to filing a lien, the city shall cause an additional written notice of intent to file a lien to be mailed by certified mail to the last known address of the owing party. Neither the failure to mail such notice, nor the failure of the owing party to receive such notice invalidates a lien filed by the city.

10.30.090 Civil and criminal actions, payment agreements.

- A. Nothing in this chapter shall be construed to prevent the city from filing and maintaining a civil action to recover any commercial recreational passenger fees, penalties, and interest due.
- B. The finance director may enter into an agreement secured by a confession of judgment or a deed of trust on property with sufficient equity to cover the liability for delinquent fees, interest, and penalties on such payment terms as the finance director finds reasonable; provided, that the terms shall require full payment of all obligations within a maximum period of 24 months from entry of such an agreement, unless a shorter term is required by other provisions of this Code, in which case those provisions shall be followed. The finance director may not enter a repayment agreement with a commercial services business that has been involved in a repayment agreement under this subsection or chapter 3.08 of this code within

the prior five years, or whose principal members have been subject to such an agreement within the prior five years, unless otherwise provided in this Code.

- C. A person convicted of a violation of a provision of this chapter shall be subject to a fine of not more than \$500.00; provided, for a subsequent conviction for a violation of any provision of this chapter that occurs within three years of a prior conviction for a violation of any provision of this chapter, the person shall be subject to a fine of not more than \$1,000.00 and imprisonment for not more than 90 days. Each day upon which a violation continues is a separate violation. The failure or refusal of a person to comply with an order of the finance administrator specifically authorized by this chapter is a violation of a provision of this chapter.

10.30.100 Administration and enforcement.

- A. The finance director may adopt policies, procedures, rules and/or regulations to administer and enforce this chapter.
- B. The finance director shall take all steps necessary and appropriate to administer and enforce this chapter including but not limited to establishing policies, procedures, rules and/or regulations to administer and enforce this chapter, and conducting audits or examinations of the records and books of owners, operators, or agents of commercial recreational conveyances.

10.30.110 Enforcement authority, request for administrative rulings.

- A. The finance director shall enforce the reporting and the fee, penalty and interest payment requirements imposed under this chapter.
- B. Any person who may be obligated to pay the fees under this chapter, or any city official, may apply to the finance director for a determination on the application of this chapter to an actual fact situation. The finance director, with such review and assistance as may be required from the city attorney, shall provide a written interpretation of the applicability of this chapter to the fact situation described. The city shall be bound by a written determination issued under this subsection (B), but only with respect to the person to whom the interpretation is issued, and only for so long as such interpretation has not been revoked, withdrawn or modified and none of the code sections upon which the interpretation is based have been amended or repealed. With the approval of the city attorney, the tax administrator may issue generally applicable rulings and interpretations which shall be effective until revoked, withdrawn or modified and none of the Code sections upon which the ruling or interpretation is based have been amended or repealed.

10.30.120 Protest of fees.

A commercial recreation business may protest the payment of the commercial recreational passenger ground fees charged under this chapter by paying the fees within the time established for payment of the fees and providing the city manager with a written statement of protest specifying the amount of fees paid and the basis for the protest. The city manager's decision regarding the protest shall be in writing and shall be a final decision. Such decision may be appealed to the superior court in the third judicial district for the state of Alaska at Anchorage, Alaska.

10.30.130 Estimate of fees due, audit.

In the event that the city is unable to ascertain the amount of commercial recreational ground passenger fees due because a commercial recreation business has failed to keep accurate records, to allow inspection of records, has failed to submit payment, or has falsified records, then the city shall estimate the fee due based upon any information available to it. The estimate, including interest and penalties due to the date of the estimate, shall become final for the purpose of determining liability of the commercial recreation business 30 calendar days from the date the city mails notice of the estimate to the business unless the business earlier submits payment. If the city audits a registered business following the filing of an estimate under this section by the city, and the audit shows that more fees are due than was set out in the city's estimate, the registered business shall be liable for an audit fee equal to the cost to the city of the audit, in addition to any other penalties or fees due under this chapter.

10.30.140 Audit—Investigation authority, consent to inspection of records.

- A. For the purpose of ascertaining the correctness of fees due the finance director may hold investigations and hearings concerning any matters or records of any registered business, may require the attendance of any registered business, or any officer or employee of a registered business at the hearing and may require production of all relevant business records including but not limited to passenger manifests.
- B. A commercial recreation business that registers with the city under this chapter consents to the inspection of its business records, reports, audits and other records. Upon the written request of the finance director or the finance director's agent, a registered business shall provide all relevant, requested records for examination in Whittier, Alaska, within 15 calendar days or such longer time as may be specified in the written request or as may be agreed upon by the city and the registered business. The city may agree to the production of records at a place other than Whittier and may condition such agreement upon the registered business advancing or reimbursing all expenses, including additional personnel, auditor or investigator expenses, incurred or to be incurred because of the production at a different place.

10.30.150 Confidentiality, exceptions.

- A. Invoices paid in full timely and all data obtained in relation to payments from registered businesses are confidential, and such data obtained therefrom shall be kept from inspection by all private persons. Nothing contained in this section shall be construed to prohibit the audit and investigation by the city as provided under this chapter or of the books and records of any registered business required to pay commercial recreational passenger fees under this chapter.
- B. Nothing contained in this section shall be construed to prohibit the delivery to a person, or his duly authorized representative, of a copy of any data or report filed by him, nor to prohibit the publication of statistics so classified as to prevent the identification of particular buyers or registered businesses.
- C. Nothing contained in this section shall be construed to prohibit the disclosure through enforcement action proceedings or by public inspection or publication of the name, estimated balance due, and current status of payments, and filings of any who fails to pay in full all fees due by the date required under this chapter. Entry into any agreement whether pursuant to the

provisions of this chapter or otherwise shall not act as a prohibition to disclosure of the records of a registered business as otherwise provided in this chapter.

- D. A prospective lessee or purchaser of an accepted business or interest in such business may inquire as to the fee obligations of such business and may receive such confidential information as may be authorized for release in a release of information request signed by the owner or chief executive officer of the registered business.
- E. Notwithstanding any other provision of this section, the city may disclose any information, data or records of a registered business that are in the possession of the city in any civil or criminal action brought by the city in the enforcement of any provision of this chapter.

10.30.160 Transfer of business, successor liability to the city and final accounting.

- A. Any person acquiring an ownership interest in a registered commercial recreation services business or the accounts receivable of a registered business, whether by purchase, assignment, foreclosure, conveyance in lieu of foreclosure, relinquishment, or otherwise, shall be liable for the payment of fees, penalties and interest accrued, accruing, and unpaid to the city on account of the operation of the business by the former owner, owners or assigns. Each person acquiring any interest in an accepted business or the accounts receivable of such a business shall request a statement from the city of the actual and estimated amount of current and past due commercial recreational passenger fees, penalties and interest owed by the business as of the date of the request. The person acquiring the business or accounts receivable shall withhold from the acquisition price and pay over to the city the current fees due and the past due fees, interest and penalty.
- B. The liability of a purchaser or other person acquiring a registered business or the accounts receivable of a registered business for outstanding fees, penalties and interest accrued under this chapter and unpaid by the former owner through the date of the request from the purchaser shall be limited to an amount stated in writing by the city in response to a request from the purchaser for a statement of commercial recreational passenger fee liability.
- C. Fifteen days prior to the sale, lease, or other disposition, or change in ownership interest, other than a transfer or outstanding shares of stock, or upon incorporation of a registered business, the registered business seller shall file a notice with the city together with information identifying the name and address of each person or entity involved in the change, the nature of the change, the effective date of the change, any unpaid fees due under this chapter and an estimate of any additional liability that will accrue by the effective date of the change.

10.30.170 Records, recordkeeping required, loss of records.

- A. Every business submitting the fees established in this chapter shall keep and preserve suitable records of all commercial recreational services provided, purchased or sold and such other records, documents, books or accounts as may be necessary to determine the amounts owed for passenger fees. Every registered business shall preserve suitable records of relevant activities and transactions for a period of six years from the date of the submittal of fees accounting information for the period for which the fees were owing and all such other books,

invoices, manifests and other records as may be necessary to accurately determine the amount of fees which the registered business was obliged to pay under this chapter.

- B. A registered business shall immediately notify the city of any fire, theft or other casualty which prevents compliance with this chapter. The casualty constitutes a defense to any penalty provided in this chapter if determined to be the proximate cause of the failure to comply for a given reporting period, but does not excuse the registered business from liability for fees and interest and for penalty otherwise due. Accidental loss of funds or records is not a defense against the liability for fees required to be paid, interest and penalties under this chapter.

10.30.180 Failure to keep adequate records.

- A. No person may falsify or misrepresent any fact or matter in any statement, application, or other document submitted to the city under this chapter.
- B. No person may falsify any record required to be kept under this chapter. No person may submit or provide falsified or misleading records or other documents to the city or its auditor.
- C. A feepayer may not refuse to allow inspection at reasonable times of records required by this chapter to be kept by the registered business.
- D. Misrepresentation of a fact or a matter occurs and documents are misleading when the representation or information is presented as complete with respect to the subject but additional, undisclosed, relevant facts or information known, or that should be known, to the registered business would cause the person examining the representation or document to understand or interpret the representation, information or document in a manner less favorable to the registered business.

10.30.190 Advance payment of commercial recreational ground passenger fees.

A commercial recreational business may pay the fees imposed in this chapter before the fees would otherwise be due and on an annual or seasonal basis in accordance with the terms, covenants and conditions set forth in a written agreement approved by the city council.

10.30.200 Use of fees.

The fees collected from ground passengers under this chapter shall be deposited in the General Fund and/or General Major Repair and Replacement Fund for the construction, maintenance, and provision of City-owned capital assets, infrastructure, and services benefitting the visitors who pay the fee.

10.30.220 Definitions.

Unless the context clearly indicates that a different meaning is intended, the following words and phrases when used in this chapter shall have the meanings set out in this section:

Calendar year means the year beginning January 1 and ending on December 31 of each year.

City means the City of Whittier in the geographic sense or the administration of the City of Whittier, as appropriate to the context.

Commercial Recreational Business means any person who provides commercial recreational services.

Commercial Recreational Ground Passenger means an individual who is moved aboard a conveyance for compensation by land, including rail transportation, whether the transportation is provided pursuant to a pass, coupon, cash, credit, ticket, voucher, or other instrument, agreement or understanding that entitles the individual to be provided commercial recreational services without regard to the cost to the individual of the instrument, agreement or understanding entitling the individual to the service. The term does not include the owner or operator of the conveyance, crew members, drivers, tour guides or others who are employed by the commercial recreational business and are on duty while being transported with passengers.

Commercial Recreational Services means any service involving the movement of a passenger from one point to another by means of a conveyance, ordinarily for compensation. It includes tours, adventures, shuttles, wildlife and nature viewing trips and other activities in which the movement of passengers is involved. It includes trips in human-powered conveyances conducted by a paid guide, without regard to the ownership of the conveyances, but does not include trips involving conveyances owned by a business and chartered or rented to others if no guide, crew, agent, or employee of the conveyance owner is present to operate the conveyance or to provide the charter party or renter with advice or assistance in operating or navigating the conveyance.

Compensation means payment to a conveyance owner or operator whether by charter or through fares paid by or on behalf of passengers.

Conveyance means any contrivance designed or used for the transportation of individuals from one point to another and includes rail cars, rail flatbeds, high rail, motor vehicles, including automobiles, passenger vans, passenger buses, motorcycles, motorized scooters and bikes, other two-, three-, and four-wheeled vehicles, motorized track-driven vehicles, sleds, trailers and other towed vehicles used for transportation of passengers and other vehicles used to transport passengers whether motor-, human- or animal-powered.

Person means and includes individuals and every organization or entity recognized in law and every group of persons acting as a unit.

Section 2. Classification. This ordinance is a permanent code ordinance.

Section 3. Severability. If any provision of this ordinance or any application thereof to any person or circumstances is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 4. Effective Date. This ordinance shall become effective immediately upon adoption.

**CITY OF WHITTIER, ALASKA
ORDINANCE 2026-003**

Page 10 of 10

Item # 5.

PASSED AND APPROVED by a duly constituted quorum of the Whittier City Council
on this ____ day of _____, 2026.

Victor Shen
Mayor

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Shelby Carlson
Acting City Clerk

(City Seal)

Agenda Statement

Meeting Date: June 16, 2026
To: City Council
Through: Jackie C. Wilde, City Manager
From: Shelby Carlson, Acting City Clerk
Agenda Item: Beautification Grant Awards



BACKGROUND, JUSTIFICATION, & INTENT:

The City of Whittier established the Community Beautification Matching Grant Program to encourage private investment in visible exterior improvements, reduce blight, and support projects that enhance the appearance and character of the community. The program provides matching grant funding for eligible beautification projects, with applications reviewed and scored by the Council's Beautification Grant Committee.

At its meeting on Tuesday, June 2, the Council's Beautification Grant Committee reviewed six applications submitted under the program. Following review and scoring, the Committee selected all six applications for approval and recommends awarding grant funds in the total amount of \$17,864.80. These awards are expected to leverage approximately \$62,000 or more in private funding toward community beautification improvements.

Because the recommended awards do not exhaust the full amount of funding available for the program, Administration intends to re-open the application period for the remaining funds. Re-opening the application period will allow additional property owners or businesses an opportunity to participate in the program and further advance the City's beautification goals.

CONSISTENCY CHECKLIST:

	Yes	No	N/A
1. Legislative Priorities	☐	☒	☐
2. Comprehensive Plan: 2.1.3.3, "Create incentives for private land/leaseholders to participate in beautification and clean-up efforts"	☒	☐	☐
3. Whittier Code	☐	☒	☐
4. Other: Resolution 2026-014, Establishing Beautification Matching Grant Program	☒	☐	☐

FISCAL NOTE: Fiscal note to be provided verbally.

ATTORNEY REVIEW: ☐ Yes ☐ No ☒ Not Applicable

RECOMMENDATION: Administration recommends approval of Resolution 2026-030.

Sponsored by: Wilde

**CITY OF WHITTIER, ALASKA
RESOLUTION 2026-030**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA,
APPROVING THE COMMUNITY BEAUTIFICATION MATCHING GRANT AWARDS
RECOMMENDED BY THE COUNCIL BEAUTIFICATION GRANT COMMITTEE**

WHEREAS, the City of Whittier established the Community Beautification Matching Grant Program to encourage private investment in visible exterior improvements, reduce blight, and support projects that enhance the appearance and character of the community; and

WHEREAS, the City Council allocated funding for the Community Beautification Matching Grant Program in the amount of \$25,000; and

WHEREAS, the program provides matching grant funding for eligible beautification projects, subject to review and scoring by the Council Beautification Grant Committee and final approval by the City Council; and

WHEREAS, the initial application period opened on April 24, 2026 and closed on May 22, 2026; and

WHEREAS, the City received six applications during the initial application period; and

WHEREAS, on Tuesday, June 2, 2026, the Council Beautification Grant Committee met to review and score the six applications received; and

WHEREAS, following review and scoring, the Council Beautification Grant Committee selected all six applications for recommended approval; and

WHEREAS, the total recommended grant award amount is \$17,864.80; and

WHEREAS, the recommended awards are anticipated to leverage over \$150,000 in private funding for beautification improvements within the City.

NOW, THEREFORE, THE WHITTIER CITY COUNCIL HEREBY RESOLVES:

Section 1. The City Council hereby approves the Community Beautification Matching Grant awards recommended by the Council Beautification Grant Committee, as follows:

CITY OF WHITTIER, ALASKA
RESOLUTION 2026-030

Page 2 of 2

Item # 6.

Applicant/Project	Project Location	Total Project Cost	Recommended Grant Award
Phillips Cruises & Tours, LLC	271 Harbor View Drive	\$34,522.00	\$5,000.00
Alaska Jet Ski Tours	236 Harbor Triangle Road	\$1,200.00	\$600.00
Alaska Wild Seafoods, LLC	310 Whittier Street	\$100,000.00	\$5,000.00
Prince William Sound Salt Company	232 Harbor Triangle Road	\$3,150.00	\$1,575.00
Anchor Inn	395 Whittier Street	\$1,379.60	\$689.80
Oceanfront Café	212 Harbor Triangle Road	\$12,625.00	\$5,000.00

Section 2. The total amount approved for award under this Resolution shall not exceed \$17,864.80.

Section 3. Administration is authorized to issue award notices, prepare and execute any necessary grant documents or agreements, and administer the approved awards consistent with the Community Beautification Matching Grant Program requirements.

Section 4. This resolution shall be effective immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the Whittier City Council on this _____ day of _____, 2026.

Victor Shen
Mayor

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Shelby Carlson
Acting City Clerk

(City Seal)

EXHIBIT A
Community Beautification Matching Grant Program
Recommended Awards

The Council Beautification Grant Committee reviewed six applications submitted under the Community Beautification Matching Grant Program at its meeting on Tuesday, June 2, 2026. Following review and scoring, the Committee selected all six applications for recommended approval. The total recommended grant award amount is **\$17,864.80**.

Applicant / Business	Project Location	Project Title	Reported Total Project Cost	Recommended Grant Award
Phillips Cruises & Tours, LLC	271 Harbor View Drive	Clean Up and Exterior Blight Removal	\$34,522.00	\$5,000.00
Project Summary	Demolition and removal of an existing deteriorated structure, associated foundation/supports, and demolition debris in a highly visible commercial/harbor area. The project includes harbor protection barriers, debris disposal, site clean-up, and safe sloping/compaction of the demolition area.			
Alaska Jet Ski Tours	236 Harbor Triangle Road	Flower Bed	\$1,200.00	\$600.00
Project Summary	Installation of topsoil, seasonal flowers, hanging baskets, and repairs/reinforcement to bench seating near the front flower bed. The project is intended to improve the pedestrian experience and create a more finished, welcoming appearance along the triangle.			
Alaska Wild Seafoods, LLC	310 Whittier Street	Landscaping – P12 Building	\$100,000.00	\$5,000.00
Project Summary	Exterior cleanup and landscaping improvements, including removal of debris and dead vegetation, site preparation, ground cover, shrubs, flowers, seasonal plantings, drainage-related improvements, and general curb appeal enhancements around the P12 building.			

Applicant / Business	Project Location	Project Title	Reported Total Project Cost	Recommended Grant Award
Prince William Sound Salt Company	232 Harbor Triangle Road	Upgrade Permanent Signage	\$3,150.00	\$1,575.00
Project Summary	Replacement of existing two-dimensional building signage with a custom powder-coated aluminum three-dimensional sign designed to improve visibility, customer wayfinding, and the appearance of the building from the harbor area.			
Anchor Inn	395 Whittier Street	Anchor Inn Restaurant Signage Repair – Letter C	\$1,379.60	\$689.80
Project Summary	Repair of damaged exterior building signage, including fabrication and replacement of the damaged letter “C,” re-fastening of sagging or peeling letters, and cleaning/conditioning of existing signage to restore the building’s historic post-Army appearance.			
Whittier Oceanfront Café	212 Harbor Triangle Road	Signage and Enclosure of Storage Area	\$12,625.00	\$5,000.00
Project Summary	Installation of building signage, enclosure of the rear storage area, removal of an old shed, and related exterior improvements and landscaping to create a more uniform and visually attractive appearance in a high-traffic area.			

Total Reported Project Costs: \$170,741.40

Total Recommended Grant Awards: \$17,864.80

Estimated Applicant Contribution / Private Match: \$152,876.60

Agenda Statement

Meeting Date: June 16, 2026
To: City Council
Through: Jackie C. Wilde, City Manager
From: Shelby Carlson, Assistant City Manager
Agenda Item: Adopting Standardized Lease Templates



BACKGROUND, JUSTIFICATION, & INTENT:

Whittier Municipal Code Section 3.38.340 directs the City Manager to develop standardized lease templates for ground leases, subleases of third-party property, and leases of space in City-owned buildings, subject to review by the City Attorney and approval by the City Council.

Historically, the City has utilized a variety of lease formats with inconsistent provisions, which has created administrative inefficiencies and uncertainty in enforcement. Standardized lease templates establish consistent baseline terms and conditions, improve clarity for lessees, and strengthen the City's ability to manage and enforce lease obligations fairly and uniformly.

The templates attached as Exhibits A–C have been developed to reflect current code requirements and best practices, and have been reviewed by the City Attorney for legal sufficiency.

Adoption of these templates does not approve any specific lease agreement. Pursuant to Section 3.38.350, all leases will continue to require Council approval by resolution unless expressly exempted under the short-term lease provisions of the Code.

CONSISTENCY CHECKLIST:

	Yes	No	N/A
1. Legislative Priorities	☐	☒	☐
2. Comprehensive Plan: <i>Action Plan Item 5.1.2.3, Make leases uniform to ensure ease in enforcement and business understanding.</i>	☒	☐	☐
3. Whittier Code: 3.38, <i>Lease of City Lands</i>	☒	☐	☐
4. Other	☐	☐	☒

FISCAL NOTE: Fiscal note to be provided verbally.

ATTORNEY REVIEW: ☒ Yes ☐ No ☐ Not Applicable

RECOMMENDATION: Approve Resolution 2026-031, adopting the standardized lease templates.

Sponsored by: Wilde

**CITY OF WHITTIER, ALASKA
RESOLUTION 2026-031**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA,
ADOPTING STANDARDIZED LEASE TEMPLATES PURSUANT TO WHITTIER
MUNICIPAL CODE SECTION 3.38.340**

WHEREAS, Section 3.38.340 of the Whittier Municipal Code directs the City Manager to develop standardized lease templates for use in leasing City-owned property and related interests; and

WHEREAS, Section 3.38.340 requires that such standardized lease documents be reviewed by the City Attorney and approved by the City Council; and

WHEREAS, Section 3.38.350 of the Whittier Municipal Code requires that all leases be approved by Council via resolution, except as otherwise provided for short-term leases; and

WHEREAS, the adoption of standardized lease templates establishes consistent baseline terms but does not authorize the execution of any specific lease; and

WHEREAS, the City Manager has developed the required standardized lease templates, and the City Attorney has reviewed them for legal sufficiency.

NOW, THEREFORE, THE WHITTIER CITY COUNCIL HEREBY RESOLVES:

Section 1. Adoption of Standardized Lease Templates. Pursuant to Whittier Municipal Code Section 3.38.340, the City Council hereby adopts the following standardized lease templates, attached hereto and incorporated by reference as exhibits:

- Exhibit A – Standardized Ground Lease Template
- Exhibit B – Standardized Sublease Template
- Exhibit C – Standardized Building Lease Template

Section 2. Use of Standardized Lease Templates. The City Manager is authorized and directed to utilize the adopted standardized lease templates for applicable leases of City-owned property, subleases of third-party property, and leases of space in City-owned buildings.

Section 3. This resolution shall be effective immediately upon adoption.

**CITY OF WHITTIER, ALASKA
RESOLUTION 2026-031**

Page 2 of 2

Item # 7.

PASSED AND APPROVED by a duly constituted quorum of the Whittier City Council
on this _____ day of _____, 2026.

Victor Shen
Mayor

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Shelby Carlson
Acting City Clerk

(City Seal)

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

**GROUND LEASE TEMPLATE (CITY LANDS)
FOR WHITTIER _____, LOT _____, AREA _____**

THIS LEASE AGREEMENT (“Lease”) is made this ____ day of _____, 20__ (the “Commencement Date”), by and between the **CITY OF WHITTIER**, P.O. Box 608, Whittier, Alaska 99693, hereinafter called “**Lessor**” and **[Name of Lessee]**, d/b/a “**[Name of Business]**”, **[Business Entity Mailing Address]**, hereinafter called “**Lessee**”, hereinafter collectively called “the Parties”.

WHEREAS, Lessor owns certain lands located in the City of Whittier, hereinafter defined as the Leased Premises;

WHEREAS, the City and Lessee desire to enter into a ground lease for the Leased Premises on the terms set forth in this Lease.

NOW THEREFORE, in consideration of the mutual promises contained herein, and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. PREMISES.

A. Lessor, for and in consideration of the rents, covenants and conditions hereinafter specified to be paid, performed and observed by Lessee, does hereby let, lease, and demise to Lessee that certain real property hereinafter called “Leased Premises” or “Premises” situated at _____, Whittier, Alaska, and legally described as follows:

[Property Description]

This Lease is for land only and not for any improvements situated thereon, which improvements shall remain the property of Lessees.

B. By taking possession of the Leased Premises at the commencement of the Term, Lessee shall be deemed to have (i) accepted the Premises in its “AS-IS” and “WHERE IS” condition, with all faults, without representation or warranty of any kind, express or implied; and (ii) acknowledged and agreed that the Leased Premises is suitable for Lessee’s intended purposes, in satisfactory condition and repair, and that any improvements made on or after the Commencement Date shall be at the sole cost and expense of the Lessee and subject to Lessor’s prior written approval.

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2. ENCUMBRANCES. The above-described Premises is leased subject to any existing deed restrictions, easements and rights-of-way, or other recorded liens or other encumbrances of record affecting the Premises as of the Effective Date, if any, as well as any zoning and building restrictions and government regulations now in effect or hereinafter adopted by any governmental authority.

3. TERM. The term of this Lease shall commence on the Commencement Date, and shall expire at midnight on [MM/DD/YYYY] (hereinafter “Lease Term” or “Term”) unless earlier terminated as provided herein. At the expiration of the initial Lease Term, and subject to the requirements of the Whittier Municipal Code (“WMC”) Section 3.38.460, entitled “Options to Renew”, as that section may be amended, renumbered or renamed from time to time, Lessee shall have the right to extend and renew the Lease for [insert number of options] (___) successive [insert duration of each option period] (___)-year option periods (each an “option period”) provided that:

A. Lessee must not be in default under the Lease and must give Landlord written notice of its election to extend the Lease, which shall be received by Lessor not less than one hundred eighty (180) days prior to the beginning of each such option period; otherwise, such option, and any successive option(s), if any, shall terminate and be null and void. For purposes of clarity, and avoidance of doubt, Lessee’s notice of its exercise of an option to extend this Lease shall not be effective until Landlord actually receives the notice;

B. The City Manager determines in writing that the Lessee is in full compliance with the terms of the Lease at the time of renewal; and,

C. The City Council, at the time the option is exercised, approves the renewal by resolution or ordinance.

The Lessor reserves the right to renegotiate Lease terms at the end of the original initial Lease Term. Renewals shall be subject to review and approval as provided in the WMC.

4. INITIAL RENTAL RATE. Commencing on the Commencement Date of this Lease, and until the first Rent Adjustment Date, the annual base rental rate (hereinafter “Rent”) for the Leased Premises shall be set at \$___ (\$___/month). Thereafter, Lessee agrees to pay base Rent based on a fixed monthly lease fee of 1/12 of a rate established by professional appraisal of ten percent (10%) of fair market value (hereinafter “FMV”). Rent shall be payable in advance on the first day of each calendar month without notice on demand. In the event any payment of Rent shall not be paid on, or before, five (5)

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days following the due date as provided in this Section, the delinquent amount shall be due together with interest on the delinquent amount accruing at the rate of ten and a half percent (10.5%) per diem, or the maximum legal rate of interest permitted by law if less, from the due date until the date of the payment. Rent shall not be withheld in whole or in part because of an offset or counterclaim by the Lessee.

5. FAIR MARKET VALUE (FMV) ADJUSTMENT. The annual base Rent payment shall be adjusted on [XX/XX/XXXX] and on the same date every five (5) years thereafter (hereinafter each “Rental Adjustment Date”); provided, however in no case shall the adjusted annual base Rent be less than the rental rate in effect on the day prior to the Rent Adjustment Date. The adjusted annual base Rent payment to be paid under the terms of this Lease shall be the appraised FMV of the leased land at the highest and best use of the Leased Premises. The highest and best use of the Leased Premises shall be determined without regard to Lessee’s intended or actual use of the Leased Premises unless that use is coincidentally the highest and best use of the Leased Premises.

Lessor shall complete such appraisal by [Month DD] of the year prior to the Rental Adjustment Date and deliver a copy of the appraisal report to Lessee not less than ninety (90) days before each Rental Adjustment Date. Within thirty (30) days after receipt of the Lessor’s appraisal, Lessee(s) shall notify Lessor that they either accept or reject the appraisal. If accepted, the adjusted Rent will be calculated effective January 1st. If rejected, the Objection Procedure in Section 6 will be followed.

6. PROCEDURE FOR FMV ADJUSTMENTS; OBJECTIONS.

A. Adjustment Procedure. To adjust the base Rent on any Rental Adjustment Date, the Lessor shall, at its own expense, retain an independent State of Alaska certified Member Appraisal Institute (hereinafter “MAI”) appraiser, who shall determine the FMV of the Leased Premises, exclusive of improvements placed thereon by Lessee at any time but inclusive of all improvements made by the Lessor (including those made by the Lessor before or subsequent to this Lease). The appraiser’s report shall be delivered to Lessee not less than ninety (90) days before the Rental Adjustment Date. Within thirty (30) days after receipt of the Lessor’s appraisal, Lessee(s) shall notify Lessor that they either accept or reject the appraisal. If accepted, the adjusted Rent will be calculated effective [Month Date]. If Lessee timely rejects or objects to the appraisal, the objection procedure in Section 6(B) shall be followed. If Lessee fails to timely reject or object to the appraisal, the appraiser’s determination of Fair Market Rental Value of the Leased Premises shall constitute a final binding determination of the Fair Market Rental Value and the adjusted annual Rent rate until the next Rental Adjustment Date.

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B. Objection Procedure. If the Lessee objects to the Lessor's appraiser's determination of the Fair Market Rental Value, Lessee shall give written notice to the Lessor of Lessee's objection not less than thirty (30) days after receipt of the appraiser's report, and Lessee shall then engage an independent State of Alaska certified MAI appraiser at Lessee's expense to make an appraisal of the Fair Market Rental Value.

If Lessee's appraisal determines a Fair Market Rental Value that varies from that determined by the Lessor's appraisal by no more than twenty percent (20%), then the adjusted Rent rate shall be the average of the rental rates determined by the two appraisals. If Lessee's appraisal determines a Fair Market Rental Value that varies from the Lessor's appraisal by more than twenty percent (20%), then, unless the Lessor and Lessee agree on a rate themselves, the adjusted annual Rent rate of the Leased Premises shall be determined in accordance with the Arbitration Clause contained in this Lease.

Notwithstanding the above, the exercise by either the Lessor or the Lessee of the Objection Procedure relating to the Rent adjustment described in this Section shall not postpone Lessee's obligation to pay Rent at the rate established by the Lessor. Lessee shall pay the amount of Rent established or adjusted by the Lessor until the question of objection to the adjusted Rent rate is finally resolved. At such time the objection to the adjusted Rent rate is resolved, an appropriate credit or adjustment shall be made retroactive to the date of the adjusted Rent rate was established by the Lessor or in cases where the Lessor failed to obtain an appraisal or deliver the appraisal report to the Lessee, to the Rental Adjustment Date.

If, for any reason, the Lessor does not complete the appraisal or deliver a copy of the appraisal report to Lessee at least ninety (90) days before the Rental Adjustment Date, the Lessor may proceed to complete the appraisal or deliver a copy of the appraisal report to the Lessee at any time thereafter. However, any such adjusted annual Rent rate shall not be effective until the quarterly payment due date immediately following the date of the Lessor delivers the appraisal report to Lessee.

7. CONSUMER PRICE INDEX (CPI) ADJUSTMENT. For each year, the annual Rent payment shall be increased beginning January 1st in an amount that reflects the increase, if any, in the cost of living for the previous full year as stated in the Consumer Price Index, All Urban Consumers, Anchorage, Alaska Area, All Items 1967=100 (hereinafter "CPI"), as published by the United States Department of Labor, Bureau of Labor Statistics for the most recent period. In no event shall the Rent be less than the Rent in effect for the previous year. If the CPI is revised or ceases to be published, the Lessor shall instead use such revised or other index as most nearly approximates the

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CPI for the relevant period and make whatever adjustment in its application as may be necessary, in the Lessor's sole discretion, to accomplish as nearly the same result as if the CPI had not been revised or ceased to be published.

8. USE OF PREMISES AND PERFORMANCE REQUIREMENTS.

A. Permitted Use. Lessee's use of the premises shall be for [use of premises]. Lessee covenants the Leased Premises will be used only for the purposes directly related to the use stated above and related activities thereto and no other use whatsoever shall be made of the Leased Premises. If Lessee desires to change the nature of its business on a going-forward basis, the Lessee must give the Lessor written notice to allow the Lessor to set a time in which to meet with Lessee to renegotiate the terms of this Lease.

B. No Nuisance. The Lessee further covenants Lessee will neither cause, nor maintain nor permit any public or private nuisance to exist on the Leased Premises, nor will Lessee fail to maintain the land in an orderly, neat, and clean condition, free of hazard and nuisance. Trash, debris, unusable machinery, etc., will be disposed of as soon as practical. Building materials and supplies, will be neatly stacked and/or stored. Lessee shall not permit storage of any equipment or material on the Leased Premises not directly related to the business of Lessee.

C. Continuous Operation; Landlord's Recapture Right. If, at any time during the term of the Lease, Lessee fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more during a calendar year, then upon notice from Lessor to Lessee at any time thereafter (provided that the Operating Condition remains unsatisfied), Lessor shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Lessee, effective upon the date set forth in Lessor's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as [INSERT PERMITTED USE] in accordance with the Lease, at least on [such days and at such times that similarly situated businesses are open and operating].

The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or

Exhibit A – Resolution 2026-031

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other casualty) provided that Lessee (A) prosecutes such work to completion with reasonable diligence, and (B) exercises its reasonable efforts to minimize the length of time of such closure; (ii) periods when Lessee cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Lessee in its sole discretion elects not to operate its business in the Leased Premises.

9. LESSOR COSTS. Lessee will be assessed and shall pay, as additional rent, any attorney fees, survey and platting fees, and all other costs incurred by the Lessor in connection with negotiating and entering into the Lease, and in connection with any renewal(s) of the Lease or amendments. The Lessor will pro-rate and include these costs in the Lease rate for the first twenty-four (24) months of the first five-year period of the Lease (or during the first twenty-four (24) months of any five-year renewal period). In connection with an amendment(s), Lessee shall pay such costs within thirty (30) days of a written demand from Lessor.

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

11. CARE OF PREMISES. Lessee shall, at its own cost and expense, keep the Leased Premises and all improvements which, at any time during the term of this Lease, may be situated thereon, in good condition and repair during the entire term of this Lease, including any renewal term. In addition, Lessee shall promptly repair, in a good and workmanlike manner, any damage to the Premises or any improvements. If Lessee fails to do so or reasonably commence to do within fifteen (15) days' written notice, Lessor shall have the right to repair any such damage and Lessee shall pay to Lessor, as additional Rent, the cost of all such repairs, which shall be paid within ten (10) days of the date of any invoice from Lessor for such repair costs.

12. COMPLIANCE WITH LAWS; ENVIRONMENTAL PROVISIONS.

A. General Compliance.

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i. Lessee shall comply with all applicable laws, ordinances and regulations of duly constituted public authorities now or hereafter enacted in any manner affecting the Premises or the sidewalks, alleys, streets and rights-of-way adjacent thereto or any buildings, structures, fixtures and improvements or the use thereof, whether or not any such laws, ordinances or regulations, which may be hereafter enacted, involve a change of policy on the part of the governmental body enacting the same.

ii. Lessee agrees to defend, indemnify and hold Lessor harmless (a) for the consequences of any violation of such laws, ordinances and/or regulations and (b) from and against all claims for damages on account of injuries, death or property damage resulting from such violation. Lessee further agrees that they will not permit any unlawful occupation, business or trade to be conducted on said Premises or any use to be made thereof contrary to any law, ordinance or regulation as aforesaid with respect thereto.

B. Environmental Provisions.

i. Definitions: For purposes of this Section:

(a) “Environmental Requirement” shall mean any law, regulation, or legal requirement relating to health, safety, or the environment, now in effect or hereinafter enacted, including but not limited to the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), the Toxic Substances Control Act (TSCA), the Federal Insecticide Fungicide and Rodenticide Act (FIFRA), the Resource Conservation and Recovery Act (RCRA), the Clean Air Act (CAA) and the Clean Water Act (CWA), the Occupational Safety and Health Act (OSHA) and all similar state and local laws, rules, regulations, and guidance, now in existence or hereinafter enacted, as each such law, rule, or regulation may be amended, modified or renamed from time to time.

(b) “Environmental Hazard” shall mean Hazardous Materials (as defined hereinafter), or the storage, handling, production, disposal, treatment, or release thereof.

(c) “Hazardous Material” shall mean

(i) any hazardous waste, any extremely hazardous waste, or any restricted hazardous waste, or words of similar import, as defined in the Resource Conservation and Recovery Act (42 USC §6901 *et seq.*

Exhibit A – Resolution 2026-031

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(ii) any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act (42 USC §9601 *et seq.*)

(iii) any toxic substances as defined in the Toxic Substances Control Act (15 USC §2601 *et seq.* any pollutant as defined in the Clean Water Act (33 USC §1251 *et seq.*)

(iv) gasoline, petroleum, or other hydrocarbon products or by-products

(v) asbestos

(vi) any other materials, substances, or wastes subject to environmental regulation under any applicable federal, state, or local law, regulation, or ordinance now or hereafter in effect

(d) “Environmental Liabilities” shall mean any liability, penalties, fines, forfeitures, demands, damages, losses, claims, causes of action, suits, judgments, and costs and expenses incidental thereto (including cost of defense, settlement, reasonable attorneys' fees, reasonable consultant fees, and reasonable expert fees), arising from or based on environmental contamination or the threat of environmental contamination, or noncompliance, or violation of, any Environmental Requirement and shall include, but not be limited to, liability arising from:

(i) any governmental action, order, directive, administrative proceeding, or ruling;

(ii) personal or bodily injuries (including death) or damages to any property (including loss of use) or natural resources;

(iii) any Environmental Release; or

(iv) clean-up, remediation, investigation, monitoring, or other response action.

(e) “Environmental Release” shall mean any actual or threatened release, spill, leak, discharge, injection, disposal, or emission of any Hazardous materials into the environment.

Exhibit A – Resolution 2026-031

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ii. At all times during the term of the Lease, Lessee shall conduct its activities at the Premises, and shall ensure that any invitee of Lessee conducts its activities at the Premises in strict compliance with all applicable Environmental Requirements.

iii. Notwithstanding any other provision of this Lease, Lessee agrees to indemnify and hold harmless Lessor, Lessor's successors and assigns, and Lessor's present and future officers, directors, employees, and agents, (collectively "Lessors Indemnitees") from and against any and all Environmental Liabilities, which Lessor or any or all of the Lessors Indemnitees, may hereafter suffer, incur, be responsible for, or disburse as a result of any Environmental Requirement or any Environmental Hazard on, at or from the Premises to the extent caused by or attributable to Lessee or Lessee's activities, or by any invitee of Lessee or by the activities of any invitee of Lessee.

iv. The provisions of this Section shall survive the expiration or termination of this Lease.

13. TAXES AND UTILITIES. Lessee shall bear sole responsibility for and shall pay all assessments, fees, taxes (including, but not limited to real estate tax, personal property tax, sales tax, or any other tax imposed by the City) and/or charges of every kind and character imposed upon the Leased Premises or as a result of Lessee's operations under this Lease. Lessee shall also pay for all utilities furnished for its use in conjunction with the Premises, if any, including, but no limited to, power, garbage, fuel, heat, water, snow plowing and snow storage and removal and should it become necessary at any time to make installation for the purpose of furnishing said utilities, the costs thereof shall be borne exclusively by Lessee. All payments described in this Section shall be paid in full when due.

All utility use rates as established by ordinance or resolution of the City Council will be borne by the Lessee. This includes the cost of hooking up from the lot line. Electrical meters, stands, and source boxes are Lessee's responsibility.

14. IMPROVEMENTS AND ALTERATIONS. Construction of any improvements shall not be permitted without prior review and approval of construction plans by the City Manager (or other designated City representative), and only after all applicable permits and approvals have been secured and all legal requirements have been met. After the initial construction of any improvements Lessee shall have the right, from time to time, to make all such alterations and improvements to the Leased Premises as shall be reasonably necessary or appropriate in the Lessee's judgment, provided that

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Lessor determines, in its sole discretion, that the alteration or improvement is consistent with the WMC, this Lease and the use(s) permitted under this Lease. Prior to making any alteration, improvement, addition or change of the Leased Premises, the Lessee shall notify the Lessor in writing, and shall not undertake such alterations or improvements without first obtaining the Lessor's prior approval in writing.

15. REMOVAL OF FIXTURES AND IMPROVEMENTS: POTENTIAL HARBOR EXPANSION OR RENOVATION.

A. Upon abandonment, default, termination, revocation, expiration or cancellation of this Lease, the Lessee shall remove, within thirty (30) days, all structures and improvements, except those owned by Lessor, and shall restore the Premises, unless otherwise agreed upon in writing or in this Lease, to the condition which existed on the site prior to the Commencement Date of this Lease, at its sole cost and expense. If the Lessee fails to remove any such structures or improvements within thirty (30) days, such structures or improvements shall become the property of the Lessor, at its option, and without any obligation to pay therefore; provided, however, that will not relieve the Lessee of liability for the cost of its removal and restoration of the Premises. If Lessor elects to retain the structures or improvements, Lessee agrees to execute and deliver documents reasonably requested by Lessor to evidence a transfer of title to Lessor. The obligations imposed by this Section survive the expiration, or earlier termination or cancellation of this Lease.

B. In the event Lessor requires use of the Leased Premises for a harbor expansion, and so notifies Lessee in writing of the required relocation of its business and operations conducted pursuant to this Lease at such other reasonable location determined by Lessor, then Lessee shall remove all fixtures and improvements to the new location within ninety (90) days, or such other reasonable time period specified by Lessor. In that event, this lease shall continue in effect at the new premises for its duration, and the lease modified accordingly.

16. INSURANCE. Lessee shall procure and maintain general comprehensive liability insurance coverage in an amount of not less than Two Million Dollars (\$2,000,000.00) to cover any risk which may arise by Lessee's use of the Leased Premises. The coverage shall extend to property damage and bodily injury or death arising out of Lessee's activities under the Lease, including, but not limited to, the occupancy or use of the land and construction, maintenance and operation of the structures, facilities or equipment by Lessee.

Exhibit A – Resolution 2026-031

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[Optional Provisions where applicable] - Should Lessee dispense alcoholic beverages on the Leased Premises with a full service beverage dispensary or similar license, as authorized by the appropriate regulatory agencies, Lessee shall obtain comprehensive liability insurance in an amount not less than Three Million Dollars (\$3,000,000.00) covering property damage and bodily injury or death arising out of Lessee's operations, including, but not limited to, the selling or dispensing of said alcoholic beverages from the Leased Premises.]

[Optional Provisions where applicable] - Should Lessee dispense alcoholic beverages on the Leased Premises with a restaurant or eating place license, as authorized by the appropriate regulatory agencies, Lessee shall obtain comprehensive liability insurance in an amount not less than One Million Dollars (\$1,000,000.00) covering property damage and bodily injury or death arising out of Lessee's operations, including, but not limited to, the dispensing of said alcoholic beverages from the Leased Premises.]

[Optional Provision Where Applicable] – Should the Lessor determine that the Lessee engages in activities which could potentially have a significant risk of environmental contamination, a provision should be added requiring that the Lessee shall obtain not less than Two Million Dollars (2,000,000.00) in environmental impact insurance and environmental impact insurance and environmental clean-up policy, or the equivalent, subject to the review and approval by the City Manager of the City of Whittier (the "City Manager").]

Such other policies of insurance in such types and amounts as Lessor may reasonably request during the Term.

All such insurance coverage required under this Section shall be issued by insurance companies reasonably acceptable to the Lessor, and shall name Lessor as additional insured and provide for specific coverage of Lessee's contractually assumed obligation to indemnify the Lessor. All insurance policies shall be written as primary policies and shall not be contributing with or be in excess of any coverage that Lessor may carry. Lessee shall furnish copies of certificates evidencing insurance coverage of the Leased Premises prior to execution of this Lease, and annually thereafter, and upon any change in insurance provider or insurance coverage. The insurance policies required by this Section shall contain a specific provision or rider providing that coverage will not be cancelled or provisions changed or deleted without first providing thirty (30) days' written notice to the Lessor. The amounts of insurance shall be adjusted and increased periodically by Lessor during the Term of the Lease to account for changing market and economic conditions.

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17. LIENS. Lessee will not permit any mechanics, labor or materialman liens to stand against the Leased Premises for any labor or material furnished to Lessee or claimed to have been furnished to Lessee, or to Lessee's agents, contractors or sublessee, in connection with work of any character performed or claimed to have been performed on said premises or improvements by or at the direction or sufferance of Lessee, provided however, that Lessee shall have the right to contest the validity or amount of any such lien or claimed lien. In the event of such contest, Lessee shall give to Lessor reasonable security as may be demanded by Lessor to insure payment thereof, and prevent any sale, foreclosure or forfeiture of the Premises or improvements by reason of such non-payment. Lessee will immediately pay a judgment rendered with all proper costs and charges, and shall have such liens released or judgments satisfied at Lessee's own expense. Landlord shall have the right to enter the Premises and post notices of non-responsibility.

18. INDEMNIFICATION. Lessee shall defend, indemnify and hold the Lessor and its authorized representatives, agents, officers, and employees harmless from and against any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) resulting from, arising out of, or related to Lessee's occupation or use of the Premises or the occupation or use of the Premises by Lessee's employees, agents, servants, customers, contractors, subcontractors, permitted sub-lessees or invitees, including but not limited to all claims and demands arising out of any labor performed, materials furnished, or obligations incurred in connection with any improvements, repairs, or alterations constructed or made on the Premises and the cost of defending against such claims, including reasonable attorney fees. In the event that such a lien is recorded against the Premises, Lessee shall, at Lessee's sole expense within ninety (90) days after being served with written notice thereof, protect the Lessor against said lien by filing a lien release bond or causing the release of such lien, and providing the Lessor with proof of the same. The indemnities provided by this Section shall survive termination of this Lease.

19. CONDEMNATION. If the whole or any part of the Leased Premises shall be taken for any public or quasi-public use, under any statute or by right or eminent domain or private purchase in lieu thereof, by public body invested with the power of eminent domain, then, when possession shall be taken thereunder of the Leased Premises, or any part thereof, the following provisions shall be operative.

A. **Taking of all Premises.** The Term herein demised and all rights of Lessee hereunder shall immediately cease and terminate and the rent shall be adjusted

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as of the time of such termination so that Lessee shall pay rent up to the time of taking only; provided, however, that Lessee shall be entitled to that portion of the award attributable to the value of the buildings or improvements put up by Lessee with its own funds.

B. Taking of Substantial Part of Premises. If the taking reduces the ground area of the Leased Premises by at least fifty percent (50%) and materially affects the use being made by the Lessee of the demised premises, Lessee shall have the right, by written notice to Lessor, through certified mail, no later than thirty (30) days after possession shall be taken, to elect to terminate this Lease. If the election to terminate is made, the provision of (a) of this Section relating to the taking of the whole shall govern. If election to terminate is not made or if there is a taking of an insubstantial part of the Premises, the following shall govern: (1) the Lease shall continue; (2) the Lessor shall be entitled to the full condemnation proceeds except the portion thereof attributable to the value of the buildings or improvements put up by Lessee; and (3) Rent shall remain the same.

20. ASSUMPTION OF RISK. The Premises is located on or near tidelands owned by the City. Tsunami, rising waters, high winds, earthquakes and other hazards are natural phenomena or acts of god in the area that present risks which the Lessee knowingly and intentionally assumes.

21. SIGNAGE. No signs or advertising devices shall be erected on the area covered by this Lease without prior approval of Lessor, as to location, size, color and message. All signage shall conform with the requirements of the WMC. Erected signs shall be maintained or renewed as necessary to neat and presentable standards and said signs shall relate directly to the business of Lessee.

22. QUIET ENJOYMENT. Provided Lessee is not in default hereunder, Lessor covenants that Lessee shall have peaceful and quiet enjoyment of the Leased Premises without hindrance on the part of the Lessor, and the Lessor will warrant and defend Lessee in the peaceful and quiet enjoyment of the Leased Premises.

23. NOTICES. All notices or other communications required or permitted under this Lease shall be in writing and shall be transmitted: by personal (hand) delivery, with written record of delivery made contemporaneous to the delivery (which may be made by the sender); by electronic mail (e-mail), with electronic confirmation of delivery generated by the receiving computer system; by registered or certified mail, return receipt requested; or by a commercial courier service that maintains a written record of delivery.

Exhibit A – Resolution 2026-031

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Until changed as provided for herein, all such notices shall be sent to the following respective addresses:

Lessor:

City of Whittier
Attn: City Manager
P.O. Box 608
Whittier, AK 99693

Lessee:

[Lessee Name]
Attn: [Business Entity Name]
[Business Entity Mailing Address]
[Business Entity Email Address]

A notice shall be effective and deemed delivered: (i) if by personal delivery or commercial courier service, on the date of delivery if delivered during normal business hours or on the next business day following delivery if delivered after normal business hours; (ii) if by electronic mail, on the day sent if sent before or during normal business hours, and on the next business day if sent after normal business hours; and (iii) if by mail, three (3) days after mailed.

24. DEFAULT.

A. Default Defined. Each of the following events shall be deemed a default by Lessee and a material breach of this Lease:

1. Failure to pay the Rent, Additional Rent, or any other payment provided or required in this Lease, or any part thereof, for a period of ten (10) days after it is due;
2. Failure to provide or maintain in effect insurance in compliance with Section 17 of this Lease;
3. Failure to do, observe, keep, or perform any other term, covenant, condition, agreement, or provision contained in this Lease for a period of thirty (30) days after written notice of such failure is sent by Lessor, or, in the case of a default not reasonably susceptible of being cured within thirty (30) days (which does not include any default which may be cured by the payment of money), failure to commence promptly and proceed diligently and in good faith to cure within a total of sixty (60) days after the sending of the notice; and
4. The abandonment of the Premises by Lessee, the making by Lessee of a general assignment for the benefit of creditors, the filing of a voluntary or

Exhibit A – Resolution 2026-031

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involuntary petition by or against Lessee under any provision of the U. S. Bankruptcy Code, or the appointment of a permanent or temporary receiver for Lessee's property, which is not vacated or set aside within thirty (30) days of the sending of written notice of such event by Lessor.

B. Lessor Remedies on Default. In the event of any default by Lessee, Lessor may:

1. Terminate this Lease in accordance with Section 24(C) of this Lease;
2. Re-enter the Premises without terminating the Lease in accordance with Section 24(D) of this Lease;
3. Perform any act required under this Lease to be performed by the Lessee and recover the cost thereof as provided in Section 24(E) of this Lease,
4. Recover damages in accordance with Section 24(F) of this Lease; and
5. Obtain any other remedy provided at law or in equity, including but not limited to, injunctive relief.

The remedies given to Lessor in this Section 24(B) are cumulative and may be exercised concurrently in any combination without regard to the consistency thereof.

C. Termination. In the event of default by Lessee, Lessor may send a written notice to Lessee stating that Lessor elects to terminate this Lease upon a specified date not less than thirty (30) days after the date of the sending of such notice at which date this Lease shall terminate unless the default is cured within the applicable period provided in the notice of termination. Upon termination, all interest of Lessee in the Premises shall expire and Lessor shall have the right to immediate possession and damages as provided herein.

D. Re-entry. In the event of a default by Lessee, Lessor may send a written notice to Lessee stating that Lessor elects to re-enter the Premises without terminating this Lease upon a specified date not less than thirty (30) days after the date of the sending of the notice. Lessor may on that date or at any time thereafter, re-enter and resume possession of the Premises or any part thereof, and remove all persons and property therefrom, either by a suitable action or proceeding at law, or otherwise, without

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being liable for any damages therefore. No re-entry by Lessor shall be deemed an acceptance of surrender of this Lease or a liquidation or satisfaction to any extent whatsoever of Lessee's liability to pay Rent or Additional Rent as provided herein. Lessor may in its own name, but as agent for Lessee, relet the whole or any portion of the Premises for any period equal to or greater or less than the remainder of the Term, for any sum which it may deem appropriate, and in connection with any such lease Lessor may make such changes in character of the improvements on the Premises as Lessor may determine to be appropriate or helpful in effecting such lease. However, in no event shall Lessor be under any obligation to relet the Premises for any purpose which Lessor may regard as injurious to the Premises, or to any Lessee which Lessor, in the exercise of its sole discretion, shall deem to be objectionable. Lessor may, at any time after re-entry, terminate this Lease in accordance with Section 24(C) of this Lease.

E. Lessor's Right to Perform. In the event of default by Lessee, Lessor, at Lessor's sole discretion, may cure such default on behalf of Lessee for the account and at the expense of Lessee, in which event Lessee shall reimburse Lessor for all sums paid to effect such cure, together with interest at the greater of the rate of ten and a half percent (10.5%) per annum, or the maximum legal interest rate permitted by statute if less, as well as reasonable attorneys' fees arising from Lessee's default. In order to collect such reimbursement, Lessor shall have all the rights and remedies available under this Lease for a default in the payment of Rent and any other Additional Rent.

F. Damages. In the event of default by Lessee, Lessor shall have the right to recover from Lessee at any time:

1. An amount equal to all sums required hereunder to be paid by Lessee under this Lease, including but not limited to sums paid by the Lessor pursuant to this Lease;
2. An amount equal to all expenses, if any, incurred by Lessor in recovering possession of the premises and all costs and charges for the care of the Premises while vacant;
3. In the event of termination of this Lease by Lessor pursuant to Section 24(C) of this Lease, an amount equal to the difference between the value discounted to date of termination of the Rent hereunder for the term of the Lease remaining if Lessor had not terminated, and the value discounted to the date of termination of the net rent which Lessor might reasonably expect to receive from the Premises for the balance of the term remaining if Lessor had not terminated, including but not limited to a reasonable allowance

Exhibit A – Resolution 2026-031

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for vacancies, and all actual expenses of Lessor which amount would be due and payable by the Lessee pursuant to this Lease;

4. In the event of re-entry by Lessor pursuant to Section 24(D) of this Lease, either before or without termination thereafter, an amount equal to the amount of all Rent provided by this Lease less the next rent, if any, collected by Lessor on reletting the Premises allowing for all actual expenses of Lessor which amount would be due and payable by the Lessee pursuant to this Lease; and

5. All reasonable attorneys' fees and costs incurred by Lessor in any proceeding to enforce this Lease, exercise any remedy hereunder, or collect on any judgment.

25. ARBITRATION CLAUSE. The disputes arising under the terms of this Lease, except for disputes relating to or concerning the payment or non-payment of any Rent, additional rent or other amounts due under the Lease (and/or the enforcement of remedies relating to such payment or non-payment issues) shall be subject to arbitration. Such arbitration ("Arbitration") shall be in accordance with the Arbitration Rules for the promulgated by the American Arbitration Association as then in effect, each party to appoint one arbitrator and those two arbitrators to appoint a third arbitrator. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof, subject, however, to the provisions of AS 09.43.010 et seq. (the "Alaska Uniform Arbitration Act") which are not in conflict with said Rules; provided, however, if such Association is not then functioning or such Rules are not then in effect, Arbitration shall be conducted in accordance with the requirements of the Alaska Uniform Arbitration Act, or such other provisions of the statutory laws of the State of Alaska as may be enacted in lieu of the Alaska Uniform Arbitration Act, one arbitrator to be appointed by each of the parties hereto, and those two arbitrators to promptly appoint a third arbitrator. All such arbitration proceedings shall take place in Anchorage, Alaska. In any such arbitration proceeding, each party shall have full access to the books and records of the other party and the power to call for testimony any employee, agent or officer of any other party and all other rights to discovery afforded under the then applicable Alaska Rules of Civil Procedure or rules or laws applicable to Alaska Superior Court proceedings adopted in lieu thereof, shall be applicable, all of which shall be fully enforceable by the arbitrators or, if they fail to effect such enforcement, by the Superior Court of the State of Alaska at Anchorage, Alaska.

26. COSTS UPON DEFAULT. In the event either party defaults in the performance of any of its obligations under this Lease and an action shall be brought for

Exhibit A – Resolution 2026-031

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the enforcement thereof, the defaulting party shall pay to the other all the expenses incurred therefore, including reasonable attorneys' fees.

27. RIGHTS AND REMEDIES. Except insofar as this is inconsistent with or contrary to any provision of this Lease, no right or remedy herein conferred upon or reserved to Lessor is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, as now or hereafter existing at law or in equity or by statute.

28. WAIVER AND FORBEARANCE. Except to the extent that Lessor may have otherwise agreed in writing, no waiver by Lessor of any breach by Lessee of any of its obligations or agreements or covenants hereunder, shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation, nor shall any forbearance by Lessor to seek remedy for any breach of Lessee be deemed a waiver by Lessor of its rights and remedies with respect to such breach.

29. INSPECTION. Lessee agrees to permit Lessor and its agents to enter on the Premises or any part thereof, at all reasonable hours, upon twenty-four (24) hours' notice, for purposes of examining or exhibiting same or making such repairs or alterations as may be necessary for safety or preservation thereof.

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

31. ASSIGNMENT OR SUBLETTING. Except as set forth in this Section, Lessee may not assign or sublet the Leased Premises, or any part thereof, without the prior written consent of Lessor to such subletting or assignment. Lessee's request to assign or sublease must be in writing and must show the name and address of the proposed assignee or sublessee, as well as the financial history and operating plan of said assignee or sublessee, and are subject to the provisions of Whittier Municipal Code ("WMC") then in effect and approval by the Whittier City Council, including, without limitation WM 3.58.520. Any assignment or subletting without Landlord's written consent shall be absolutely void, not just voidable, and, at Landlord's election, shall constitute a default. If Lessee is not a natural person, the term "assignment" shall include, but not be limited to, any change in the structure of or the ownership of Lessee whereby ownership or control of the affairs of Lessee is transferred to persons other than those exercising such control on the Amendment Date. No assignment shall be approved unless the rental rate is at or above the fair market value for the Leased Premises at the time the assignment is executed.

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If Lessee requests a proposed assignment or subletting, Lessor must first consent prior to the conveyance by Lessee to any subsequent assignee or sublessee, and Lessee shall reimburse Landlord, whether or not consent is ultimately given, for any legal fees or other expenses Landlord incurs in connection with such request.

In the event that the Rent due and payable by any permitted sublessee or assignee exceeds the Rent payable under this Lease, then Tenant shall be bound and obligated to pay Landlord, as additional rent hereunder, one-hundred percent (100%) of all such excess Rent within ten (10) days following receipt thereof by Tenant, unless a lesser amount is approved by the Lessor in writing prior to the assignment or subletting. Lessee agrees to provide the City with access to any and all records related to the rent paid by any permitted assignee or sublessee and the terms and conditions of any permitted assignment or sublease.

32. HOLDING OVER. If Lessee fails to surrender the Leased Premises at the expiration or earlier termination of this Lease, occupancy of the Leased Premises after the termination or expiration shall be that of a tenancy at sufferance. Lessee's occupancy of the Leased Premises during any holdover shall be subject to all the terms and provisions of this Lease and Lessee shall pay a rent amount (on a per month basis, on the first day of the month, without reduction for partial months during the holdover) equal to 150% of the sum of the base Rent due for the period immediately preceding the holdover. No holdover by Lessee or payment by Lessee after the expiration or early termination of this Lease shall be construed to extend the Term or prevent Lessor from obtaining immediate recovery of possession of the Leased Premises by summary proceedings or otherwise. In addition to the payment of the amounts provided above, if Lessor shall have all the rights and remedies provided for by law and this Lease, including the right to recover consequential damages suffered by Lessor as a result of Lessee's holdover.

33. CORPORATE STATUS; PAYMENT OF CITY TAXES; OBTAINING CITY BUSINESS LICENSE. Lessee shall, prior to execution of this Lease, provide to Lessor a copy of its Certificate of Incorporation and evidence that it is in good standing with and licensed to do business in the State of Alaska, and it hereby covenants that it shall at all times remain in good standing with the State during the term of this Lease.

Lessee hereby further acknowledges its obligations under the WMC to obtain and keep current a business license and pay local taxes when due. Failure to comply with such obligations in a timely manner shall be considered a default of this Lease.

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34. ANTI-DISCRIMINATION CLAUSE. During the performance of this Lease, the Lessee agrees:

A. In connection with the performance of work under this Lease including construction, maintenance and operation of the facility, the Lessee will not discriminate against any employee or application from employment because of age, race, color, religions, sex or national origin.

B. The Lessee and its employees shall not discriminate, by segregation or otherwise, against any person on the basis of race, color, religion, sex or nationality by curtailing or refusing to furnish accommodations, facilities, services or use privileges offered to the public generally.

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

35. VENUE; CONTROLLING LAW. This Lease and the rights and obligations of the Parties shall be interpreted, construed and enforced in accordance with the Laws of the State of Alaska and the Parties hereby irrevocably consent to the jurisdiction of such state with venue in Anchorage, Alaska.

36. SEVERABILITY. If any clause or provision herein contained shall be adjudicated to be invalid, it shall not affect the validity or effect of any other clause or provision of this Lease, nor constitute any cause of action in favor of either party as against the other.

37. COUNTERPARTS. Lessor has delivered a copy of this Lease to Lessee for Lessee's review only, and the delivery of it does not constitute an offer to Lessee nor an option. This Lease shall not be effective against any party if and until an original copy of this Lease has been signed by such party (and with regard to the City, this Lease shall not be effective unless or until approved by the City Council for the City of Whittier). Without limiting the foregoing, this Lease may be executed in two or more counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument. Signatures appearing by facsimile, email or other electronic means shall be deemed originals, and enforceable as such.

38. NO THIRD-PARTY BENEFICIARIES. The Parties to this Lease do not intend to create any rights under this Lease that may be enforced by third parties for their own benefit or the benefit of others.

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39. SUBORDINATION TO MORTGAGES. Lessee acknowledges and agrees that this Lease, and all rights of Lessee hereunder, are and shall at all times be subject and subordinate to the lien of any mortgage, deed of trust, or other security instrument (collectively, "Mortgage") now or hereafter placed upon the Premises by Lessor, and to all renewals, modifications, consolidations, replacements, and extensions thereof. Lessee shall, upon request by Lessor or any mortgagee of Lessor, execute and deliver any instruments reasonably required to evidence such subordination. In the event of foreclosure or other enforcement of any Mortgage, Lessee agrees to attorn to and recognize the purchaser or successor-in-interest as Lessor under this Lease, provided that such party assumes Lessor's obligations hereunder from and after the date of acquisition.

40. ESTOPPEL CERTIFICATES. Lessor and Lessee shall each, within ten (10) days after receipt of a written request from the other, execute and deliver an estoppel certificate to those parties as are reasonably requested by the other (including a party's mortgagee or prospective purchaser). The estoppel certificate shall include a statement certifying that this Lease is unmodified (except as identified in the estoppel certificate) and in full force and effect, describing the dates to which Rent and other charges have been paid, representing that, to such Party's actual knowledge, there is no default (or stating the nature of the alleged default) and indicating other matters with respect to the Lease that may reasonably be requested.

41. FORCE MAJEURE. Whenever a time period is prescribed for either Lessor or Lessee to fulfill an obligation, the time period for the obligation will be extended by the number of days that the performance is delayed due to strikes, acts of God, shortage of labor or materials, war, civil disturbances, and other causes beyond the reasonable control of the performing party ("Force Majeure"); provided, however that a Force Majeure event shall not extend any time period for paying Rent, Additional Rent, or other sums payable by either party under this Lease. The party claiming to be affected by Force Majeure shall notify the other party no later than seven (7) days after the occurrence of the Force Majeure event, otherwise the affected party shall be deemed to have waived the claimed Force Majeure and shall be required to perform. The party claiming to be affected by Force Majeure shall also take reasonable steps to minimize the damage caused by the Force Majeure. If the Force Majeure lasts longer than sixty (60) days, and the parties fail to reach a resolution to continue to perform this Agreement, the party to whom performance is owed shall have the right to terminate this Agreement by giving written notice to the other party.

42. INTEGRATION AND MODIFICATION. This document contains the entire agreement of the Parties hereto. All negotiations, statements, or representations,

Exhibit A – Resolution 2026-031

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warranties, and assurances, whether oral or written, which are in any way related to the subject matter of this Lease, and the performance of either party hereto, are merged and integrated into the terms of this document. This Lease may not be modified or amended except by writing signed by both parties hereto, and any purported amendment or modification is without effect until reduced to a writing signed by both parties hereto.

43. MEMORANDUM OF LEASE. This Lease shall not be recorded. The Parties shall execute in suitable form for recordation of a memorandum of this Lease ("Memorandum of Lease"), which shall contain the information required by AS 40.17.120 (as the same may be amended), which shall be recorded. The costs of preparing and recording such Memorandum of Lease shall be paid by Lessee. Upon the expiration or earlier termination of this Lease, Lessee shall promptly execute and deliver to Lessor an instrument, in recordable form, terminating the Memorandum of Lease, which shall be in a form reasonably agreeable to Lessee and Lessor, and which may be recorded by Lessor at its sole cost and expense, which obligation shall survive the expiration or termination of the Lease. Lessee hereby irrevocably appoints Lessor, and Lessor's duly authorized agents, as Lessee's true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge, and deliver on Lessee's behalf any and all documents necessary to evidence the termination, release, or discharge of the Memorandum of Lease recorded in connection with this Lease, following the expiration or earlier termination of the Lease. This power of attorney is coupled with an interest, shall be binding upon Lessee and Lessee's successors and assigns, and shall survive the termination of this Lease for the limited purpose of effecting such termination of record.

(SIGNATURES ON FOLLOWING PAGE)

Exhibit A – Resolution 2026-031

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IN WITNESS WHEREOF, the Parties hereunder execute this Lease Agreement the day and year first hereinabove written.

LESSOR:
CITY OF WHITTIER

DATED: _____

By: Jackie Wilde
Its: City Manager

LESSEE:
[BUSINESS ENTITY NAME]

DATED: _____

By:
Its:

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, 20__, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared _____, known to me to be the _____ of the CITY OF WHITTIER, and acknowledged that he/she/they executed the foregoing document on behalf of the CITY OF WHITTIER, Alaska pursuant to the authority of the City Council.

IN WITNESS WHEREOF, my hand and official seal the day and year in this certificate first above written.

Notary Public in and For the State of Alaska
My Commission Expires: _____

Exhibit A – Resolution 2026-031

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STATE OF ALASKA)
) ss.
 THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, 202____, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared _____, known to me to be the _____ of [Business Entity Name], and acknowledged that he/she/they executed the foregoing document on behalf of [Business Entity Name] as his/her/their free and voluntary act and deed for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, my hand and official seal the day and year in this certificate first above written.

 Notary Public in and For the State of Alaska
 My Commission Expires: _____

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**SUBLEASE TEMPLATE (MASTER LEASE LANDS)
FOR WHITTIER _____, LOT _____, AREA _____**

THIS SUBLEASE AGREEMENT (“Lease”) is made this ____ day of _____, 20__ (the “Commencement Date”), by and between the **CITY OF WHITTIER**, P.O. Box 608, Whittier, Alaska 99693, hereinafter called “**Lessor**” and **[Name of Lessee]**, d/b/a “**[Name of Business]**”, **[Business Entity Mailing Address]**, hereinafter called “**Lessee**”, hereinafter collectively called “the Parties”.

WHEREAS, certain lands that are subject to a ground lease and management agreement dated November 13, 1998 (the “Master Lease”), between the Alaska Railroad Corporation (“ARRC”), which has an expiration date of November 12, 2033;

WHEREAS, the Master Lease provides the Lessor with authority of the lands covered by the Master Lease, and requires use to be consistent with the Management Plan as that term is defined by the Master Lease; and

WHEREAS, the City and Lessee desire to enter into a sublease for the Leased Premises subject to the terms and conditions of the Master Lease, and the requirements of the Management Plan.

NOW THEREFORE, in consideration of the mutual promises contained herein, and such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. SUBORDINATION TO MASTER LEASE. The Parties agree that this Lease shall be subject and subordinate to the terms of the Master Lease, a copy of which is annexed hereto and incorporated herein as **Exhibit A**. In the event of any inconsistency with this Lease and the Master Lease, the Master Lease shall control. Lessee acknowledges and agrees that it has received a copy of the Master Lease, is familiar with its terms, and agrees to be bound by the same to the extent they apply to the Leased Premises. In the event this Lease requires prior consent from ARRC, the master landlord, it shall not be effective unless and until ARRC consents to the terms of the Lease in writing.

2. PREMISES.

A. Lessor, for and in consideration of the rents, covenants and conditions hereinafter specified to be paid, performed and observed by Lessee, does hereby let, lease, and demise to Lessee that certain real property hereinafter called

Exhibit B – Resolution 2026-031

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“Leased Premises” or “Premises” situated at [REDACTED], Whittier, Alaska, and legally described as follows:

[Property Description]

This Lease is for land only and not for any improvements situated thereon, which improvements shall remain the property of Lessees.

B. By taking possession of the Premises at the commencement of the Term, Lessee shall be deemed to have (i) accepted the Premises in its “AS-IS” and “WHERE IS” condition, with all faults, without representation or warranty of any kind, express or implied; and (ii) acknowledged and agreed that the Leased Premises is suitable for Lessee’s intended purposes, in satisfactory condition and repair, and that any improvements made on or after the Commencement Date shall be at the sole cost and expense of the Lessee and subject to Lessor’s prior written approval.

3. ENCUMBRANCES. The above-described Leased Premises is leased subject to the Master Lease, the Management Plan, as well as any existing deed restrictions, easements and rights-of-way, or other recorded liens or other encumbrances of record affecting the Premises as of the Effective Date, if any, as well as any zoning and building restrictions and government regulations now in effect or hereinafter adopted by any governmental authority.

4. TERM. The term of this Lease shall commence on the Commencement Date, and shall expire at midnight on [MM/DD/YYYY] (hereinafter “Lease Term” or “Term”) unless earlier terminated as provided herein. Notwithstanding anything to the contrary in this Lease, should the Master Lease terminate prior to the expiration date of the initial Term, or prior to the expiration of any renewal Term, this Lease shall automatically expire and terminate as of the expiration or termination date of the Master Lease, unless otherwise agreed in writing by ARRC or its successor (including, without limitation, Lessor). At the expiration of the initial Lease Term, and subject to the Master Lease and the requirements of the Whittier Municipal Code (“WMC”) Section 3.38.460, entitled “Options to Renew”, as that section may be amended, renumbered or renamed from time to time, Lessee shall have the right to extend and renew the Lease for [insert number of options] (___) successive [insert duration of each option period] (___)-year option periods (each an “option period”) provided that:

A. Lessee must not be in default under the Lease and must give Landlord written notice of its election to extend the Lease, which shall be received by Lessor not less than one hundred eighty (180) days prior to the beginning of each such

Exhibit B – Resolution 2026-031

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option period; otherwise, such option, and any successive option(s), if any, shall terminate and be null and void. For purposes of clarity, and avoidance of doubt, Lessee's notice of its exercise of an option to extend this Lease shall not be effective until Landlord actually receives the notice;

B. The City Manager determines in writing that the Lessee is in full compliance with the terms of the Lease at the time of renewal;

C. The City Council, at the time the option is exercised, approves the renewal by resolution or ordinance; and

D. The Master Lease shall not have expired or terminated prior to the commencement of the renewal term, and ARRC (or its successor) consents to the renewal.

The Lessor reserves the right to renegotiate Lease terms at the end of the original initial Lease Term. Renewals shall be subject to review and approval as provided in the WMC.

5. INITIAL RENTAL RATE. Commencing on the Commencement Date of this Lease, and until the first Rent Adjustment Date, the annual base rental rate (hereinafter "Rent") for the Leased Premises shall be set at \$____ (\$____/month). Thereafter, Lessee agrees to pay base Rent based on a fixed monthly lease fee of 1/12 of a rate established by professional appraisal of ten percent (10%) of fair market value (hereinafter "FMV"). Rent shall be payable in advance on the first day of each calendar month without notice on demand. In the event any payment of Rent shall not be paid on, or before, five (5) days following the due date as provided in this Section, the delinquent amount shall be due together with interest on the delinquent amount accruing at the rate of ten and a half percent (10 1/2%) per diem, or the maximum legal rate of interest permitted by law if less, from the due date until the date of the payment. Rent shall not be withheld in whole or in part because of an offset or counterclaim by the Lessee.

6. FAIR MARKET VALUE (FMV) ADJUSTMENT. The annual base Rent payment shall be adjusted on [XX/XX/XXXX] and on the same date every five (5) years thereafter (hereinafter each "Rental Adjustment Date"); provided, however in no case shall the adjusted annual base Rent be less than the rental rate in effect on the day prior to the Rent Adjustment Date. The adjusted annual base Rent payment to be paid under the terms of this Lease shall be the appraised FMV of the leased land at the highest and best use of the Leased Premises. The highest and best use of the Leased Premises shall

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be determined without regard to Lessee's intended or actual use of the Leased Premises unless that use is coincidentally the highest and best use of the Leased Premises.

Lessor shall complete such appraisal by [Month DD] of the year prior to the Rental Adjustment Date and deliver a copy of the appraisal report to Lessee not less than ninety (90) days before each Rental Adjustment Date. Within thirty (30) days after receipt of the Lessor's appraisal, Lessee(s) shall notify Lessor that they either accept or reject the appraisal. If accepted, the adjusted Rent will be calculated effective January 1st. If rejected, the Objection Procedure in Section 7 will be followed.

7. PROCEDURE FOR FMV ADJUSTMENTS; OBJECTIONS.

A. Adjustment Procedure. To adjust the base Rent on any Rental Adjustment Date, the Lessor shall, at its own expense, retain an independent State of Alaska certified Member Appraisal Institute (hereinafter "MAI") appraiser, who shall determine the FMV of the Leased Premises, exclusive of improvements placed thereon by Lessee at any time but inclusive of all improvements made by the Lessor (including those made by the Lessor before or subsequent to this Lease). The appraiser's report shall be delivered to Lessee not less than ninety (90) days before the Rental Adjustment Date. Within thirty (30) days after receipt of the Lessor's appraisal, Lessee(s) shall notify Lessor that they either accept or reject the appraisal. If accepted, the adjusted Rent will be calculated effective [Month Date]. If Lessee timely rejects or objects to the appraisal, the objection procedure in Section 7(B) shall be followed. If Lessee fails to timely reject or object to the appraisal, the appraiser's determination of Fair Market Rental Value of the Leased Premises shall constitute a final binding determination of the Fair Market Rental Value and the adjusted annual Rent rate until the next Rental Adjustment Date.

B. Objection Procedure. If the Lessee objects to the Lessor's appraiser's determination of the Fair Market Rental Value, Lessee shall give written notice to the Lessor of Lessee's objection not less than thirty (30) days after receipt of the appraiser's report, and Lessee shall then engage an independent State of Alaska certified MAI appraiser at Lessee's expense to make an appraisal of the Fair Market Rental Value.

If Lessee's appraisal determines a Fair Market Rental Value that varies from that determined by the Lessor's appraisal by no more than twenty percent (20%), then the adjusted Rent rate shall be the average of the rental rates determined by the two appraisals. If Lessee's appraisal determines a Fair Market Rental Value that varies from the Lessor's appraisal by more than twenty percent (20%), then, unless the Lessor and Lessee agree on a rate themselves, the adjusted annual Rent rate of the Leased

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Premises shall be determined in accordance with the Arbitration Clause contained in this Lease.

Notwithstanding the above, the exercise by either the Lessor or the Lessee of the Objection Procedure relating to the Rent adjustment described in this Section shall not postpone Lessee's obligation to pay Rent at the rate established by the Lessor. Lessee shall pay the amount of Rent established or adjusted by the Lessor until the question of objection to the adjusted Rent rate is finally resolved. At such time the objection to the adjusted Rent rate is resolved, an appropriate credit or adjustment shall be made retroactive to the date of the adjusted Rent rate was established by the Lessor or in cases where the Lessor failed to obtain an appraisal or deliver the appraisal report to the Lessee, to the Rental Adjustment Date.

If, for any reason, the Lessor does not complete the appraisal or deliver a copy of the appraisal report to Lessee at least ninety (90) days before the Rental Adjustment Date, the Lessor may proceed to complete the appraisal or deliver a copy of the appraisal report to the Lessee at any time thereafter. However, any such adjusted annual Rent rate shall not be effective until the quarterly payment due date immediately following the date of the Lessor delivers the appraisal report to Lessee.

8. CONSUMER PRICE INDEX (CPI) ADJUSTMENT. For each year, the annual Rent payment shall be increased beginning January 1st in an amount that reflects the increase, if any, in the cost of living for the previous full year as stated in the Consumer Price Index, All Urban Consumers, Anchorage, Alaska Area, All Items 1967=100 (hereinafter "CPI"), as published by the United States Department of Labor, Bureau of Labor Statistics for the most recent period. In no event shall the Rent be less than the Rent in effect for the previous year. If the CPI is revised or ceases to be published, the Lessor shall instead use such revised or other index as most nearly approximates the CPI for the relevant period and make whatever adjustment in its application as may be necessary, in the Lessor's sole discretion, to accomplish as nearly the same result as if the CPI had not been revised or ceased to be published.

9. USE OF PREMISES AND PERFORMANCE REQUIREMENTS.

A. Permitted Use. Lessee's use of the premises shall be for [use of premises]. Lessee covenants the Leased Premises will be used only for the purposes directly related to the use stated above and related activities thereto and no other use whatsoever shall be made of the Leased Premises. If Lessee desires to change the nature of its business on a going-forward basis, the Lessee must give the Lessor written

Exhibit B – Resolution 2026-031

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notice to allow the Lessor to set a time in which to meet with Lessee to renegotiate the terms of this Lease.

B. No Nuisance. The Lessee further covenants Lessee will neither cause, nor maintain nor permit any public or private nuisance to exist on the Leased Premises, nor will Lessee fail to maintain the land in an orderly, neat, and clean condition, free of hazard and nuisance. Trash, debris, unusable machinery, etc., will be disposed of as soon as practical. Building materials and supplies will be neatly stacked and/or stored. Lessee shall not permit storage of any equipment or material on the Leased Premises not directly related to the business of Lessee.

C. Continuous Operation; Landlord's Recapture Right. If, at any time during the term of the Lease, Lessee fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more during a calendar year, then upon notice from Lessor to Lessee at any time thereafter (provided that the Operating Condition remains unsatisfied), Lessor shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Lessee, effective upon the date set forth in Lessor's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as **[INSERT PERMITTED USE]** in accordance with the Lease, **at least on [such days and at such times that similarly situated businesses are open and operating]**.

The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Lessee (A) prosecutes such work to completion with reasonable diligence, and (B) exercises its reasonable efforts to minimize the length of time of such closure; (ii) periods when Lessee cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to exceed four (4) days in any Lease Year, when Lessee in its sole discretion elects not to operate its business in the Leased Premises.

10. LESSOR COSTS. Lessee will be assessed and shall pay, as additional rent, any attorney fees, survey and platting fees, and all other costs incurred by the Lessor in connection with negotiating and entering into the Lease, and in connection with any renewal(s) of the Lease or amendments. The Lessor will pro-rate and include these costs

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in the Lease rate for the first twenty-four (24) months of the first five-year period of the Lease (or during the first twenty-four (24) months of any five-year renewal period). In connection with an amendment(s), Lessee shall pay such costs within thirty (30) days of a written demand from Lessor.

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

12. CARE OF PREMISES. Lessee shall, at its own cost and expense, keep the Leased Premises and all improvements which, at any time during the term of this Lease, may be situated thereon, in good condition and repair during the entire term of this Lease, including any renewal term. In addition, Lessee shall promptly repair, in a good and workmanlike manner, any damage to the Premises or any improvements. If Lessee fails to do so or reasonably commence to do within fifteen (15) days' written notice, Lessor shall have the right to repair any such damage and Lessee shall pay to Lessor, as additional Rent, the cost of all such repairs, which shall be paid within ten (10) days of the date of any invoice from Lessor for such repair costs.

13. COMPLIANCE WITH LAWS; ENVIRONMENTAL PROVISIONS.

A. General Compliance.

i. Lessee shall comply with all applicable laws, ordinances and regulations of duly constituted public authorities now or hereafter enacted in any manner affecting the Premises or the sidewalks, alleys, streets and rights-of-way adjacent thereto or any buildings, structures, fixtures and improvements or the use thereof, whether or not any such laws, ordinances or regulations, which may be hereafter enacted, involve a change of policy on the part of the governmental body enacting the same.

ii. Lessee agrees to defend, indemnify and hold Lessor harmless (a) for the consequences of any violation of such laws, ordinances and/or regulations and (b) from and against all claims for damages on account of injuries, death or property damage resulting from such violation. Lessee further agrees that they will not permit any unlawful occupation, business or trade to be conducted on said Premises or

Exhibit B – Resolution 2026-031

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any use to be made thereof contrary to any law, ordinance or regulation as aforesaid with respect thereto.

B. Environmental Provisions.

i. Definitions: For purposes of this Section:

(a) “Environmental Requirement” shall mean any law, regulation, or legal requirement relating to health, safety, or the environment, now in effect or hereinafter enacted, including but not limited to the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), the Toxic Substances Control Act (TSCA), the Federal Insecticide Fungicide and Rodenticide Act (FIFRA), the Resource Conservation and Recovery Act (RCRA), the Clean Air Act (CAA) and the Clean Water Act (CWA), the Occupational Safety and Health Act (OSHA) and all similar state and local laws, rules, regulations, and guidance, now in existence or hereinafter enacted, as each such law, rule, or regulation may be amended, modified or renamed from time to time.

(b) “Environmental Hazard” shall mean Hazardous Materials (as defined hereinafter), or the storage, handling, production, disposal, treatment, or release thereof.

(c) “Hazardous Material” shall mean

(i) any hazardous waste, any extremely hazardous waste, or any restricted hazardous waste, or words of similar import, as defined in the Resource Conservation and Recovery Act (42 USC §6901 *et seq.*

(ii) any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act (42 USC §9601 *et seq.*)

(iii) any toxic substances as defined in the Toxic Substances Control Act (15 USC §2601 *et seq.* any pollutant as defined in the Clean Water Act (33 USC §1251 *et seq.*)

(iv) gasoline, petroleum, or other hydrocarbon products or by-products

(v) asbestos

Exhibit B – Resolution 2026-031

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(vi) any other materials, substances, or wastes subject to environmental regulation under any applicable federal, state, or local law, regulation, or ordinance now or hereafter in effect

(d) “Environmental Liabilities” shall mean any liability, penalties, fines, forfeitures, demands, damages, losses, claims, causes of action, suits, judgments, and costs and expenses incidental thereto (including cost of defense, settlement, reasonable attorneys' fees, reasonable consultant fees, and reasonable expert fees), arising from or based on environmental contamination or the threat of environmental contamination, or noncompliance, or violation of, any Environmental Requirement and shall include, but not be limited to, liability arising from:

(i) any governmental action, order, directive, administrative proceeding, or ruling;

(ii) personal or bodily injuries (including death) or damages to any property (including loss of use) or natural resources;

(iii) any Environmental Release; or

(iv) clean-up, remediation, investigation, monitoring, or other response action.

(e) “Environmental Release” shall mean any actual or threatened release, spill, leak, discharge, injection, disposal, or emission of any Hazardous materials into the environment.

ii. At all times during the term of the Lease, Lessee shall conduct its activities at the Premises, and shall ensure that any invitee of Lessee conducts its activities at the Premises in strict compliance with all applicable Environmental Requirements, as well as the requirements of the Master Lease.

iii. Notwithstanding any other provision of this Lease, Lessee agrees to indemnify and hold harmless Lessor, Lessor's successors and assigns, and Lessor's present and future officers, directors, employees, and agents, (collectively "Lessors Indemnitees") from and against any and all Environmental Liabilities, which Lessor or any or all of the Lessors Indemnitees, may hereafter suffer, incur, be responsible for, or disburse as a result of any Environmental Requirement or any Environmental Hazard on, at or from the Premises to the extent caused by or attributable to Lessee or Lessee's activities, or by any invitee of Lessee or by the activities of any invitee of Lessee.

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iv. The provisions of this Section shall survive the expiration or termination of this Lease.

14. TAXES AND UTILITIES. Lessee shall bear sole responsibility for and shall pay all assessments, fees, taxes (including, but not limited to real estate tax, personal property tax, sales tax, or any other tax imposed by the City) and/or charges of every kind and character imposed upon the Leased Premises or as a result of Lessee's operations under this Lease. Lessee shall also pay for all utilities furnished for its use in conjunction with the Premises, if any, including, but not limited to, power, garbage, fuel, heat, water, snow plowing and snow storage and removal and should it become necessary at any time to make installation for the purpose of furnishing said utilities, the costs thereof shall be borne exclusively by Lessee. All payments described in this Section shall be paid in full when due.

All utility use rates as established by ordinance or resolution of the City Council will be borne by the Lessee. This includes the cost of hooking up from the lot line. Electrical meters, stands, and source boxes are Lessee's responsibility.

15. IMPROVEMENTS AND ALTERATIONS. Construction of any improvements shall not be permitted without prior review and approval of construction plans by the City Manager (or other designated City representative), and only after all applicable permits and approvals have been secured and all legal requirements have been met. After the initial construction of any improvements Lessee shall have the right, from time to time, to make all such alterations and improvements to the Leased Premises as shall be reasonably necessary or appropriate in the Lessee's judgment, provided that Lessor determines, in its sole discretion, that the alteration or improvement is consistent with the Master Lease, the Management Plan, the WMC, this Lease and the use(s) permitted under this Lease. Prior to making any alteration, improvement, addition or change of the Leased Premises, the Lessee shall notify the Lessor in writing, and shall not undertake such alterations or improvements without first obtaining the Lessor's prior approval in writing.

16. REMOVAL OF FIXTURES AND IMPROVEMENTS: POTENTIAL HARBOR EXPANSION OR RENOVATION.

A. Upon abandonment, default, termination, revocation, expiration or cancellation of this Lease, the Lessee shall remove, within thirty (30) days, all structures and improvements, except those owned by Lessor, and shall restore the Premises, unless otherwise agreed upon in writing or in this Lease, to the condition which existed on the

Exhibit B – Resolution 2026-031

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site prior to the Commencement Date of this Lease, at its sole cost and expense. If the Lessee fails to remove any such structures or improvements within thirty (30) days, such structures or improvements shall become the property of the Lessor, at its option, and without any obligation to pay therefore; provided, however, that will not relieve the Lessee of liability for the cost of its removal and restoration of the Premises. If Lessor elects to retain the structures or improvements, Lessee agrees to execute and deliver documents reasonably requested by Lessor to evidence a transfer of title to Lessor. The obligations imposed by this Section survive the expiration, or earlier termination or cancellation of this Lease.

B. In the event Lessor requires use of the Leased Premises for a harbor expansion, and so notifies Lessee in writing of the required relocation of its business and operations conducted pursuant to this Lease at such other reasonable location determined by Lessor, then Lessee shall remove all fixtures and improvements to the new location within ninety (90) days, or such other reasonable time period specified by Lessor. In that event, this lease shall continue in effect at the new premises for its duration, and the lease modified accordingly.

17. INSURANCE. Lessee shall procure and maintain general comprehensive liability insurance coverage in an amount of not less than Two Million Dollars (\$2,000,000.00) to cover any risk which may arise by Lessee's use of the Leased Premises. The coverage shall extend to property damage and bodily injury or death arising out of Lessee's activities under the Lease, including, but not limited to, the occupancy or use of the land and construction, maintenance and operation of the structures, facilities or equipment by Lessee.

[Optional Provisions where applicable] - Should Lessee dispense alcoholic beverages on the Leased Premises with a full service beverage dispensary or similar license, as authorized by the appropriate regulatory agencies, Lessee shall obtain comprehensive liability insurance in an amount not less than Three Million Dollars (\$3,000,000.00) covering property damage and bodily injury or death arising out of Lessee's operations, including, but not limited to, the selling or dispensing of said alcoholic beverages from the Leased Premises.]

[Optional Provisions where applicable] - Should Lessee dispense alcoholic beverages on the Leased Premises with a restaurant or eating place license, as authorized by the appropriate regulatory agencies, Lessee shall obtain comprehensive liability insurance in an amount not less than One Million Dollars (\$1,000,000.00) covering property damage and bodily injury or death arising out of Lessee's operations, including, but not limited to, the dispensing of said alcoholic beverages from the Leased Premises.]

Exhibit B – Resolution 2026-031

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

[Optional Provision Where Applicable] – Should the Lessor determine that the Lessee engages in activities which could potentially have a significant risk of environmental contamination, a provision should be added requiring that the Lessee shall obtain not less than Two Million Dollars (2,000,000.00) in environmental impact insurance and environmental impact insurance and environmental clean-up policy, or the equivalent, subject to the review and approval by the City Manager of the City of Whittier (the “City Manager”).]

Such other policies of insurance in such types and amounts as Lessor may reasonably request during the Term.

All such insurance coverage required under this Section shall be issued by insurance companies reasonably acceptable to the Lessor, and shall name Lessor as additional insured and provide for specific coverage of Lessee’s contractually assumed obligation to indemnify the Lessor. All insurance policies shall be written as primary policies and shall not be contributing with or be in excess of any coverage that Lessor may carry. Lessee shall furnish copies of certificates evidencing insurance coverage of the Leased Premises prior to execution of this Lease, and annually thereafter, and upon any change in insurance provider or insurance coverage. The insurance policies required by this Section shall contain a specific provision or rider providing that coverage will not be cancelled or provisions changed or deleted without first providing thirty (30) days’ written notice to the Lessor. The amounts of insurance shall be adjusted and increased periodically by Lessor during the Term of the Lease to account for changing market and economic conditions.

18. LIENS. Lessee will not permit any mechanics, labor or materialman liens to stand against the Leased Premises for any labor or material furnished to Lessee or claimed to have been furnished to Lessee, or to Lessee’s agents, contractors or sublessee, in connection with work of any character performed or claimed to have been performed on said premises or improvements by or at the direction or sufferance of Lessee, provided however, that Lessee shall have the right to contest the validity or amount of any such lien or claimed lien. In the event of such contest, Lessee shall give to Lessor reasonable security as may be demanded by Lessor to insure payment thereof, and prevent any sale, foreclosure or forfeiture of the Premises or improvements by reason of such non-payment. Lessee will immediately pay a judgment rendered with all proper costs and charges, and shall have such liens released or judgments satisfied at Lessee’s own expense. Landlord shall have the right to enter the Premises and post notices of non-responsibility.

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19. INDEMNIFICATION. Lessee shall defend, indemnify and hold the Lessor and its authorized representatives, agents, officers, and employees harmless from and against any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) resulting from, arising out of, or related to Lessee's occupation or use of the Premises or the occupation or use of the Premises by Lessee's employees, agents, servants, customers, contractors, subcontractors, permitted sub-lessees or invitees, including but not limited to all claims and demands arising out of any labor performed, materials furnished, or obligations incurred in connection with any improvements, repairs, or alterations constructed or made on the Premises and the cost of defending against such claims, including reasonable attorney fees. In the event that such a lien is recorded against the Premises, Lessee shall, at Lessee's sole expense within ninety (90) days after being served with written notice thereof, protect the Lessor against said lien by filing a lien release bond or causing the release of such lien, and providing the Lessor with proof of the same. The indemnities provided by this Section shall survive termination of this Lease.

20. CONDEMNATION. If the whole or any part of the Leased Premises shall be taken for any public or quasi-public use, under any statute or by right or eminent domain or private purchase in lieu thereof, by public body invested with the power of eminent domain, then, when possession shall be taken thereunder of the Leased Premises, or any part thereof, the following provisions shall be operative.

A. **Taking of all Premises.** The Term herein demised and all rights of Lessee hereunder shall immediately cease and terminate and the rent shall be adjusted as of the time of such termination so that Lessee shall pay rent up to the time of taking only; provided, however, that Lessee shall be entitled to that portion of the award attributable to the value of the buildings or improvements put up by Lessee with its own funds.

B. **Taking of Substantial Part of Premises.** If the taking reduces the ground area of the Leased Premises by at least fifty percent (50%) and materially affects the use being made by the Lessee of the demised premises, Lessee shall have the right, by written notice to Lessor, through certified mail, no later than thirty (30) days after possession shall be taken, to elect to terminate this Lease. If the election to terminate is made, the provision of (a) of this Section relating to the taking of the whole shall govern. If election to terminate is not made or if there is a taking of an insubstantial part of the Premises, the following shall govern: (1) the Lease shall continue; (2) the Lessor shall be entitled to the full condemnation proceeds except the portion thereof attributable to the

Exhibit B – Resolution 2026-031

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value of the buildings or improvements put up by Lessee; and (3) Rent shall remain the same.

21. ASSUMPTION OF RISK. The Premises is located on or near tidelands owned by the City. Tsunami, rising waters, high winds, earthquakes and other hazards are natural phenomena or acts of god in the area that present risks which the Lessee knowingly and intentionally assumes.

22. SIGNAGE. No signs or advertising devices shall be erected on the area covered by this Lease without prior approval of Lessor, as to location, size, color and message. All signage shall conform with the requirements of the WMC. Erected signs shall be maintained or renewed as necessary to neat and presentable standards and said signs shall relate directly to the business of Lessee.

23. QUIET ENJOYMENT. Provided Lessee is not in default hereunder, Lessor covenants that Lessee shall have peaceful and quiet enjoyment of the Leased Premises without hindrance on the part of the Lessor, and the Lessor will warrant and defend Lessee in the peaceful and quiet enjoyment of the Leased Premises.

24. NOTICES. All notices or other communications required or permitted under this Lease shall be in writing and shall be transmitted: by personal (hand) delivery, with written record of delivery made contemporaneous to the delivery (which may be made by the sender); by electronic mail (e-mail), with electronic confirmation of delivery generated by the receiving computer system; by registered or certified mail, return receipt requested; or by a commercial courier service that maintains a written record of delivery.

Until changed as provided for herein, all such notices shall be sent to the following respective addresses:

Lessor:

City of Whittier
Attn: City Manager
P.O. Box 608
Whittier, AK 99693

Lessee:

[Lessee Name]
Attn: [Business Entity Name]
[Business Entity Mailing Address]
[Business Entity Email Address]

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

A notice shall be effective and deemed delivered: (i) if by personal delivery or commercial courier service, on the date of delivery if delivered during normal business hours or on the next business day following delivery if delivered after normal business hours; (ii) if by electronic mail, on the day sent if sent before or during normal business hours, and on the next business day if sent after normal business hours; and (iii) if by mail, three (3) days after mailed.

25. DEFAULT.

A. Default Defined. Each of the following events shall be deemed a default by Lessee and a material breach of this Lease:

1. Failure to pay the Rent, Additional Rent, or any other payment provided or required in this Lease, or any part thereof, for a period of ten (10) days after it is due;

2. Failure to provide or maintain in effect insurance in compliance with Section 17 of this Lease;

3. Failure to do, observe, keep, or perform any other term, covenant, condition, agreement, or provision contained in this Lease for a period of thirty (30) days after written notice of such failure is sent by Lessor, or, in the case of a default not reasonably susceptible of being cured within thirty (30) days (which does not include any default which may be cured by the payment of money), failure to commence promptly and proceed diligently and in good faith to cure within a total of sixty (60) days after the sending of the notice; and

4. The abandonment of the Premises by Lessee, the making by Lessee of a general assignment for the benefit of creditors, the filing of a voluntary or involuntary petition by or against Lessee under any provision of the U. S. Bankruptcy Code, or the appointment of a permanent or temporary receiver for Lessee's property, which is not vacated or set aside within thirty (30) days of the sending of written notice of such event by Lessor.

B. Lessor Remedies on Default. In the event of any default by Lessee, Lessor may:

1. Terminate this Lease in accordance with Section 25(C) of this Lease;

Exhibit B – Resolution 2026-031

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

2. Re-enter the Premises without terminating the Lease in accordance with Section 25(D) of this Lease;
3. Perform any act required under this Lease to be performed by the Lessee and recover the cost thereof as provided in Section 25(E) of this Lease,
4. Recover damages in accordance with Section 25(F) of this Lease; and
5. Obtain any other remedy provided at law or in equity, including but not limited to, injunctive relief.

The remedies given to Lessor in this Section 25(B) are cumulative and may be exercised concurrently in any combination without regard to the consistency thereof.

C. Termination. In the event of default by Lessee, Lessor may send a written notice to Lessee stating that Lessor elects to terminate this Lease upon a specified date not less than thirty (30) days after the date of the sending of such notice at which date this Lease shall terminate unless the default is cured within the applicable period provided in the notice of termination. Upon termination, all interest of Lessee in the Premises shall expire and Lessor shall have the right to immediate possession and damages as provided herein.

D. Re-entry. In the event of a default by Lessee, Lessor may send a written notice to Lessee stating that Lessor elects to re-enter the Premises without terminating this Lease upon a specified date not less than thirty (30) days after the date of the sending of the notice. Lessor may on that date or at any time thereafter, re-enter and resume possession of the Premises or any part thereof, and remove all persons and property therefrom, either by a suitable action or proceeding at law, or otherwise, without being liable for any damages therefore. No re-entry by Lessor shall be deemed an acceptance of surrender of this Lease or a liquidation or satisfaction to any extent whatsoever of Lessee's liability to pay Rent or Additional Rent as provided herein. Lessor may in its own name, but as agent for Lessee, relet the whole or any portion of the Premises for any period equal to or greater or less than the remainder of the Term, for any sum which it may deem appropriate, and in connection with any such lease Lessor may make such changes in character of the improvements on the Premises as Lessor may determine to be appropriate or helpful in effecting such lease. However, in no event shall Lessor be under any obligation to relet the Premises for any purpose which Lessor may regard as injurious to the Premises, or to any Lessee which Lessor, in the exercise

Exhibit B – Resolution 2026-031

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

of its sole discretion, shall deem to be objectionable. Lessor may, at any time after re-entry, terminate this Lease in accordance with Section 25(C) of this Lease.

E. Lessor's Right to Perform. In the event of default by Lessee, Lessor, at Lessor's sole discretion, may cure such default on behalf of Lessee for the account and at the expense of Lessee, in which event Lessee shall reimburse Lessor for all sums paid to effect such cure, together with interest at the greater of the rate of ten and a half percent (10.5%) per annum, or the maximum legal interest rate permitted by statute if less, as well as reasonable attorneys' fees arising from Lessee's default. In order to collect such reimbursement, Lessor shall have all the rights and remedies available under this Lease for a default in the payment of Rent and any other Additional Rent.

F. Damages. In the event of default by Lessee, Lessor shall have the right to recover from Lessee at any time:

1. An amount equal to all sums required hereunder to be paid by Lessee under this Lease, including but not limited to sums paid by the Lessor pursuant to this Lease;

2. An amount equal to all expenses, if any, incurred by Lessor in recovering possession of the premises and all costs and charges for the care of the Premises while vacant;

3. In the event of termination of this Lease by Lessor pursuant to Section 25(C) of this Lease, an amount equal to the difference between the value discounted to date of termination of the Rent hereunder for the term of the Lease remaining if Lessor had not terminated, and the value discounted to the date of termination of the net rent which Lessor might reasonably expect to receive from the Premises for the balance of the term remaining if Lessor had not terminated, including but not limited to a reasonable allowance for vacancies, and all actual expenses of Lessor which amount would be due and payable by the Lessee pursuant to this Lease;

4. In the event of re-entry by Lessor pursuant to Section 25(D) of this Lease, either before or without termination thereafter, an amount equal to the amount of all Rent provided by this Lease less the next rent, if any, collected by Lessor on reletting the Premises allowing for all actual expenses of Lessor which amount would be due and payable by the Lessee pursuant to this Lease; and

5. All reasonable attorneys' fees and costs incurred by Lessor in any proceeding to enforce this Lease, exercise any remedy hereunder, or collect on any

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judgment.

26. ARBITRATION CLAUSE. The disputes arising under the terms of this Lease, except for disputes relating to or concerning the payment or non-payment of any Rent, additional rent or other amounts due under the Lease (and/or the enforcement of remedies relating to such payment or non-payment issues) shall be subject to arbitration. Such arbitration ("Arbitration") shall be in accordance with the Arbitration Rules for the promulgated by the American Arbitration Association as then in effect, each party to appoint one arbitrator and those two arbitrators to appoint a third arbitrator. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof, subject, however, to the provisions of AS 09.43.010 et seq. (the "Alaska Uniform Arbitration Act") which are not in conflict with said Rules; provided, however, if such Association is not then functioning or such Rules are not then in effect, Arbitration shall be conducted in accordance with the requirements of the Alaska Uniform Arbitration Act, or such other provisions of the statutory laws of the State of Alaska as may be enacted in lieu of the Alaska Uniform Arbitration Act, one arbitrator to be appointed by each of the parties hereto, and those two arbitrators to promptly appoint a third arbitrator. All such arbitration proceedings shall take place in Anchorage, Alaska. In any such arbitration proceeding, each party shall have full access to the books and' records of the other party and the power to call for testimony any employee, agent or officer of any other party and all other rights to discovery afforded under the then applicable Alaska Rules of Civil Procedure or rules or laws applicable to Alaska Superior Court proceedings adopted in lieu thereof, shall be applicable, all of which shall be fully enforceable by the arbitrators or, if they fail to effect such enforcement, by the Superior Court of the State of Alaska at Anchorage, Alaska.

27. COSTS UPON DEFAULT. In the event either party defaults in the performance of any of its obligations under this Lease and an action shall be brought for the enforcement thereof, the defaulting party shall pay to the other all the expenses incurred therefore, including reasonable attorneys' fees.

28. RIGHTS AND REMEDIES. Except insofar as this is inconsistent with or contrary to any provision of this Lease, no right or remedy herein conferred upon or reserved to Lessor is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, as now or hereafter existing at law or in equity or by statute.

29. WAIVER AND FORBEARANCE. Except to the extent that Lessor may have otherwise agreed in writing, no waiver by Lessor of any breach by Lessee of any of its

Exhibit B – Resolution 2026-031

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obligations or agreements or covenants hereunder, shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation, nor shall any forbearance by Lessor to seek remedy for any breach of Lessee be deemed a waiver by Lessor of its rights and remedies with respect to such breach.

30. INSPECTION. Lessee agrees to permit Lessor and its agents to enter on the Premises or any part thereof, at all reasonable hours, upon twenty-four (24) hours' notice, for purposes of examining or exhibiting same or making such repairs or alterations as may be necessary for safety or preservation thereof.

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

32. ASSIGNMENT OR SUBLETTING. Except as set forth in this Section, Lessee may not assign or sublet the Leased Premises, or any part thereof, without the prior written consent of Lessor to such subletting or assignment. Lessee's request to assign or sublease must be in writing and must show the name and address of the proposed assignee or sublessee, as well as the financial history and operating plan of said assignee or sublessee, and are subject to the provisions of Whittier Municipal Code ("WMC") then in effect and approval by the Whittier City Council, including, without limitation WM 3.58.520. Any assignment or subletting without Landlord's written consent shall be absolutely void, not just voidable, and, at Landlord's election, shall constitute a default. If Lessee is not a natural person, the term "assignment" shall include, but not be limited to, any change in the structure of or the ownership of Lessee whereby ownership or control of the affairs of Lessee is transferred to persons other than those exercising such control on the Amendment Date. No assignment shall be approved unless the rental rate is at or above the fair market value for the Leased Premises at the time the assignment is executed.

If Lessee requests a proposed assignment or subletting, Lessor must first consent prior to the conveyance by Lessee to any subsequent assignee or sublessee, and Lessee shall reimburse Landlord, whether or not consent is ultimately given, for any legal fees or other expenses Landlord incurs in connection with such request.

In the event that the Rent due and payable by any permitted sublessee or assignee exceeds the Rent payable under this Lease, then Tenant shall be bound and obligated to pay Landlord, as additional rent hereunder, one-hundred percent (100%) of all such excess Rent within ten (10) days following receipt thereof by Tenant, unless a lesser amount is approved by the Lessor in writing prior to the assignment or subletting. Lessee agrees to provide the City with access to any and all records related to the rent paid by

Exhibit B – Resolution 2026-031

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any permitted assignee or sublessee and the terms and conditions of any permitted assignment or sublease.

33. HOLDING OVER. If Lessee fails to surrender the Leased Premises at the expiration or earlier termination of this Lease, occupancy of the Leased Premises after the termination or expiration shall be that of a tenancy at sufferance. Lessee's occupancy of the Leased Premises during any holdover shall be subject to all the terms and provisions of this Lease and Lessee shall pay a rent amount (on a per month basis, on the first day of the month, without reduction for partial months during the holdover) equal to 150% of the sum of the base Rent due for the period immediately preceding the holdover. No holdover by Lessee or payment by Lessee after the expiration or early termination of this Lease shall be construed to extend the Term or prevent Lessor from obtaining immediate recovery of possession of the Leased Premises by summary proceedings or otherwise. In addition to the payment of the amounts provided above, if Lessor shall have all the rights and remedies provided for by law and this Lease, including the right to recover consequential damages suffered by Lessor as a result of Lessee's holdover.

34. CORPORATE STATUS; PAYMENT OF CITY TAXES; OBTAINING CITY BUSINESS LICENSE. Lessee shall, prior to execution of this Lease, provide to Lessor a copy of its Certificate of Incorporation and evidence that it is in good standing with and licensed to do business in the State of Alaska, and it hereby covenants that it shall at all times remain in good standing with the State during the term of this Lease.

Lessee hereby further acknowledges its obligations under the WMC to obtain and keep current a business license and pay local taxes when due. Failure to comply with such obligations in a timely manner shall be considered a default of this Lease.

35. ANTI-DISCRIMINATION CLAUSE. During the performance of this Lease, the Lessee agrees:

A. In connection with the performance of work under this Lease including construction, maintenance and operation of the facility, the Lessee will not discriminate against any employee or application from employment because of age, race, color, religions, sex or national origin.

B. The Lessee and its employees shall not discriminate, by segregation or otherwise, against any person on the basis of race, color, religion, sex or nationality by curtailing or refusing to furnish accommodations, facilities, services or use privileges offered to the public generally.

Exhibit B – Resolution 2026-031

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

36. VENUE; CONTROLLING LAW. This Lease and the rights and obligations of the Parties shall be interpreted, construed and enforced in accordance with the Laws of the State of Alaska and the Parties hereby irrevocably consent to the jurisdiction of such state with venue in Anchorage, Alaska.

37. SEVERABILITY. If any clause or provision herein contained shall be adjudicated to be invalid, it shall not affect the validity or effect of any other clause or provision of this Lease, nor constitute any cause of action in favor of either party as against the other.

38. COUNTERPARTS. Lessor has delivered a copy of this Lease to Lessee for Lessee's review only, and the delivery of it does not constitute an offer to Lessee nor an option. This Lease shall not be effective against any party if and until an original copy of this Lease has been signed by such party (and with regard to the City, this Lease shall not be effective unless or until approved by the City Council for the City of Whittier). Without limiting the foregoing, this Lease may be executed in two or more counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument. Signatures appearing by facsimile, email or other electronic means shall be deemed originals, and enforceable as such.

39. NO THIRD-PARTY BENEFICIARIES. The Parties to this Lease do not intend to create any rights under this Lease that may be enforced by third parties for their own benefit or the benefit of others.

40. SUBORDINATION TO MORTGAGES. Lessee acknowledges and agrees that this Lease, and all rights of Lessee hereunder, are and shall at all times be subject and subordinate to the lien of any mortgage, deed of trust, or other security instrument (collectively, "Mortgage") now or hereafter placed upon the Premises by Lessor, and to all renewals, modifications, consolidations, replacements, and extensions thereof. Lessee shall, upon request by Lessor or any mortgagee of Lessor, execute and deliver any instruments reasonably required to evidence such subordination. In the event of foreclosure or other enforcement of any Mortgage, Lessee agrees to attorn to and recognize the purchaser or successor-in-interest as Lessor under this Lease, provided that such party assumes Lessor's obligations hereunder from and after the date of acquisition.

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41. ESTOPPEL CERTIFICATES. Lessor and Lessee shall each, within ten (10) days after receipt of a written request from the other, execute and deliver an estoppel certificate to those parties as are reasonably requested by the other (including a party's mortgagee or prospective purchaser). The estoppel certificate shall include a statement certifying that this Lease is unmodified (except as identified in the estoppel certificate) and in full force and effect, describing the dates to which Rent and other charges have been paid, representing that, to such Party's actual knowledge, there is no default (or stating the nature of the alleged default) and indicating other matters with respect to the Lease that may reasonably be requested.

42. FORCE MAJEURE. Whenever a time period is prescribed for either Lessor or Lessee to fulfill an obligation, the time period for the obligation will be extended by the number of days that the performance is delayed due to strikes, acts of God, shortage of labor or materials, war, civil disturbances, and other causes beyond the reasonable control of the performing party ("Force Majeure"); provided, however that a Force Majeure event shall not extend any time period for paying Rent, Additional Rent, or other sums payable by either party under this Lease. The party claiming to be affected by Force Majeure shall notify the other party no later than seven (7) days after the occurrence of the Force Majeure event, otherwise the affected party shall be deemed to have waived the claimed Force Majeure and shall be required to perform. The party claiming to be affected by Force Majeure shall also take reasonable steps to minimize the damage caused by the Force Majeure. If the Force Majeure lasts longer than sixty (60) days, and the parties fail to reach a resolution to continue to perform this Agreement, the party to whom performance is owed shall have the right to terminate this Agreement by giving written notice to the other party.

43. INTEGRATION AND MODIFICATION. This document contains the entire agreement of the Parties hereto. All negotiations, statements, or representations, warranties, and assurances, whether oral or written, which are in any way related to the subject matter of this Lease, and the performance of either party hereto, are merged and integrated into the terms of this document. This Lease may not be modified or amended except by writing signed by both parties hereto, and any purported amendment or modification is without effect until reduced to a writing signed by both parties hereto.

44. MEMORANDUM OF LEASE. This Lease shall not be recorded. The Parties shall execute in suitable form for recordation of a memorandum of this Lease ("Memorandum of Lease"), which shall contain the information required by AS 40.17.120 (as the same may be amended), which shall be recorded. The costs of preparing and recording such Memorandum of Lease shall be paid by Lessee. Upon the expiration or earlier termination of this Lease, Lessee shall promptly execute and deliver to Lessor an

Exhibit B – Resolution 2026-031

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

instrument, in recordable form, terminating the Memorandum of Lease, which shall be in a form reasonably agreeable to Lessee and Lessor, and which may be recorded by Lessor at its sole cost and expense, which obligation shall survive the expiration or termination of the Lease. Lessee hereby irrevocably appoints Lessor, and Lessor's duly authorized agents, as Lessee's true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge, and deliver on Lessee's behalf any and all documents necessary to evidence the termination, release, or discharge of the Memorandum of Lease recorded in connection with this Lease, following the expiration or earlier termination of the Lease. This power of attorney is coupled with an interest, shall be binding upon Lessee and Lessee's successors and assigns, and shall survive the termination of this Lease for the limited purpose of effecting such termination of record.

(SIGNATURES ON FOLLOWING PAGE)

Exhibit B – Resolution 2026-031

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IN WITNESS WHEREOF, the Parties hereunder execute this Lease Agreement the day and year first hereinabove written.

LESSOR:
CITY OF WHITTIER

DATED: _____

By: Jackie Wilde
Its: City Manager

LESSEE:
[BUSINESS ENTITY NAME]

DATED: _____

By:
Its:

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this _____ day of _____, 20____, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared _____, known to me to be the _____ of the CITY OF WHITTIER, and acknowledged that he/she/they executed the foregoing document on behalf of the CITY OF WHITTIER, Alaska pursuant to the authority of the City Council.

IN WITNESS WHEREOF, my hand and official seal the day and year in this certificate first above written.

Notary Public in and For the State of Alaska
My Commission Expires: _____

STATE OF ALASKA)
) ss.
THIRD JUDICIAL DISTRICT)

IN WITNESS WHEREOF, my hand and official seal the day and year in this certificate first above written.

Notary Public in and For the State of Alaska
My Commission Expires:

Exhibit B – Resolution 2026-031

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EXHIBIT A

(Master Lease)

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LEASE AGREEMENT

This Lease Agreement is made this ____ day of [MONTH], 202__ (the "Commencement Date"), by and between the CITY OF WHITTIER, a municipal corporation, with an address at _____, as Landlord, and [ENTITY NAME], with an address at a(n) [E.G. CORPORATION, INDIVIDUAL], with an address at _____, as Tenant ("the Parties").

WITNESSETH:

1. Premises. -- Landlord hereby leases to Tenant and Tenant hereby rents from Landlord for the term hereinafter provided, the real property and improvements (the "Premises") located in the Anchorage Recording District, Third Judicial District, State of Alaska and further described as follows:

[DESCRIBE TYPE OF FACILITY HERE] located at [PHYSICAL ADDRESS], Alaska, the Premises being situated on the following real property:

[LEGAL PROPERTY DESCRIPTION]

The parties agree that for all purposes under this Lease, the net rentable area of the Premises is approximately _____ square feet.

The Premises are depicted in the floor plan of the Premises that is attached hereto as Exhibit A.

2. Term of Lease. -- The initial term of this Lease shall commence [MONTH DAY, YEAR] and shall be for a period of ____ () years, unless sooner terminated as provided herein ("Initial Term"). Tenant's obligation to pay rent shall commence as provided for in Section 3. If Landlord is unable to deliver possession of the Premises as a result of causes beyond its control, Landlord shall not be liable for any damage caused by its failure to deliver possession, the Lease shall not be void or voidable, and the term of the Lease shall not be extended by the delay.

[Option Language if applicable – (a) Provided that Tenant has not defaulted under this Lease and is not currently in default, and subject to the requirements of the Whittier Municipal Code ("WMC"), Tenant shall have the option to extend the term of the Lease for [insert one of the following: one (1) additional term of five (5) years (the "Option Term"); or two (2) successive terms of five (5) years each, each being an "Option Term". To exercise the/an option, Tenant must provide written notice to Landlord of its intent to

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exercise the option not later than ninety (90) days prior to the expiration of the Initial Term [or the initial Option Term]. Any renewal shall be on the same terms and conditions contained herein except that rent for the option period shall be at fair market value rent as determined below; provided, however, such adjusted rent shall not be less than the rent in effect during the last year of the immediately preceding lease period.0]

3. Rent; Rent Adjustments.

(a) **INITIAL RENTAL RATE.** Commencing on the Effective Date of this Lease, and for the first five (5) years of the Initial Term, the annual rental rate (hereinafter “Rent”) for the Leased Premises shall be set at \$ ____ (\$ ____ /month). Thereafter, and during any Option Term, Lessee agrees to pay Rent based on a fixed monthly lease rate established by professional appraisal consistent with the requirements of Chapter 3.38 of the WMC and the provisions below. Rent shall be payable in advance on the first day of each calendar month without notice on demand. In the event any payment of Rent shall not be paid on, or before, five (5) days following the due date as provided in this section, the delinquent amount shall be due together with interest accruing at the rate of eight percent (8%) daily from the due date until the date of the payment. Rent shall not be withheld in whole or in part because of an offset or counterclaim by the Lessee.

(b) **FAIR MARKET VALUE (FMV) ADJUSTMENT.** The annual Rent payment shall be adjusted on [XX/XX/XXXX] and on the same date every five (5) years thereafter (hereinafter each “Rental Adjustment Date”) [, and for any Option Term]. The adjusted annual Rent payment to be paid under the terms of this Lease shall be the appraised FMV of the Leased Premises as determined by an appraisal; provided, however in no case shall the adjusted annual Rent be less than the rate in effect on the day prior to the Rent Adjustment Date. If the appraisal is accepted, the adjusted Rent will be calculated effective January 1st. If the appraisal is rejected, the Objection Procedure in subsection 4(b)(i) will be followed. The cost of the initial appraisal shall be paid by the Lessee, which shall be paid no more than one (1) year after the appraisal is completed.

(i) **PROCEDURE FOR APPRAISAL RENT ADJUSTMENTS.** To adjust the Rent as of any successive Rental Adjustment Date, the Lessor shall retain an independent State of Alaska certified Member Appraisal Institute (hereinafter “MAI”) appraiser, who shall determine the FMV of the Leased Premises. The appraiser’s report shall be delivered to Lessee not less than ninety (90) days before the Rental Adjustment Date. The appraiser’s determination of FMV of the Leased Premises shall constitute a final binding determination of the FMV and the adjusted annual Rent rate until the next Rental Adjustment Date, unless Lessee objects to Lessor’s appraiser’s determination of the FMV.

Exhibit C – Resolution 2026-031

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a. Objection Procedure. If the Lessee(s) object(s) to the Lessor's appraiser's determination of the FMV, Lessee shall give written notice to the Lessor of their objection not less than thirty (30) days after receipt of the appraiser's report, and Lessee(s) shall then engage an independent State of Alaska certified MAI appraiser at Lessee's expense to make an appraisal of the Fair Market Rental Value.

If Lessee's appraisal determines a FMV that varies from that determined by the Lessor's appraisal by no more than twenty percent (20%), then the adjusted Rent rate shall be the average of the rental rates determined by the two appraisals. If Lessee's appraisal determines a FMV that varies from the Lessor's appraisal by more than twenty percent (20%), then, unless the Lessor and Lessee(s) agree(s) on a rate themselves, the adjusted annual Rent rate of the Leased Premises shall be determined in accordance with the Arbitration Clause contained in this Lease.

Notwithstanding the above, the exercise by either the Lessor or the Lessee(s) of the Objection Procedure relating to the Rent adjustment described in this section shall not postpone Lessee's obligation to pay Rent at the rate established by the Lessor. Lessee(s) shall pay the amount of Rent established or adjusted by the Lessor until the question of objection to the adjusted Rent rate is finally resolved. At such time the objection to the adjusted Rent rate is resolved, an appropriate credit or adjustment shall be made retroactive to the date of the adjusted Rent rate was established by the Lessor or in cases where the Lessor failed to obtain an appraisal or deliver the appraisal report to the Lessee, to the Rental Adjustment Date.

If, for any reason, the Lessor does not complete the appraisal or deliver a copy of the appraisal report to Lessee at least ninety (90) days before the Rental Adjustment Date, the Lessor may proceed to complete the appraisal or deliver a copy of the appraisal report to the Lessee at any time thereafter. However, any such adjusted annual Rent rate shall not be effective until the quarterly payment due date immediately following the date of the Lessor delivers the appraisal report to Lessee(s).

(d) CONSUMER PRICE INDEX (CPI) ADJUSTMENT. Notwithstanding anything to the contrary herein, the annual Rent payment shall be increased beginning January 1st in an amount that reflects the increase, if any, in the cost of living for the previous full year as stated in the Consumer Price Index, All Urban Consumers, Anchorage, Alaska Area, All Items 1967=100 (hereinafter "CPI"), as published by the United States Department of Labor, Bureau of Labor Statistics for the most recent period. In no event shall the Rent be less than the Rent in effect for the previous year. If the CPI is revised or ceases to be published, the Lessor shall instead use such revised or other index as most nearly approximates the CPI for the relevant period and make whatever

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adjustment in its application as may be necessary, in the Lessor's sole discretion, to accomplish as nearly the same result as if the PCI had not been revised or ceased to be published.

4. Use of Premises. –

(a) The Premises shall only be used for [DESCRIPTION OF PURPOSE] and for no other purpose without Landlord's prior written consent.

(b) Tenant covenants and agrees as follows:

(i) To not abandon or leave the Premises vacant (after the initial opening of Tenant's business at the Premises, the failure to open the Premises to the public for business for ten (10) continuous calendar days shall be deemed an abandonment);

(ii) To keep and use the Premises in a lawful manner in accordance with the terms of this Lease and not make or permit any use of the Premises which may be dangerous to persons or property;

(iii) To prevent the Premises from being used in any way that will injure the reputation of the same or of the Premises of which it is a part, or that may cause a nuisance, annoyance, inconvenience, or damage to the other tenants of the Premises or of the neighborhood;

(iv) To abide by (and ensure that all persons entering and/or occupying the Premises at Tenant's request or with Tenant's permission, abide by) all rules and regulations that Landlord may establish from time to time with respect to signs, with respect to the management, safety, care and cleanliness of the Premises, and with respect to the common areas, parking areas, driveways, improvements and sidewalks of and around the Premises;

(v) Not to bring or permit its customers, guests or invitees to bring pets or animals of any kind into the Premises at any time, whether animal belongs to Tenant or Tenant's customers, guests or invitees, except as required by A.D.A.;

(vi) Not to smoke or permit its customers, guests or invitees to smoke cigarettes, cigars, pipes, or any other smoking device on the Premises at any time;

(vii) To not commit waste upon the Premises;

Exhibit C – Resolution 2026-031

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- (viii) To not overload any floor;
 - (ix) To not use any apparatus, machinery or device in or about the Premises that will cause any substantial noise or vibration or create unreasonable disturbance to any tenants in the Premises;
 - (x) To not attach any locks or similar devices to any door or window without Landlord's prior written consent;
 - (xi) To not conduct any industrial, manufacturing or processing activity in or on the Premises without the written consent of Landlord;
 - (xii) To not permit or advertise any fire, stock elimination, liquidation, closing out, bankruptcy or similar sales or promotions in or about the Premises;
 - (xiii) To not obstruct the sidewalks or parking lot or use them for business or display purposes except as specifically agreed to by Landlord in writing;
 - (xiv) To not place or permit any radio or television antenna, loud speaker, sound amplifier or other phonographic or similar device on or about the exterior of the Premises or at any place where it may be heard or seen from outside the Premises; and
 - (xv) To not use, operate or install any electrical or mechanical equipment, machinery or mechanical devices in the Premises except with Landlord's prior written consent and then, in accordance with the highest standards applicable to the use, operation or installation of said equipment, machinery or devices generally recognized by the profession or industry in which Tenant is engaged.
- (c) Tenant covenants and agrees not to use or occupy or suffer or permit said Premises or any part thereof to be used or occupied for any purpose contrary to law or the rules or regulations of any public or government authority (including the City of Whittier) or contrary to the provisions of Landlord's hazard insurance policy. If Tenant's use of the Premises causes an increase in the premiums for Landlord's hazard insurance, Tenant shall, on demand, reimburse Landlord for the full amount of any such increase.
- (d) Upon the commencement of the term of this Lease, Tenant shall proceed with due diligence to open for business at the Premises and shall thereafter continuously, actively and diligently operate its said business on the whole of the

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Premises, in a high-grade and reputable manner, maintaining staff and/or inventory necessary to operate Tenant's business in full capacity, during business hours, as hereinafter defined, throughout the term of this Lease, unless prevented from so doing by force majeure or other contingencies beyond the control of Tenant. "Business hours" shall mean those hours during which Tenant customarily keeps its other stores open for business or, if Tenant has no other stores, those hours customarily maintained by other businesses similar to Tenant's; but in no event shall Tenant be required to keep the Premises open for business on Sunday or on a legal holiday; and in no event shall Tenant be prohibited, in any case, from keeping the Premises open for business during such additional days or additional hours as Tenant shall elect.

(e) Any and all common areas and facilities in or about the Premises shall be subject to the exclusive control and management of Landlord. Landlord shall have the right to construct, maintain and operate lighting and other improvements on said areas, to change the area, level, location and arrangement of all common areas and facilities and to temporarily close the common areas.

(f) Continuous Operation; Landlord's Recapture Right. If, at any time during the term of the Lease, Lessee fails to satisfy the Operating Condition (defined below), for reasons other than Excused Closure (defined below), and such failure continues for six (6) consecutive months or more during a calendar year, then upon notice from Lessor to Lessee at any time thereafter (provided that the Operating Condition remains unsatisfied), Lessor shall have the right to terminate the Lease and to recapture the Leased Premises, without payment to Lessee, effective upon the date set forth in Lessor's termination notice (but not sooner than 30 days after the date of the termination notice).

The term "Operating Condition" shall mean and require that the entire Leased Premises is being continuously operated and regularly open for business to the general public as [INSERT PERMITTED USE] in accordance with the Lease, at least on [such days and at such times that similarly situated businesses are open and operating].

The term "Excused Closure" shall mean (i) periods of construction, alterations, renovation, remodeling and repair of the Premises undertaken in accordance with this Lease (including repairs and restoration following damage or destruction due to fire or other casualty) provided that Lessee (A) prosecutes such work to completion with reasonable diligence, and (B) exercises its reasonable efforts to minimize the length of time of such closure; (ii) periods when Lessee cannot practicably operate its business in the Premises as a consequence of force majeure; and (iii) additional periods, not to

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exceed four (4) days in any Lease Year, when Lessee in its sole discretion elects not to operate its business in the Leased Premises.

5. Security Deposit; Personal Guaranty. --

(a) As consideration for Landlord's execution of this Lease, Tenant shall, upon Tenant's execution of this Lease, pay Landlord the sum of \$_____ (_____ dollars). Provided that Tenant receives possession of the Leased Premises, to secure the faithful performance by the Tenant of all the terms, covenants, and conditions of this Lease. If Tenant is in default, Landlord can, but is not required to, use the security deposit or any portion of it to cure the default or to compensate Landlord for any damage (including Landlord's own expenses) sustained by Landlord resulting from Tenant's default. Upon demand, Tenant shall then immediately pay to Landlord a sum equal to the portion of the security deposit expended or applied by Landlord so as to restore the security deposit to the amount initially held by Landlord for that purpose. If Tenant is not in default at the expiration or termination of this Lease, Landlord shall return the security deposit to Tenant.

(b) In the event of a sale of the property of which the Premises are a part, Landlord shall have the right to transfer the security deposit to the purchaser to be held by the purchaser under the terms of this Lease and, in such event, Landlord shall be released from all liability for the return of the security deposit.

(c) Landlord's obligations with respect to the security deposit are those of a debtor and not a trustee, and Landlord can commingle the security deposit with Landlord's general funds. Landlord shall not be required to pay Tenant interest on the deposit.

(d) Tenant may not assign or encumber the money deposited as security, and Landlord shall not be bound by any such assignments or encumbrances

(e) [Add If Tenant is not an Individual - Tenant shall sign the Personal Guaranty of Lease attached hereto as Exhibit B (the "Personal Guaranty of Lease"). The Personal Guaranty of Lease shall continue in full force and effect for the entire term, and extended term if applicable, of the Lease.]

6. Taxes and Increased Taxes.

(a) Tenant shall be responsible for and shall pay, before delinquency, all municipal or state taxes assessed and levied during the term of this Lease, or any

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extended term, against its leasehold interest or personal property, owned by or placed in, upon or about the Premises by the Tenant.

(b) Tenant shall pay to Landlord, as additional rent, a pro rata share of all real estate taxes, if any, that are in excess of the amount of taxes levied against the Premises and its common areas and parking areas during the Base Year [REDACTED]. Landlord agrees to provide the Base Year tax information, with adjustments, promptly after such information is received from the taxing authority ("the Municipality"). Tenant's pro rata share of the excess real estate taxes shall be paid or reimbursed by Tenant to Landlord in annual or other periodic payments promptly after the date on which Landlord has paid or ascertained the amount of excess taxes due. If Landlord has not notified Tenant of the amount of the excess taxes prior to the expiration of six months after Landlord has sufficient information to ascertain the amount, then Landlord shall be deemed to have waived its right to collect excess taxes for the subject year.

(c) Tenant's pro rata share of excess real estate taxes under subsection 6(b) shall be computed on a square-foot basis with the square feet of the Premises being compared to the Net Rentable Area of the Premises. The parties agree that the Net Rentable Area of the Premises is [REDACTED] square feet and that the Premises have [REDACTED] square feet. Tenant's calculated percentage is [REDACTED].

7. Utilities/Services. --

(a) Tenant covenants and agrees to arrange with the appropriate utility and pay for gas, electricity, janitorial, internet, telephone, and other required services, except as provided in (b) below to the Premises. Gas and electric shall be separately metered for the Premises.

(b) Landlord will provide refuse service, common area lighting, parking lot sweeping and snow removal, and landscape and ground maintenance, at no additional charge to Tenant. In no event shall Landlord be liable for an interruption or failure in the supply of any such utilities or services to the Premises. Landlord shall not be liable under any circumstances for loss of or injury to persons or property, however occurring, through or in connection with or incidental to the furnishing of the foregoing; nor shall such failure relieve Tenant from the duty to pay the full amount of rent therein or constitute or be construed as a constructive eviction of Tenant.

(c) Tenant covenants and agrees that the refuse service is intended for building generated refuse only. No "off-site" refuse disposal will be permitted.

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(d) Failure to pay utility charges when due shall constitute a default under this Lease. In the event that Tenant defaults on payment of any utility bill, in addition to any other remedy that Landlord may have at law or otherwise, Landlord has the right, at its option, to pay the delinquent charge and invoice the same to Tenant. Any amounts so paid by Landlord shall be payable by tenant within five (5) days after invoice by Landlord and shall bear interest at the maximum rate allowable by law.

(e) Tenant's responsibility for utilities shall commence on the Commencement Date of this Lease.

8. [Parking Area. --

(a) Landlord agrees to provide, during the term of this Lease, a parking area for the Premises that meets the minimum applicable requirements of the Municipality's zoning ordinances. Landlord may make changes in the parking layout from time to time without any obligation to compensate Tenant therefor.

(b) No charge shall be made for vehicle parking.

(c) Landlord shall have the right to close, from time to time, any or all portions of the parking area or areas to such extent as may, in the opinion of Landlord's counsel, be legally sufficient to prevent a dedication thereof or the accrual of any rights therein to any person or to the public.

(d) Tenant agrees to cause its employees to park only in such places as provided and designated by Landlord for employee parking.

(e) Tenant agrees to abide by all reasonable rules and regulations Landlord may from time to time promulgate relating to the use of the parking areas.]

9. Alterations. --

(a) Acceptance of Premises. -- Tenant hereby acknowledges that Tenant has inspected the Premises and accepts them in their current AS IS condition. Landlord shall not be obligated to construct, install or make any improvements, additions, alterations or changes to the Premises.

(b) Alterations by Tenant. -- Tenant shall not make any alterations, additions or improvements in or to the Premises without the prior written consent of Landlord, which consent may be subject to such conditions as Landlord may deem

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appropriate in its sole discretion. Any such alterations, additions or improvements consented to by Landlord shall be made at Tenant's sole cost and expense, shall be completed with due diligence in compliance with plans and specifications approved by Landlord, and shall be performed in a manner which will not interfere with the quiet enjoyment of the other tenants of the Premises. Tenant shall secure any and all governmental permits, approvals or authorizations required in connection with any such work, and shall defend and hold Landlord harmless from any and all liability, costs, damages, expenses (including attorney's fees) and any and all liens resulting therefrom. At the election of Landlord, upon the expiration or earlier termination of the Lease, all alterations, additions and improvements (and expressly including all light fixtures and floor coverings), except trade fixtures, appliances and equipment that do not become a part of the Premises, shall immediately become the property of Landlord without any obligation to pay therefor. Notwithstanding anything to the contrary contained herein, upon the expiration or sooner termination of this Lease, Tenant shall, upon written demand by Landlord, given at least thirty (30) days prior to the end of the term, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alterations, additions or improvements made by Tenant, designated by Landlord to be removed, and Tenant shall forthwith and with all due diligence at its sole cost and expense, repair any damage to the Premises caused by such removal, which obligations shall survive the expiration or earlier termination of the Lease.

10. Maintenance of Premises. -- Tenant shall at all times throughout the Lease term at its sole cost and expense keep the Premises (including exterior doors and entrances, all windows and moldings and trim of all doors and windows) and all partitions, door surfaces, fixtures, equipment and appurtenances thereof (including lighting and plumbing fixtures) within the Premises in good working order, condition and repair, damage by unavoidable casualty excepted (but not excluding damage from burglary or attempted burglary of the Premises). Without limiting the generalities thereof, Tenant shall keep the glass of all windows and doors clean; replace immediately all broken glass in the Premises; keep all plumbing clean and in good state of repair including pipes, drains, toilets, faucets, basins and those portions of the heating and air conditioning system within the walls of the Premises; perform or pay for the performance of all minor plumbing repairs including, without limitation drain clearing and cleaning, toilet malfunctions, and faucet and water line drips and leaks; replace as necessary all light bulbs, light tubes and light ballasts in the Premises; maintain and replace the ceiling tiles and ceiling supports in the Premises, and complete any other repairs and/or maintenance to comply with the terms of this provision.

Exhibit C – Resolution 2026-031

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If Tenant fails to keep and preserve the Premises as set forth above, Landlord may, at its option, put or cause the same to be put in the condition and state of repair agreed upon and in such case, upon receipt of written statements from Landlord, Tenant shall promptly pay the entire cost thereof as additional rent. Landlord shall have the right, without liability, to enter the Premises for the purpose of making such repairs upon the failure of Tenant to do so.

Tenant agrees that it will not go onto the roof of the Premises without Landlord's prior written consent, and Tenant will not authorize any person to go onto the roof of the Premises without Landlord's prior written consent. Tenant acknowledges and agrees that Landlord's consent will be given only upon Landlord's satisfaction that any repairs necessitated as a result of Tenant's action will be made by Tenant at Tenant's expense and will be made in such a manner so as not to invalidate any guarantee relating to the roof.

Landlord agrees to maintain and repair the rooftop heating, ventilation and air conditioning ("HVAC") units and equipment and such maintenance and repair shall be at Landlord's sole cost; provided, however, that if the need for HVAC maintenance and repair has been caused by Tenant's acts, negligence or omissions, or is attributable to damage resulting from Tenant's business, Tenant shall reimburse Landlord for the costs thereof and reimbursement shall be made promptly after Landlord has invoiced Tenant for such costs.

Landlord shall keep the roof, exterior walls (not including windows, which shall be the responsibility of Tenant), foundations and building structure of the Premises in a good state of repair, and shall accomplish such repairs as may be needed promptly after receipt of written notice from Tenant. Should such repairs be required by reason of Tenant's acts, negligence or failure to act, or the acts or failure to act of Tenant's employees or business invitees, Tenant shall promptly pay Landlord for the cost thereof as additional rent. Tenant shall immediately inform Landlord of any necessary repairs and Tenant shall make none of such repairs without Landlord's prior written consent.

Landlord shall not be liable for any failure to make any such repairs or to perform any maintenance required of Landlord hereunder unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant. Except as otherwise specifically provided herein, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business or property arising from the making of any repairs, alterations or improvements in or to any portion of the Premises, or in or to fixtures, appurtenance and equipment therein. Landlord shall not be liable to Tenant or to those claiming by, through

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or under Tenant for any loss or damage that may arise from acts or omissions of other tenants or persons occupying other portions of the Premises. Landlord shall not be liable to Tenant or any person for any injury, death, loss, property damage (including damage to merchandise, inventory or fixtures) or other damage that is caused by any defect in the Premises or by the surrounding area or by any equipment, machinery, utilities, appliances, apparatus in on or about the Premises or the surrounding area or is caused by the bursting, breakage, leaking or overflow of any water, gas, sewer or steam pipe or by theft, or by act of any third party.

11. Surrender of Premises. -- At the expiration or sooner termination of this Lease, Tenant shall return the Premises to Landlord in the same condition in which received (or, if altered by Landlord or by Tenant with the Landlord's consent, then the Premises shall be returned in such altered condition), reasonable wear and tear excepted. Tenant shall, at its own expense, have the Premises professionally cleaned, including without limitation the carpet, fixtures, walls and glass, at the termination or expiration of this Lease. Tenant shall remove all trade fixtures, appliances and equipment that have not become a part of the Premises and all alterations that Landlord designates to be removed and Tenant shall restore the Premises to the condition they were in prior to the installation of said items. Tenant's obligation to perform this covenant shall survive the expiration or termination of this Lease. In the event Tenant fails to fulfill the requirements of this Section 11, Tenant shall be liable to Landlord for Landlord's costs for storage, removal and disposal of Tenant's personal property, fixtures, appliances and equipment.

12. Indemnification. -- Tenant agrees to protect, defend, indemnify, and save harmless Landlord from and against any and all claims, demands and causes of action of any nature whatsoever, and any expenses incident to defense of and by Landlord therefrom, for injury to or death of persons or loss of or damage to property occurring on or about the Premises, or in any manner arising out of Tenant's use and occupation of the Premises, or the condition thereof, during the term of this Lease. Tenant shall procure and maintain commercial general liability insurance on an occurrence basis with minimum limits of One Million Dollars (\$1,000,000) in the general aggregate. However, Landlord may reasonably require that these limits be increased during the term of this Lease in accordance with customary standards to cover adequately the risks involved for the type of business being operated on the Premises. Landlord shall have the right to require Tenant to obtain additional insurance in such types, and in such amounts, as Landlord may reasonably request during the Term. The insurance policy shall be issued by companies authorized to do business in Alaska and shall name Landlord as an additional insured. The policy shall also provide that it may not be canceled or reduced except upon ten (10) days' prior written notice to Landlord. Tenant shall furnish copies of certificates

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evidencing insurance coverage of the Premises to Landlord upon demand, and if there is no demand, with the first monthly rental payment of every calendar year.

Tenant's obligation to procure and maintain public liability insurance is not in derogation of, or in substitution for, Tenant's obligation to protect, defend, indemnify, and save Landlord harmless under this provision, it being understood that Tenant's obligation is not dependent upon or limited to the amount or availability of insurance proceeds.

13. Hazard Insurance. -- Landlord has procured and will maintain fire and extended insurance insuring the interest of Landlord in the Premises. Tenant, if it desires hazard insurance coverage of Tenant's interest in the Premises, and coverage of Tenant's personal property, merchandise, inventory, and fixtures and the personal property of others located on the Premises, shall be responsible for procuring and maintaining such insurance coverage at Tenant's expense. It is not the intent of either party to this Lease to make the other party an additional insured, an implied co-insured, or a third-party beneficiary insured, of the insurance coverage of the other party under this Section 13 of this Lease.

14. Liens. -- Tenant will not permit any mechanics', laborers' or materialmen's liens to stand against the Premises or improvements for any labor or materials furnished to Tenant or claimed to have been furnished to Tenant or to Tenant's agents, contractors, or sublessees, in connection with work of any character performed or claimed to have been performed on said Premises or improvements by or at the direction or sufferance of Tenant; provided, however, that Tenant shall have the right to contest the validity or amount of any such lien or claimed lien. In the event of such contest, Tenant shall give to Landlord reasonable security as may be demanded by Landlord to ensure payment thereof and prevent any sale, foreclosure or forfeiture of the Premises or improvements by reason of such nonpayment. Such security need not exceed one and one-half times the amount of such lien or such claim of lien or Tenant may record the bond contemplated by Alaska Statute § 34.35.072. Tenant will immediately pay any judgment rendered with all proper costs and charges and shall have such lien released or judgment satisfied at Tenant's own expense.

15. Condemnation. -- If all of the Premises or such portions of the Premises as may be required for the reasonable use of the Premises, are taken by eminent domain, this Lease shall automatically terminate as of the date Tenant is required to vacate the Premises and all rentals shall be paid to that date. In case of a taking of a part of the Premises, or a portion of the Premises not required for the reasonable use of the Premises, then this Lease shall continue in full force and effect and the rental shall be equitably reduced based on the proportion by which the floor area of the Premises is

Exhibit C – Resolution 2026-031

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reduced, such rent reduction to be effective as of the date possession of such portion is delivered to the condemning authority. Landlord reserves all rights to damages to the Premises for any right taking by eminent domain, and Tenant hereby assigns to Landlord any right Tenant may have to such damages or award, and Tenant shall make no claim against Landlord for damages for termination of the leasehold interest or interference with Tenant's business. Tenant shall have the right, however, to claim and recover from the condemning authority compensation for any loss to which Tenant may be put for Tenant's moving expenses and for the interruption of or damage to Tenant's business, provided that such damages may be claimed only if they are awarded separately in the eminent domain proceeding and not as part of the damages recoverable by Landlord.

16. Quiet Enjoyment. -- Provided Tenant is not in default hereunder, Landlord covenants that Tenant shall have peaceful and quiet enjoyment of the Premises and Landlord will warrant and defend Tenant in the peaceful and quiet enjoyment of the Premises.

17. Notices. -- Any notice, request or demand required or permitted hereunder shall be deemed effective when delivered personally, or three (3) days after it is sent by certified or registered mail, postage prepaid, to the following addresses:

Landlord: CITY OF WHITTIER
P.O. Box 608
Whittier, Alaska 99693

Tenant: [ENTITY NAME]
[MAILING ADDRESS]

18. Default. -- Tenant shall be in default under this Lease if, at any time during the term of this Lease, (and regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency or other proceedings, in law, in equity or before any administrative tribunal, which have or might have the effect of preventing Tenant from complying with the terms of this Lease)

(a) Tenant fails to make payment of any installment of rent or of any other sum herein specified to be paid by Tenant, and Tenant fails to cure such nonpayment within seven (7) days after written notice thereof from Landlord to Tenant;

(b) Tenant fails to observe or perform any of Tenant's other covenants, agreements or obligations hereunder, and Tenant does not cure said failure within ten (10) days after written notice thereof from Landlord to Tenant; or

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(c) Tenant files a Petition for an Arrangement or for Relief under Chapter 11 of the Bankruptcy Code, 11 U.S.C. § 101, et seq., or Tenant --

(i) is, without further possibility of appeal or review, adjudicated a bankrupt or insolvent; or

(ii) has a receiver or a Trustee appointed for all or substantially all of its business or assets on the ground of Tenant's insolvency; or

(iii) has itself appointed as debtor-in-possession in a proceeding for a reorganization or an arrangement; or

(iv) files a petition, or a petition is filed, seeking any relief under the Bankruptcy Code of the United States, or any other act of the United States or any state having the same general purposes; or

(v) makes an assignment for the benefit of its creditors.

In the event of a default, Landlord shall have the option to terminate this Lease or terminate Tenant's right to possession of the Premises, without terminating this Lease. Upon such termination of this Lease or termination of Tenant's right to possession of the Premises, Tenant hereby covenants to peaceably and quietly yield up and surrender to Landlord the Premises and all structures, building, improvements and equipment located thereon, and to execute and deliver to Landlord such instrument or instruments as shall be required by Landlord as will properly evidence termination of Tenant's rights hereunder or its interest therein.

Upon the termination of this Lease or termination of Tenant's right to possession of the Premises, Landlord shall have the right to repossess the Premises and such structures, buildings, improvements and equipment, either without the process of law or through any form of suit or proceeding, as well as the right to sue for and recover all rents and other sums accrued up to the time of such termination, and damages arising out of any breach on the part of Tenant, including Landlord's expenses of reletting the Premises, Landlord's costs of repairing, redecorating or altering the Premises for a new tenant, and damages for rent not then accrued. Landlord shall also have the right, without resuming possession of the Premises or terminating this Lease, to sue for and recover all rents and other sums, including damages, at any time and from time to time accruing hereunder.

19. Costs Upon Default. -- In the event either party shall be in default in the performance of any of its obligations under this Lease and an action shall be brought for

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the enforcement thereof, the defaulting party shall pay to the other all the expenses incurred therefor, including reasonable attorneys fees

In the event either party shall without fault on its part be made a party to any litigation commenced by or against the other, then such other party shall pay all costs and reasonable attorney's fees incurred or paid by such party in connection with such litigation.

20. Rights or Remedies. -- Except insofar as this is inconsistent with or contrary to any provision of this Lease, no right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

21. Waiver and Forbearance. -- Except to the extent that Landlord may have otherwise agreed in writing, no waiver by Landlord of any breach by Tenant of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by Landlord to seek a remedy for any breach of Tenant be deemed a waiver by Landlord of its rights or remedies with respect to such breach.

22. Inspection and Notices. -- Landlord and Landlord's employees and agents shall at all reasonable times during Tenant's business hours have access to the Premises for the purpose of inspecting, repairing, altering, and/or improving the Premises and/or Building and for the purpose of posting notices of non-responsibility for liens. Landlord shall not unreasonably interfere with Tenant's use of the Premises. Nothing contained herein shall be deemed to impose any obligation on Landlord not expressly stated elsewhere in this Lease. Landlord shall further have the right to enter the Premises during normal business hours for the purpose of showing the Premises to prospective purchasers of the Building and during the six months prior to the expiration or sooner termination of this Lease, Landlord shall have the right to enter the Premises during normal business hours to show the Premises to prospective tenants. Not more than ninety (90) days prior to the end of the term hereof, Landlord may post a "For Rent" or "For Lease" sign in the Premises.

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

24. Assignment or Subletting. -- Except as set forth in this Section, Lessee(s) may not assign or sublet the Leased Premises, or any part thereof, without the prior

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written consent of Lessor to such subletting or assignment. Lessee's request to assign or sublease must be in writing and must show the name and address of the proposed assignee or sublessee, as well as the financial history and operating plan of said assignee or sublessee. Any assignment or subletting without Landlord's written consent shall be absolutely void, not just voidable, and, at Landlord's election, shall constitute a default. If Tenant is not a natural person, the term "assignment" shall include, but not be limited to, any change in the structure of or the ownership of Tenant whereby ownership or control of the affairs of Tenant is transferred to persons other than those exercising such control on the Commencement Date. No assignment shall be approved unless the rental rate is at or above the fair market value for the Leased Premises at the time the assignment is executed.

If Tenant requests Landlord to consent to a proposed assignment or subletting, Tenant shall reimburse Landlord, whether or not consent is ultimately given, for any legal fees or other expenses Landlord incurs in connection with such request.

25. Destruction of Premises. -- If the Premises shall be destroyed or rendered untenable, either wholly or in part, by fire or other casualty, Landlord may, at its option, restore the Premises to their previous condition, and in the meantime the monthly rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole thereof; but unless Landlord, within thirty (30) days after the happening of any such casualty, shall notify Tenant of its election to so restore the Premises, this Lease shall thereupon terminate and end. If Landlord elects to restore the Premises under this Section, Landlord must do so within a reasonable time not to exceed ten (10) months of the notice of its intention to so restore.

If Premises shall be destroyed or damaged by fire or other casualty insured against under Landlord's fire and extended coverage insurance policy to the extent that more than fifty percent (50%) thereof is rendered untenable, or in the case of which the Premises is a part shall be materially destroyed or damaged by any other casualty other than those covered by such insurance policy, notwithstanding that the Premises may be unaffected directly by such destruction or damage, Landlord may, at its election, terminate this Lease by notice in writing to Tenant within sixty (60) days after such destruction or damage. Such notice shall be effective thirty (30) days after receipt thereof by Tenant.

26. Subordination and Nondisturbance Agreement. -- This Lease shall be subject and subordinate to the lien of any present or future mortgage or mortgages upon the Premises or any property of which the Premises are a part, irrespective of the time of execution or the time of recording of any such mortgage or mortgages, provided that the holders of such mortgages shall enter into written agreements with Tenant to the effect

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that in the event of foreclosure or other action taken under any mortgage by the holders thereof, this Lease and the rights of Tenant hereunder, including, but not limited to, the license of Tenant to use the parking areas, access roads and other common areas and facilities and other appurtenances to the Premises, shall not be disturbed, but shall continue in full force and effect so long as Tenant shall not be in default hereunder. The word "mortgage" as used herein includes mortgages, deeds of trust or other similar instruments, and modifications, extensions, renewals and replacements thereof, and any and all advances thereunder.

27. Holding Over. -- If Tenant shall, with or without the consent of Landlord or Landlord's agent, hold over after the expiration of the terms of this Lease, such tenancy shall be for an indefinite period of time on a month-to-month tenancy, which tenancy may be terminated as provided by the laws of the State of Alaska. During such tenancy, Tenant agrees to pay to the Landlord rent equal to one hundred twenty percent (125%) of the current rent as set forth herein, unless a different rate is agreed upon, and to be bound by all of the terms, covenants and conditions as herein specified, as far as applicable.

28. Tax on Rentals. -- If any governmental authority shall in any manner levy a tax on rental payable under this Lease or rentals accruing from use of property, or a tax in any form against Landlord measured by income derived from the leasing or rental of the Premises, such tax shall be paid by Tenant either directly or through Landlord; provided, however, that Tenant shall not be liable to pay any net income tax imposed on Landlord, if any.

29. Advertising, Signage. -- Tenant shall not post, place or in any manner display any sign, notice, picture, placard or poster, or other advertising matter whatsoever, anywhere in or about the Premises at places visible (either directly or indirectly as an outline or shadow on a glass pane), from anywhere outside the Premises without first obtaining Landlord's written consent. Any consent by Landlord shall be upon the understanding and condition that any approved signage will be at Tenant's sole cost and expense, Tenant will remove the same at the expiration or sooner termination of this Lease and Tenant shall repair any damage to the Premises resulting from the signage or its removal, which obligation shall survive the expiration or termination of this Lease. Tenant shall comply with all ordinances of the City of Whittier with respect to any authorized signage.

30. Estoppel Certificates. -- Tenant shall, from time to time, within ten (10) days of Landlord's written request, execute, acknowledge and deliver to Landlord or its designee a written statement stating: the date this Lease was executed and the date it

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expires; the date Tenant entered into occupancy of the Premises; the amount of minimum monthly rental and the date to which such rental has been paid; and certifying: that this Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way (or specifying the date of agreement so affecting this Lease): that this Lease represents the entire agreement between the parties as to this leasing; that, to Tenant's knowledge, all conditions under this Lease to be performed by the Landlord have been satisfied, including, but without limitation, all co-tenancy requirements: that, to Tenant's knowledge, all required contributions by Landlord to Tenant on account of Tenant's improvements have been received; that on this date Tenant has no knowledge of any existing defenses or offsets which the Tenant has against the enforcement of this lease by the Landlord; that no rental has been paid in advance; and that no security has been deposited with Landlord (or, if so, the amount thereof). The parties intend that a prospective purchaser of Landlord's interest, a mortgagee of Landlord's interest, or an assignee of a mortgage upon Landlord's interest in the Premises may rely upon a statement delivered pursuant to this Section. If Tenant shall fail to respond within thirty (10) days after receipt by Tenant of a written request from Landlord as herein provided, Tenant shall be deemed to have given such statement as above provided without modification, and shall be deemed to have admitted the accuracy of any information supplied by Landlord with regard to the commencement and expiration date of this Lease, the date Tenant entered into occupancy of the Premises, the amount of Tenant's monthly rental, and the date to which such rent has been paid.

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

32. Hazardous Waste. --

(a) Tenant shall not store, use, or dispose of any Hazardous Materials in, on, or about the Premises except in accordance with all city, state and federal laws and regulations. For purposes of this section, "Hazardous Materials" means oil, petroleum, petroleum products or byproducts and any substance, waste or material defined or designated as hazardous or toxic by any applicable federal, state or local statute, regulation or ordinance or determined by federal, state or local governmental authority to be capable of posing a risk of injury to health, safety or property. Landlord

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shall have the right, but not the obligation, to inspect the Premises regarding Tenant's compliance with this section.

(b) Tenant shall be responsible for payment of any and all clean-up costs arising from any contamination of the Premises due to the acts or omissions of Tenant, its officers, agents, contractors or employees. In the event that Tenant fails to comply with any law, regulation or ordinance or any governmental order for clean-up, Landlord may, at its option, cure Tenant's default and all costs incurred by Landlord in doing so (including reasonable attorney's fees) shall be deemed additional rent hereunder and Tenant shall pay said costs within ten (10) days of Landlord's demand.

(c) Tenant shall indemnify, defend and hold Landlord harmless from and against any and all losses, fines, damages, clean-up expenses, penalties, and claims of every kind to the extent that the same result from or are related to Tenant's violation of this Section.

(d) This Section and the parties' obligations hereunder shall survive the termination or expiration of this Lease.

33. Arbitration Clause. The disputes arising under the terms of this Lease, except for disputes relating to or concerning the payment or non-payment of any Rent, additional rent or other amounts due under the Lease (and/or the enforcement of remedies relating to such payment or non-payment issues) shall be subject to arbitration. Such arbitration ("Arbitration") shall be in accordance with the Arbitration Rules for the promulgated by the American Arbitration Association as then in effect, each party to appoint one arbitrator and those two arbitrators to appoint a third arbitrator. Judgment upon the award rendered by the arbitrators may be entered in any court having jurisdiction thereof, subject, however, to the provisions of AS 09.43.010 et seq. (the "Alaska Uniform Arbitration Act") which are not in conflict with said Rules; provided, however, if such Association is not then functioning or such Rules are not then in effect, Arbitration shall be conducted in accordance with the requirements of the Alaska Uniform Arbitration Act, or such other provisions of the statutory laws of the State of Alaska as may be enacted in lieu of the Alaska Uniform Arbitration Act, one arbitrator to be appointed by each of the parties hereto, and those two arbitrators to promptly appoint a third arbitrator. All such arbitration proceedings shall take place in Anchorage, Alaska. In any such arbitration proceeding, each party shall have full access to the books and' records of the other party and the power to call for testimony any employee, agent or officer of any other party and all other rights to discovery afforded under the then applicable Alaska Rules of Civil Procedure or rules or laws applicable to Alaska Superior Court proceedings adopted in lieu thereof, shall be applicable, all of which shall be fully enforceable by the arbitrators

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

or, if they fail to effect such enforcement, by the Superior Court of the State of Alaska at Anchorage, Alaska.

34. General. --

(a) The title to sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

(b) This Lease shall be construed and governed by the laws of the State of Alaska, without regards to conflicts of laws principals.

(c) This Lease at all times is subject to the requirements of the WMC, as the same may be amended from time to time; in the event of any inconsistency between the terms of this Lease, and the WMC, the WMC shall control.

(d) Time is of the essence under this Lease.

(e) Each party represents and warrants to the other party that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease and each party shall indemnify the other party against any loss, cost, liability or expense incurred by the non-indemnifying party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of the indemnifying party.

(f) This Lease together with **Exhibit A (Floor Plan), Exhibit B (Personal Guaranty)** contains all covenants and agreements between Landlord and Tenant relating in any manner to the rental, use and occupancy of the Premises and Tenant's use of the Premises and other matters set forth in this Lease. All negotiations statements, representations, warranties and assurances, whether oral or written, which are in any way related to the subject matter of this Lease and the performance of the parties hereto are merged and integrated into this Lease. The covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by Landlord and Tenant. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

(g) If a party to this Lease shall be prevented or delayed from performing any of its obligations under this Lease by reason of acts of war, labor unrest (including strikes and lockouts), shipping, manufacturing or contractor delays, acts of God or acts

Exhibit C – Resolution 2026-031

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

of governmental authorities, including court orders or other similar causes, and which conditions cannot be overcome by such party through the exercise of normal means and at a reasonable expense, then such failure to perform shall not be deemed a breach or default under this Lease, and the requirement to perform the obligation shall be suspended during such period of disability; provided, however, that nothing herein shall extend the time for making any payments of rent or other amounts owing hereunder.

(h) If Tenant is a corporation or limited liability company, Tenant shall deliver to Landlord on execution of this Lease a certified copy of a resolution or consent of its Board of Directors or Members as appropriate and applicable, authorizing the execution of this Lease and naming the officers or members that are authorized to execute this Lease on behalf of the corporation.

(i) It is understood and agreed that this Lease shall not be binding unless and until all parties have signed it.

(j) This Lease may not be modified nor amended except by a writing signed by both parties hereto, and any purported amendment or modification is without effect until reduced to a writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties have hereunto set their hand and seals the day and year first hereinabove written.

LANDLORD:

CITY OF WHITTIER

By: _____
Its: City Manager

Date:

TENANT:

[ENTITY NAME]

By: _____
Its: _____

Date:

Exhibit C – Resolution 2026-031

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

EXHIBIT “A”

FLOOR PLAN

DRAFT

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

EXHIBIT “B”

PERSONAL GUARANTY

THIS PERSONAL GUARANTY OF LEASE is given by _____, whose mailing address is _____ (“Guarantor”), to The City of Whittier, whose mailing address is _____ (“Landlord”), on the ____ day of _____, 202__.

Recitals

At Guarantor’s request, Landlord has entered into a Lease Agreement with _____ (“Tenant”), for the Premises consisting of approximately _____ square feet in the building which is situated on the following described real property:

[INSERT DESCRIPTION]

which Lease is dated the ____ day of _____, 202__ (“Lease”), and which Premises is described more particularly in the Lease; and

Landlord would not have entered into the Lease except for Guarantor’s request and the execution and delivery of this guaranty.

Agreement

In consideration of Landlord entering in the Lease with the Tenant, Guarantor agrees as follows:

1. *Guaranty.* Guarantor, for himself/herself and his/her legal representatives, guaranties the prompt payment when due, or whenever payment may become due under the terms of the Lease, of all payments of rent, additional rent, and all other charges, expenses and costs of every kind and nature, which are or may be due now or in the future under the terms of the Lease, any agreements or documents related to the Lease, or any other transaction between Landlord and Tenant directly or indirectly related to the Lease; and the complete and timely performance, satisfaction and observation of the terms and conditions of the Lease, rules and regulations and related obligations arising by reason of the Lease, required to be performed, satisfied or observed by Tenant.

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

2. *Coverage of Guaranty.* This guaranty extends to all liability which the Tenant has or may have to Landlord by reason of matters occurring before the signing of the Lease by the parties or commencement of the term of the Lease or by matters occurring after the expiration of the term of the Lease by reason of removal of Tenant property, surrender of possession, or other matters. This guaranty extends to any successor, assignee, or subtenant of Tenant, to any extensions or renewals of the Lease, and to any term established by reason of the holdover of Tenant, an assignee or subtenant.

3. *Performance Guaranty.* If Tenant fails to perform, satisfy, or observe any term or condition of the Lease, rule or regulation, or related Lease obligation, Guarantor will promptly and fully do so in Tenant's place. Guarantor shall immediately pay, reimburse, and indemnify Landlord for all damages, costs, expenses, losses, and other liabilities arising or resulting from Tenant's failure to perform or satisfy the required terms, rules, and obligations.

4. *Waiver of Notices.* Without notice to or further assent from Guarantor, Landlord may waive or modify any term or condition of the Lease, rule or regulation, or related Tenant obligation; or compromise, settle, or extend the time of payment of any amount due from Tenant or the time of performance of any obligation of Tenant. Landlord may take these actions without discharging or otherwise affecting Guarantor's obligations.

5. *Lease Security.* This guaranty shall remain in full force and effect, and Guarantor remains fully responsible, without regard to any security deposit or other collateral for the performance of the terms and conditions of the Lease, or the receipt, disposition, application, or release of any security deposit or other collateral, now or hereafter held by or for Landlord.

6. *Unconditional obligations.* Guarantor's liability is direct, immediate, absolute, continuing, unconditional, and unlimited. Landlord shall not be required to pursue any remedies against Tenant or against any security deposit or other collateral as a condition to enforcement of this guaranty. Guarantor shall not be discharged or released by reason of the discharge or release of Tenant for any reason, including a discharge in Bankruptcy, receivership or other proceedings, a disaffirmation or rejection of the Lease by a trustee, custodian, or other representative in Bankruptcy, a stay or other enforcement restriction, or any other reduction, modification, impairment, or limitations of Tenant's liability or any remedy of Landlord. Guarantor assumes all responsibility for being and keeping himself/herself informed of Tenant's financial condition and assets, and of all other circumstances bearing upon the risk of nonperformance by Tenant under

THIS LEASE IS IN DRAFT FORM FOR CITY REVIEW AND DISCUSSION. IT HAS NOT BEEN REVIEWED OR APPROVED BY THE WHITTIER CITY COUNCIL.

the Lease. Guarantor agrees that Landlord shall have no duty to advise Guarantor of information known to it regarding such circumstances or risks.

7. *Subordination of Subrogation Rights.* Guarantor subordinates all claims that he/she has or may have against Tenant by reason of subrogation for payments or performances under this guaranty or claims for any other reason or cause. Guarantor agrees not to assert any claim that he/she has or may have against Tenant, including claims by reason of subordination under this guaranty, until the payment and other of Tenant's obligations to Landlord are fully satisfied and discharged.

8. *Binding Effect.* This guaranty is binding upon Guarantor, his legal representatives and assigns, and is binding upon and shall inure to the benefit of Landlord, its successors and assigns. No assignment or delegation by Guarantor shall release him/her of his/her obligations under this guaranty. The term "Tenant" used in this guaranty includes also the first and any successive assignee or subtenant of Tenant.

9. *Modifications.* This guaranty may not be modified orally; it may only be modified by a writing signed by both Guarantor and Landlord. Modifications include any waiver, change, discharge, modification, or termination.

10. *Joint and Several Liability.* All guarantors shall be jointly and severally liable for all obligations under this guaranty

In witness whereof Guarantor has duly signed this guaranty on the date stated above.

GUARANTOR:

[INSERT NAME]

CALL TO ORDER

The May 4, 2026, special meeting of the Whittier City Council was called to order at 6:05 p.m. by Mayor Shen.

OPENING CEREMONY

Mayor Shen led the pledge of allegiance to the flag.

ROLL CALL

There were present:

Victor Shen, presiding, and
David Pinguoch, Lorianne Borg, Jamie Loan, Tom Wagner, Peter Denmark (virtual), and Renner Macal tao comprising a quorum of the Board.

Also Present:

Jackie C. Wilde, City Manager
Shelby Carlson, Assistant City Manager/Acting City Clerk
Kristin Erchinger, Finance Director (virtual)
David Borg, Harbormaster
Holly Wells, City Attorney (virtual)

CITIZEN COMMENTS ON ANY SUBJECT EXCEPT THOSE ITEMS SCHEDULED FOR PUBLIC HEARING – None

APPROVAL OF THE SPECIAL AGENDA

Motion (Wagner/Macal tao)

Approval of Special Agenda

Motion Passed

Unanimous

CONFLICT OF INTEREST – None

SPECIAL MEETING BUSINESS – None

COUNCIL COMMENTS – None

CITIZEN DISCUSSION – None

COUNCIL AND ADMINISTRATION RESPONSE TO CITIZEN COMMENTS – None

EXECUTIVE SESSION

As per WMC 2.08.040(B)(1), matters that, if immediately disclosed, would tend to adversely affect the finances of the city.

Motion (Borg/Loan)

Motion to enter into executive session.

The City Manager, Assistant City Manager, Harbormaster, Finance Director, and City Attorneys were asked to stay for the executive session.

Motion Passed**Unanimous**

The Council went into executive session at 6:09 p.m.

Motion (Denmark/Macal tao)

Motion to exit executive session.

Motion Passed**Unanimous**

The Council came out of executive session at 8:24 p.m.

Motion (Loan/Borg)

Direct the City Manager and City Attorney to take action as directed in Executive Session.

Motion Passed**Unanimous****ADJOURNMENT**

The meeting adjourned at 8:28 p.m.

Shelby Carlson
Acting City Clerk

Victor Shen
Mayor

(City Seal)

CALL TO ORDER

The May 26, 2026, rescheduled regular meeting of the Whittier City Council was called to order at 7:05 p.m. by Mayor Shen.

OPENING CEREMONY

Mayor Shen led the pledge of allegiance to the flag.

ROLL CALL

There were present:

Victor Shen, presiding, and
Peter Denmark, Renner Macal tao, Jamie Loan, Tom Wagner, and Lorianne Borg,
comprising a quorum of the Board.

And Absent:

David Pinquoch

Also Present:

Jackie C. Wilde, City Manager
Kristin Erchinger, Finance Director
Jason Cates, Fire/EMS Chief
David Borg, Harbormaster
Andre Achee, Police Chief
Shelby Carlson, Assistant City Manager/Acting City Clerk
Holly Wells, City Attorney (virtual)

Motion (Wagner/Borg)

Excuse **David Pinquoch** from the meeting.

Motion Passed

Unanimous

CITIZEN COMMENTS ON ANY SUBJECT EXCEPT THOSE ITEMS SCHEDULED FOR PUBLIC HEARING

Cherie Curry shared an update on the planning for the USS Ted Stevens commissioning ceremony.

Mike Bender spoke on the Regional Citizen's Advisory Council.

APPROVAL OF THE REGULAR MEETING AGENDA AND CONSENT AGENDA

Motion (Wagner/Macal tao)

Approve Agenda and Consent Agenda

Motion Passed

Unanimous

Items Approved on Consent Agenda:

9. *Approval of the April 21, 2026 Special Meeting Minutes

10. *Approval of the April 21, 2026 Regular Meeting Minutes

11. *Non-Objection to the Swiftwater Seafood Cafe Alcohol License Renewal

12. *Non-Objection to the Oceanfront Cafe License Renewal

CONFLICT OF INTEREST – None

PRESENTATIONS AND REPORTS

Presentations – Wilde and Borg presented the Monthly Wilde Manager’s Award to the young adults (and Harbor and Public Works Staff) who volunteered with the Memorial Park Micro Park project.

Mayor Report – Shen gave thanks to the Administration for their preparations for the advocacy trip to Washington, D.C. He also shared updates on the Prince William Sound Stewardship Foundation’s Natural History Symposium and the Clean Up Week.

Vice Mayor Report – Denmark spoke on the importance of the Ground Passenger Fee’s success.

City Manager Report – Wilde noted her written report was included in the packet and welcomed questions.

City Attorney Report – Wells reported that the City’s commercial recreational ground passenger fee applies to all qualifying passengers of commercial recreational ground transportation vehicles, regardless of whether they arrive by cruise ship, though the cruise industry has been a significant source of opposition to the fee. She explained that the City has been in discussions with the State of Alaska following an April letter from the Attorney General’s office raising concerns that the fee could be viewed as a toll under the 1997 toll agreement between the State and the Federal Highway Administration related to the Whittier tunnel. **Wells** stated that the City believes this concern likely stems from the ordinance’s reference to “roads,” and reiterated the City’s position that the fee is not a toll because it is not charged for the privilege of using any federal or state road or highway, but is instead tied to City services and facilities used by commercial recreational ground transportation passengers. To avoid misunderstanding with the State or FHWA, **Wells** advised that an ordinance amendment will likely come before Council to either clarify the reference as applying only to City roads or remove the reference to roads entirely. She further emphasized that businesses subject to the fee must continue to register and pay as required, and that any business wishing to dispute the fee should use the City’s pay-under-protest and administrative appeal procedures rather than simply refusing to comply.

PUBLIC HEARINGS

Non-Code Ordinance 2026-002, An Ordinance Suspending the Requirement that the City Adopt an Annual Land Allocation Plan Under WMC 3.38.330(B) Through (F) Until December 31, 2027 to Permit the Whittier City Council to Finalize Certain Land Holdings Within the City of Whittier Before Engaging in the Annual Land Allocation Plan Process

Public Hearing Opened at 7:41 p.m.

No comments were provided.

Public Hearing Closed at 7:43 p.m.

Motion (Wagner/Denmark)Adopt **Non-Code Ordinance 2026-002.****Wilde** provided a staff report.**Motion Passed****Unanimous****ORDINANCES FOR INTRODUCTION – None****RESOLUTIONS****Resolution 2026-027** A Resolution Accepting a \$5,000 Donation from the Former Whittier Watershed Council and Setting Aside Funds for Future Appropriation by the City Council**Motion (Loan/Wagner)**Approve **Resolution 2026-027.****Erchinger** provided a staff report. General discussion given.**Motion Passed****Unanimous****Resolution 2026-028** A Resolution Authorizing the City Manager to Enter into a Contract with Alaska Diversified Contractors LLC to Construct the Whittier Well Field Upgrade Project, and Appropriating Funds**Motion (Wagner/Macal tao)**Approve **Resolution 2026-028.****Korbe** provided a staff report. General discussion given.**Motion Passed****AYES:** Loan, Denmark, Borg,
Macal tao, Shen
NOES: Wagner**OTHER NEW BUSINESS****Preparing the City Attorney Evaluation****Motion (Loan/Wagner)**

Conduct the City Attorney's semi-annual performance review using the online survey format previously used by the Council, and to compile and provide a summary of the Council's responses to the City Attorney and Council for discussion at the June 16, 2026 regular meeting.

Denmark requested a synopsis of the previous evaluation's results.**Motion Passed****Unanimous**

Appointing Members to Beautification Scoring Committee**Motion (Denmark/Wagner)**

Confirm the Mayor's appointments of Tom Wagner, Renner Macal tao, and Lorianne Borg to the Beautification Matching Grant Program Scoring Committee.

General discussion given.

Motion Passed

AYES: Loan, Denmark, Borg, Wagner, Shen

NOES: Macal tao

COUNCIL COMMENTS

Denmark asked **Wagner** which resolutions he considered incomplete; **Wagner** responded the city park and Head of the Bay road. **Denmark** asked clarification on the competitive bid process. **Wilde** shared additional details on the process. General discussion given.

Wagner asked follow up questions and requested a copy of the competitive bid process. He also asked follow-up questions regarding the status of expired leases. **Wells** explained that allowing an expired lease to continue with the same lessee without a competitive bid process, uniform review, or formally approved exemption would create significant legal risk for the City, including potential equal protection and other constitutional concerns, because the City cannot grant one entity preferential rights to public property without a fair and consistent process. She noted that the current lease procedures were designed to give Council guided discretion through transparent criteria beyond simply accepting the highest bid, while still allowing flexibility through extensions, exemptions, and future code adjustments if Council identifies issues as it works through the process. General discussion given.

Shen shared his frustration with the stipulations of the municipal land conveyance. **Wilde** committed to bringing forward a report to the Council on the topic. **Wells** noted this is a great conversation to have. **Shen** asked the Council to consider questions such as, "at what point does this become something that is done to us?", "How much is enough?", and "How do we protect the character of this town?". **Denmark** offered that Whittier's geography constrains the amount of growth it can experience. **Shen** asked the Administration what tools are available for protecting Whittier's character and resources. **Wilde** responded the Council needs a strategic plan.

CITIZEN DISCUSSION

Ky Holland, State Representative for House District 9, provided an update on the legislature.

Heather Brazelton and Geoff Edwards, representing Greater Whittier, LLC, offered cardboard for the Wish Wash event.

Kelly Bender, representing herself, spoke in response to Vice Mayor Denmark's comments regarding the Ground Transportation Fee.

Carlson read a letter from Cruise Lines International Association regarding the Ground Transportation Fee. **Wells** stated that the City anticipated potential challenges to the commercial recreational ground passenger fee, which is one reason implementation was delayed for a year, and said it has been frustrating to see objections raised after the effective date despite prior notice and information from the City. She emphasized that the City conducted substantial legal review

before adopting the fee and remains of the opinion that the fee is lawful, with the State's concern appearing to focus on whether the ordinance language could be clarified to avoid any implication that the fee functions as a toll under the State's agreement with the Federal Highway Administration. **Wells** explained that the State's concern is not the same as saying the fee itself is unlawful; rather, the issue is whether the City, as a political subdivision of the State, could be viewed as placing the State at risk under its toll agreement, revenue bond protections, or related contractual obligations. She reiterated the City's position that the fee is not a toll on any federal or state road, but a lawful fee for services, facilities, and benefits provided to commercial recreational ground transportation passengers and the industry, and stated that anyone wishing to dispute the fee must do so through the City's local administrative challenge process.

COUNCIL AND ADMINISTRATION RESPONSE TO CITIZEN COMMENTS

Shen stated that the ground transportation fee was not an easy decision and did not come lightly, but became necessary after the City moved the waterborne fee from the general fund to the harbor fund, creating a "gaping hole" in general fund revenue and reducing the City's rainy day fund from nine months of operating expenses to four months, while the general fund still has to pay for important services like police, fire, EMS, public works, snow removal, road repairs, trash, potholes, and administration.

Wells clarified that the fee is not being imposed simply to bolster the general fund or pay for general emergency services, but to stop the general fund from being "siphoned off" to pay for the supplemental services, facilities, infrastructure, bathrooms, staffing, and other costs needed to serve recreational commercial ground transportation passengers and the industry.

Wilde stated the community should not bear the burden of the cruise ship impacts...

Wagner stated that a town of 273 people should not be expected to bear the burden of supporting the cruise ship terminal and its impacts at the Head of the Bay, where growing commercial tourism operations, heavy traffic, failing culverts, drainage issues, pedestrian safety and ADA concerns, and escalating road maintenance needs have stretched limited municipal resources beyond what the City can realistically afford without a sustainable funding source such as the commercial ground fee.

Wells noted that the road is a good example of why the ordinance included the word "roads," because the fee was intended to create facilities and services that benefit the commercial tourism industry, but said that if removing any reference to roads is necessary to give the State comfort that its toll agreement is not compromised, that is the direction the City may need to go.

EXECUTIVE SESSION

Discuss Harbor Rebuild and discuss Alaska Railroad Corporation Land Purchase, as per WMC 2.08.040(B)(1), matters that, if immediately disclosed, would tend to adversely affect the finances of the city.

Wagner left the meeting at 9:06 p.m.

Motion (Loan/Borg)

Motion to enter into executive session.

The City Manager, Assistant City Manager, Public Works Director, Harbormaster, Finance Director, and City Contractors were asked to stay for the executive session.

Motion Passed**Unanimous**

The Council went into executive session at 9:08 p.m.

Motion (Loan/Macal tao)

Motion to exit executive session.

Motion Passed**Unanimous**

The Council came out of executive session at 10:31 p.m.

Borg recognized an additional youth volunteer who volunteered with the Memorial Park Micro Park project who was not recognized earlier in the meeting.

ADJOURNMENT

The meeting adjourned at 10:35 p.m.

Shelby Carlson
Acting City Clerk

Victor Shen
Mayor

(City Seal)

CALL TO ORDER

The June 2, 2026, special meeting of the Whittier City Council was called to order at 6:00 p.m. by Mayor Shen.

OPENING CEREMONY

Mayor Shen led the pledge of allegiance to the flag.

ROLL CALL

There were present:

Victor Shen, presiding, and
David Pinguoch, Lorianne Borg, Jamie Loan, Peter Denmark, Renner Macal tao, and Tom Wagner, comprising a quorum of the Board.

Also Present:

Jackie C. Wilde, City Manager
Shelby Carlson, Assistant City Manager/Acting City Clerk
Kristin Erchinger, Finance Director (virtual)
David Borg, Harbormaster
Scott Korbe, Public Works Director
Jason Cates, Fire Chief
Richard Moses, City Attorney (virtual)

CITIZEN COMMENTS ON ANY SUBJECT EXCEPT THOSE ITEMS SCHEDULED FOR PUBLIC HEARING – None**APPROVAL OF THE SPECIAL AGENDA**

Motion (Loan/Wagner)

Approval of Special Agenda

Motion Passed

Unanimous

CONFLICT OF INTEREST – None**SPECIAL MEETING BUSINESS**

Resolution 2026-029, Appropriating \$145,000 from the Ground Transportation Fund for Temporary Safety Improvements and Roadway Repairs to Gateway Road, Providing Access to Glacier Creek Terminal and the Head of the Bay Area, to Address Transportation-Related Impacts Generated by Increased Visitation, Improve Public Safety, Preserve Access, and Mitigate Deteriorated Road Conditions

Motion (Borg/Wagner)

Approve Resolution 2026-029.

Wilde, Erchinger, and Korbe provided a staff report. **Shen** asked if any Council members would have a conflict of interest in this resolution. **Moses** stated as the members do not have ownership in the company, there is no substantial financial conflict of interest as per Whittier Municipal Code. General discussion given.

Motion Passed**Unanimous****COUNCIL COMMENTS**

Denmark commented on the lease ordinance and shared he felt the Administration handled the recently expired leases poorly.

Pinguoch stated he felt the standing leaseholders should not have to compete to retain their lease. There was no objection to scheduling a work session immediately before the June 16, 2026 Regular Meeting to discuss Whittier Municipal Code 3.38.360-3.38.480 (leases).

Pinguoch proposed a motion to place a moratorium on any administrative action regarding expired leases until Ordinance 3.38.360 – 3.38.480 are determined by Council to not need reevaluation or if determined there is a need to reevaluate, until the reevaluation and subsequent ordinance changes are approved. **Wilde** requested a legal opinion on the legality of the motion as stated. **Moses** stated that voting on the motion would likely violate Whittier Municipal Code provisions and Alaska's Open Meetings Act regarding public notice of agenda items. General discussion given.

Pinguoch asked for legal opinion on the definition of "immediate family member" in a conflict of interest as it pertained to Victor Shen and Joe Shen in a previous meeting. **Moses** stated the context of the definition is important and urged the Council to follow the municipal code's definition as it pertains to conflicts of interest.

CITIZEN DISCUSSION

Sean Marx presented two federal grant funding pathways to increase cybersecurity and port security for Whittier.

Kelly Bender spoke regarding leases.

Cody Hannah spoke regarding leases.

David Goldstein spoke regarding leases.

Hai Han Ye spoke regarding the leases.

Matt Kopec spoke regarding the leases.

COUNCIL AND ADMINISTRATION RESPONSE TO CITIZEN COMMENTS

Denmark responded to Hannah's comment and noted these three expired leases are the oldest and do not include the 35-year renewal options.

EXECUTIVE SESSION

Leases, as per WMC 2.08.040(B)(1), matters that, if immediately disclosed, would tend to adversely affect the finances of the city.

Motion (Wagner/Loan)

Motion to enter into executive session.

The City Manager, Assistant City Manager, Harbormaster, Finance Director, Public Works Director, and City Attorney were asked to stay for the executive session.

Motion Passed

AYES: Wagner, Loan, Macaldao,
Pinguoch, Borg, Shen
NOES: Denmark

The Council went into executive session at 7:10 p.m.

Motion (Wagner/Loan)

Motion to exit executive session.

Motion Passed

Unanimous

The Council came out of executive session at 8:27 p.m.

ADJOURNMENT

The meeting adjourned at 8:27 p.m.

Shelby Carlson
Acting City Clerk

Victor Shen
Mayor

(City Seal)

CITY OF WHITTIER
COMBINED CASH INVESTMENT
APRIL 30, 2026

COMBINED CASH ACCOUNTS

CASH ALLOCATION RECONCILIATION

1	ALLOCATION TO GENERAL FUND	1,712,596.30
50	ALLOCATION TO WATER AND WASTEWATER	647,625.74
51	ALLOCATION TO SMALL BOAT HARBOR	697,397.70
53	ALLOCATION TO DELONG DOCK	1,470,543.07
60	ALLOCATION TO MOTOR POOL	203,637.90
72	ALLOCATION TO GENERAL FUND MRRF	823,680.22
73	ALLOCATION TO HARBOR MRRF	693,180.02
75	ALLOCATION TO WATER/WASTEWATER MRRF	1,369,927.12

	TOTAL ALLOCATIONS TO OTHER FUNDS	7,618,588.07

	ZERO PROOF IF ALLOCATIONS BALANCE	7,618,588.07

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

GENERAL FUND

ASSETS

01-000-0100	CASH - COMBINED FUND	1,712,596.30	
01-000-1090	PETTY CASH	250.00	
01-000-1150	ACCRUED INTEREST RECEIVABLE	24,659.71	
01-000-1200	ACCOUNTS RECEIVABLE - GENERAL	68,536.52	
01-000-1210	ACCOUNTS REC PROPERTY TAX REAL	92,546.18	
01-000-1212	ACCOUNTS REC PROPERTY TAX PERS	219,816.48	
01-000-1215	UNAPPLIED PAYMENT - PROP TAX	(6,243.27)	
01-000-1220	ACCOUNTS REC - BUSINESS TAX	(15,171.69)	
01-000-1230	ACCOUNTS RECEIVABLE - LEASES	4,340.47	
01-000-1240	GASB 87 LEASE RECEIVABLE	12,357,173.90	
01-000-1251	GRANTS RECEIVABLE	124,630.44	
01-000-1299	ALLOWANCE FOR DOUBTFUL ACCOUN	(154,058.15)	
01-000-1700	PREPAID EXPENSES	17,447.05	
01-000-1710	PREPAID WORKER'S COMP.	(.07)	
01-000-1720	PREPAID INSURANCE	(5,447.29)	
01-000-1900	SUSPENSE	(9,210.13)	
	TOTAL ASSETS		14,431,866.45

LIABILITIES AND EQUITY

LIABILITIES

01-000-2000	ACCOUNTS PAYABLE	68,905.81	
01-000-2002	AP NOT THROUGH JOURNAL	120,512.00	
01-000-2010	ACCRUED WAGES PAYABLE	(58,244.50)	
01-000-2050	FEDERAL PAYROLL TAXES PAYABLE	5,476.61	
01-000-2060	ESC TAXES PAYABLE	1,755.10	
01-000-2075	HEALTH & LIFE INSURANCE PAYABL	19,625.08	
01-000-2080	PERS PAYABLE	3,591.89	
01-000-2090	AFLAC INSURANCE LIAB	2,326.25	
01-000-2150	ACCRUED PAYROLL	53,828.52	
01-000-2310	UNEARNED REVENUE - PROPERTY TA	143,318.46	
01-000-2320	UNEARNED REVENUE - OTHER	1,588.82	
01-000-2330	UNEARNED REVENUE - LEASES	58.86	
01-000-2700	DEFERRED INFLOW OF RESOURCES	12,037,707.72	
	TOTAL LIABILITIES		12,400,450.62

FUND EQUITY

01-000-3000	FUND BALANCE	2,480,122.02	
01-000-3201	F/B-ASSIGNED OPERATING RESERVE	326,831.96	
01-000-3202	F/B-ASSIGNED PARKS AND REC	43,700.88	
01-000-3203	F/B-ASSIGNED EXXON SETTLEMENT	84,427.57	
01-000-3204	F/B-ASSIGN BTI ASSET SUPPORT	103,490.00	
01-000-3205	F/B-ASSIGN W MANOR ASSET SUPP	17,022.00	

REVENUE OVER EXPENDITURES - YTD (1,024,178.60)

BALANCE - CURRENT DATE 2,031,415.83

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

GENERAL FUND

TOTAL FUND EQUITY	2,031,415.83
TOTAL LIABILITIES AND EQUITY	14,431,866.45

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>TAXES</u>					
01-310-4005 FISH TAX	6,526.87	6,526.87	10,000.00	3,473.13	65.3
01-310-4006 MOTOR VEHICLE REGISTRATION	185.84	614.56	4,250.00	3,635.44	14.5
01-310-4007 LIQUOR TAX	.00	3,750.00	6,500.00	2,750.00	57.7
01-310-4008 FUEL TRANSFER EXCISE TAX	75.15	75.15	15,000.00	14,924.85	.5
01-310-4009 ELEC & TELE CO-OP TAX	.00	.00	8,500.00	8,500.00	.0
01-310-4200 SALES TAX	82,250.36	125,198.47	722,571.00	597,372.53	17.3
01-310-4201 PROPERTY TAX - REAL	8,213.91	8,601.47	528,000.00	519,398.53	1.6
01-310-4202 PROPERTY TAX - PERSONAL	3,958.70	20,489.39	328,000.00	307,510.61	6.3
01-310-4205 BUSINESS TRANSPORTATION TAX	4,860.76	4,860.77	.00	(4,860.77)	.0
01-310-4206 GROUND-BASED PASSENGER FEE	.00	.00	975,000.00	975,000.00	.0
TOTAL TAXES	106,071.59	170,116.68	2,597,821.00	2,427,704.32	6.6
<u>LICENSES & PERMITS</u>					
01-320-4250 BUSINESS LICENSES	210.00	2,622.50	5,740.00	3,117.50	45.7
01-320-4251 USER FEES & PERMITS	.00	100.00	1,500.00	1,400.00	6.7
01-320-4312 AMBULANCE FEES	.00	15,408.37	67,688.00	52,279.63	22.8
TOTAL LICENSES & PERMITS	210.00	18,130.87	74,928.00	56,797.13	24.2
<u>INTERGOVERNMENTAL REVENUE</u>					
01-330-4002 STATE REVENUE SHARING	.00	.00	80,000.00	80,000.00	.0
01-330-4003 STATE PAY-IN-LIEU OF TAXES	.00	.00	55,000.00	55,000.00	.0
01-330-4012 FEDERAL GRANT FUNDS	.00	(3,079.36)	81,600.00	84,679.36	(3.8)
01-330-4025 NAT'L FOREST SERVICE RECEIPTS	.00	30,549.00	28,000.00	(2,549.00)	109.1
TOTAL INTERGOVERNMENTAL REVENUE	.00	27,469.64	244,600.00	217,130.36	11.2
<u>LEASES</u>					
01-345-4515 LEASE INCOME - CITY LAND	5,869.58	24,918.32	315,778.00	290,859.68	7.9
01-345-4517 LEASES - ARRC LAND	1,176.49	4,705.96	.00	(4,705.96)	.0
01-345-4520 LEASE INCOME - CONDOMINIUMS	1,750.00	7,000.00	13,800.00	6,800.00	50.7
01-345-4525 LAND USE RENT	105.00	420.00	14,350.00	13,930.00	2.9
TOTAL LEASES	8,901.07	37,044.28	343,928.00	306,883.72	10.8
<u>FINES & CITATIONS</u>					
01-350-4261 PSD FINES & CITATIONS	.00	.00	500.00	500.00	.0
01-350-4262 PSD PARKING TICKETS CIVIL	200.00	200.00	1,025.00	825.00	19.5
TOTAL FINES & CITATIONS	200.00	200.00	1,525.00	1,325.00	13.1

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>MISCELLANEOUS</u>					
01-360-4099 MISCELLANEOUS REVENUE	40.00	363.40	2,500.00	2,136.60	14.5
01-360-4204 INTEREST & PENALTIES	1,813.05	3,005.26	2,050.00	(955.26)	146.6
01-360-4271 DONATIONS - EMS/FIRE/POL	.00	20.00	.00	(20.00)	.0
01-360-4900 INTEREST ON BANK ACCOUNTS	8,920.88	35,110.78	.00	(35,110.78)	.0
01-360-4902 INVESTMENT INTEREST	.00	.00	81,600.00	81,600.00	.0
01-360-4903 LEASE INTEREST REVENUE	.00	.00	370,188.00	370,188.00	.0
01-360-4915 GIRDWOOD-POLICE CONTRACT	74,103.13	296,412.52	889,238.00	592,825.48	33.3
	<u>84,877.06</u>	<u>334,911.96</u>	<u>1,345,576.00</u>	<u>1,010,664.04</u>	<u>24.9</u>
TOTAL MISCELLANEOUS					
	<u>200,259.72</u>	<u>587,873.43</u>	<u>4,608,378.00</u>	<u>4,020,504.57</u>	<u>12.8</u>
TOTAL FUND REVENUE					

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>ADMIN</u>					
01-400-6000 SALARIES & WAGES	32,557.46	116,504.69	451,930.00	335,425.31	25.8
01-400-6030 FICA TAXES	(1,017.19)	1,899.66	5,202.00	3,302.34	36.5
01-400-6040 WORKER'S COMP.	.00	7,573.05	1,657.00	(5,916.05)	457.0
01-400-6050 ESC TAXES	276.15	1,043.18	3,588.00	2,544.82	29.1
01-400-6060 HEALTH & LIFE INSURANCE	3,557.02	20,096.24	79,545.00	59,448.76	25.3
01-400-6070 PERS RETIREMENT	4,351.26	16,103.77	76,094.00	59,990.23	21.2
01-400-6205 ADVERTISING	.00	.00	2,500.00	2,500.00	.0
01-400-6220 BANK SERVICES CHARGES	745.95	2,916.16	7,500.00	4,583.84	38.9
01-400-6240 COMMUNITY SUPPORT-DONATIONS	.00	.00	1,500.00	1,500.00	.0
01-400-6280 DUES & SUBSCRIPTIONS	122.88	4,874.54	8,058.00	3,183.46	60.5
01-400-6410 INSURANCE - LIABILITY	.00	13,196.09	27,143.00	13,946.91	48.6
01-400-6440 INSURANCE - PROPERTY	.00	861.81	800.00	(61.81)	107.7
01-400-6540 LICENSES & PERMITS	.00	.00	200.00	200.00	.0
01-400-6541 PENALTIES & FEES	337.50	787.50	.00	(787.50)	.0
01-400-6565 OUTSIDE CONTRACTORS	11,869.86	41,086.83	122,900.00	81,813.17	33.4
01-400-6580 POSTAGE	500.00	1,500.00	3,774.00	2,274.00	39.8
01-400-6610 PROF. FEES - ACCOUNTING	.00	.00	27,783.00	27,783.00	.0
01-400-6620 PROF. FEES - APPRAISAL	.00	3,000.00	25,523.00	22,523.00	11.8
01-400-6625 PROF. FEES - FINANCIAL SOFTWARE	.00	5,994.00	25,918.00	19,924.00	23.1
01-400-6635 PROF. FEES - COMPUTER SUPPORT	507.50	2,030.00	1,250.00	(780.00)	162.4
01-400-6636 PROF FEES - WEB SITE SUPPORT	.00	.00	3,241.00	3,241.00	.0
01-400-6640 PROF. FEES-ENGINEERING	22,289.08	39,013.48	102,000.00	62,986.52	38.3
01-400-6645 PROF. FEES - GRANT ADM.	.00	.00	30,000.00	30,000.00	.0
01-400-6650 PROF. FEES - LEGAL	20,662.50	53,755.16	88,000.00	34,244.84	61.1
01-400-6700 PUBLICATIONS & SUBSCRIPTIONS	.00	.00	630.00	630.00	.0
01-400-6735 EQUIPMENT AND FURNISHINGS	56.78	219.73	6,000.00	5,780.27	3.7
01-400-6770 TRAVEL, TRAINING & DEV.	(456.00)	24,162.33	21,000.00	(3,162.33)	115.1
01-400-8150 SUPPLIES - CONSUMABLE	340.76	1,747.47	4,000.00	2,252.53	43.7
01-400-8550 SUPPLIES - OFFICE	.00	.00	7,000.00	7,000.00	.0
01-400-8750 SUPPLIES - PRINTING	.00	.00	2,310.00	2,310.00	.0
01-400-9000 UTILITIES - INTERNET	2,141.85	6,605.56	27,195.00	20,589.44	24.3
01-400-9070 UTILITIES - TELEPHONE	774.97	2,893.46	7,000.00	4,106.54	41.3
01-400-9100 MISCELLANEOUS EXPENSES	876.00	876.00	500.00	(376.00)	175.2
01-400-9520 CAPITAL OUTLAY - EQUIPMENT	.00	330.00	.00	(330.00)	.0
01-400-9530 CAPITAL OUTLAY-COMPUTER EQUIP	2,080.06	2,294.05	5,000.00	2,705.95	45.9
TOTAL ADMIN	102,574.39	371,364.76	1,176,741.00	805,376.24	31.6

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>COUNCIL</u>					
01-401-6000 SALARIES & WAGES	.00	.00	70,730.00	70,730.00	.0
01-401-6030 FICA TAXES	.00	.00	1,012.00	1,012.00	.0
01-401-6040 WORKER'S COMP.	.00	.00	322.00	322.00	.0
01-401-6050 ESC TAXES	.00	.00	698.00	698.00	.0
01-401-6060 HEALTH & LIFE INSURANCE	.00	.00	16,680.00	16,680.00	.0
01-401-6070 PERS RETIREMENT	.00	.00	15,403.00	15,403.00	.0
01-401-6240 CITY COUNCIL-COMMUNITY SUPPORT	2,000.00	172,054.35	137,512.00	(34,542.35)	125.1
01-401-6241 WEBSITE - CODE UPDATES	.00	11,391.20	23,509.00	12,117.80	48.5
01-401-6280 DUES & SUBSCRIPTIONS	16.99	590.27	3,150.00	2,559.73	18.7
01-401-6325 FIREWORKS	.00	.00	15,000.00	15,000.00	.0
01-401-6565 OUTSIDE CONTRACTORS	5,000.00	16,800.00	63,087.00	46,287.00	26.6
01-401-6580 POSTAGE	.00	.00	500.00	500.00	.0
01-401-6600 PROF. FEES - AUDIT	.00	.00	47,380.00	47,380.00	.0
01-401-6650 PROF. FEES - LEGAL	4,575.00	25,960.40	45,000.00	19,039.60	57.7
01-401-6770 TRAVEL, TRAINING & DEV.	.00	16.99	14,500.00	14,483.01	.1
01-401-6800 COUNCIL CHAMBER IMPROV	.00	.00	6,000.00	6,000.00	.0
01-401-8550 SUPPLIES - OFFICE	.00	.00	1,300.00	1,300.00	.0
01-401-9000 UTILITIES - INTERNET	.00	.00	5,880.00	5,880.00	.0
01-401-9070 UTILITIES - TELEPHONE	.00	.00	1,000.00	1,000.00	.0
01-401-9100 MISCELLANEOUS EXPENSES	.00	.00	50,000.00	50,000.00	.0
01-401-9500 LOBBYIST FEES	10,500.00	42,000.00	138,915.00	96,915.00	30.2
TOTAL COUNCIL	22,091.99	268,813.21	657,578.00	388,764.79	40.9
<u>ELECTIONS</u>					
01-420-6100 VOLUNTEER SUPPORT	.00	.00	1,600.00	1,600.00	.0
01-420-8150 SUPPLIES - CONSUMABLE	.00	.00	800.00	800.00	.0
TOTAL ELECTIONS	.00	.00	2,400.00	2,400.00	.0

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PUBLIC SAFETY</u>					
01-510-6000 SALARIES & WAGES	62,999.50	265,358.40	955,847.00	690,488.60	27.8
01-510-6030 FICA TAXES	1,660.65	6,981.22	14,490.00	7,508.78	48.2
01-510-6040 WORKER'S COMP.	.00	17,941.32	39,786.00	21,844.68	45.1
01-510-6050 ESC TAXES	486.08	2,135.93	9,422.00	7,286.07	22.7
01-510-6060 HEALTH & LIFE INSURANCE	7,271.83	35,152.98	170,729.00	135,576.02	20.6
01-510-6070 PERS RETIREMENT	8,484.22	38,201.15	168,253.00	130,051.85	22.7
01-510-6091 UNIFORM ALLOWANCE	120.00	640.00	3,150.00	2,510.00	20.3
01-510-6280 DUES & SUBSCRIPTIONS	.00	39.98	788.00	748.02	5.1
01-510-6410 INSURANCE - LIABILITY	.00	12,675.76	37,928.00	25,252.24	33.4
01-510-6420 INSURANCE - AUTO	.00	1,985.00	10,080.00	8,095.00	19.7
01-510-6440 INSURANCE - PROPERTY	.00	51.31	.00	51.31	.0
01-510-6540 LICENSES & PERMITS	.00	.00	105.00	105.00	.0
01-510-6565 OUTSIDE CONTRACTORS	7,593.75	41,611.01	150,500.00	108,888.99	27.7
01-510-6570 PHYSICAL EXAMS	.00	214.00	1,050.00	836.00	20.4
01-510-6580 POSTAGE	.00	.00	210.00	210.00	.0
01-510-6635 PROF. FEES - COMPUTER SUPPORT	5,475.62	7,245.20	525.00	6,720.20	1380.0
01-510-6700 PUBLICATIONS & SUBSCRIPTIONS	.00	.00	420.00	420.00	.0
01-510-6735 EQUIPMENT PURCHASE	.00	2,101.04	5,250.00	3,148.96	40.0
01-510-6740 SMALL TOOLS	.00	.00	5,250.00	5,250.00	.0
01-510-6770 TRAVEL, TRAINING & DEV.	516.92	3,654.92	6,300.00	2,645.08	58.0
01-510-7100 BUILDING MAINT.	.00	.00	2,625.00	2,625.00	.0
01-510-7350 REPAIRS - EQUIPMENT	.00	308.78	3,150.00	2,841.22	9.8
01-510-7400 REPAIRS - VEHICLES	120.00	1,800.23	5,250.00	3,449.77	34.3
01-510-7750 GAS & OIL - VEHICLES	1,887.24	6,740.13	17,850.00	11,109.87	37.8
01-510-8150 SUPPLIES - CONSUMABLE	154.81	4,574.47	14,700.00	10,125.53	31.1
01-510-8950 SUPPLIES - UNIFORMS	.00	2,495.00	4,200.00	1,705.00	59.4
01-510-9000 UTILITIES - INTERNET	1,020.35	4,019.17	29,550.00	25,530.83	13.6
01-510-9070 UTILITIES - TELEPHONE	1,503.20	4,543.06	14,700.00	10,156.94	30.9
01-510-9520 CAPITAL OUTLAY - EQUIPMENT	.00	330.00	11,666.50	11,336.50	2.8
01-510-9525 CAPITAL - MOTOR POOL FUNDING	.00	.00	25,750.00	25,750.00	.0
TOTAL PUBLIC SAFETY	99,294.17	460,800.06	1,709,524.50	1,248,724.44	27.0

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>FIRE</u>					
01-520-6000 SALARIES & WAGES	10,130.24	28,338.74	102,735.00	74,396.26	27.6
01-520-6030 FICA TAXES	138.51	478.55	1,470.00	991.45	32.6
01-520-6040 WORKERS COMP	.00	2,630.44	6,058.00	3,427.56	43.4
01-520-6050 ESC TAXES	101.52	247.60	1,014.00	766.40	24.4
01-520-6060 HEALTH & LIFE INSURANCE	2,214.82	9,127.00	23,829.00	14,702.00	38.3
01-520-6070 PERS RETIREMENT	2,228.68	6,886.35	22,381.00	15,494.65	30.8
01-520-6091 UNIFORM ALLOWANCE	20.00	120.00	500.00	380.00	24.0
01-520-6100 VOLUNTEER SUPPORT	124.00	300.25	6,000.00	5,699.75	5.0
01-520-6280 DUES & SUBSCRIPTIONS	.00	.00	600.00	600.00	.0
01-520-6410 INSURANCE - LIABILITY	.00	1,737.30	4,000.00	2,262.70	43.4
01-520-6420 INSURANCE - AUTO	.00	1,363.33	3,500.00	2,136.67	39.0
01-520-6540 LICENSES & PERMITS	.00	25.00	100.00	75.00	25.0
01-520-6570 PHYSICAL EXAMS	.00	.00	300.00	300.00	.0
01-520-6580 POSTAGE	.00	.00	500.00	500.00	.0
01-520-6735 EQUIPMENT PURCHASE	.00	4,758.16	5,000.00	241.84	95.2
01-520-6750 TESTING	.00	647.03	2,500.00	1,852.97	25.9
01-520-6770 TRAVEL, TRAINING & DEV.	.00	151.90	8,000.00	7,848.10	1.9
01-520-7350 REPAIRS - EQUIPMENT	299.30	299.30	3,500.00	3,200.70	8.6
01-520-7400 REPAIRS - VEHICLES	.00	4,407.31	3,000.00	(1,407.31)	146.9
01-520-7750 GAS & OIL - VEHICLES	.00	.00	2,000.00	2,000.00	.0
01-520-8550 SUPPLIES - OFFICE	37.94	37.94	1,250.00	1,212.06	3.0
01-520-8950 SUPPLIES - UNIFORMS	.00	.00	5,000.00	5,000.00	.0
01-520-8970 SUPPLIES - SAFETY	388.20	388.20	1,000.00	611.80	38.8
01-520-9000 UTILITIES - INTERNET	131.50	674.36	4,116.00	3,441.64	16.4
01-520-9070 UTILITIES - TELEPHONE	377.86	726.78	4,500.00	3,773.22	16.2
01-520-9520 CAPITAL OUTLAY - EQUIPMENT	.00	330.00	5,000.00	4,670.00	6.6
01-520-9525 CAPITAL - MOTOR POOL FUNDING	.00	.00	5,000.00	5,000.00	.0
 TOTAL FIRE	 16,192.57	 63,675.54	 222,853.00	 159,177.46	 28.6

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EMS</u>					
01-530-6000 SALARIES & WAGES	14,539.04	44,669.74	285,158.00	240,488.26	15.7
01-530-6030 FICA TAXES	399.47	1,548.25	9,848.00	8,299.75	15.7
01-530-6040 WORKER'S COMP.	.00	3,604.39	23,456.00	19,851.61	15.4
01-530-6050 ESC TAXES	145.58	400.14	2,824.00	2,423.86	14.2
01-530-6060 HEALTH & LIFE INSURANCE	2,529.49	9,756.62	47,658.00	37,901.38	20.5
01-530-6070 PERS RETIREMENT	2,499.40	7,797.16	41,867.00	34,069.84	18.6
01-530-6091 UNIFORM ALLOWANCE	20.00	120.00	1,000.00	880.00	12.0
01-530-6100 EMS VOLUNTEER SUPPORT	685.00	1,083.20	4,000.00	2,916.80	27.1
01-530-6410 INSURANCE - LIABILITY	.00	3,732.29	12,100.00	8,367.71	30.9
01-530-6420 INSURANCE - AUTO	.00	2,259.73	4,840.00	2,580.27	46.7
01-530-6490 EMS-INSURANCE CLAIMS-DEDUCTIBL	.00	.00	11,256.00	11,256.00	.0
01-530-6540 LICENSES & PERMITS	.00	.00	200.00	200.00	.0
01-530-6565 OUTSIDE CONTRACTORS	.00	.00	24,000.00	24,000.00	.0
01-530-6570 PHYSICAL EXAMS	.00	.00	400.00	400.00	.0
01-530-6635 PROF. FEES - COMPUTER SUPPORT	507.50	2,030.00	.00	(2,030.00)	.0
01-530-6735 EQUIPMENT PURCHASE	.00	.00	3,000.00	3,000.00	.0
01-530-6750 TESTING	.00	.00	350.00	350.00	.0
01-530-6761 TRAINING - EMS SUPVSG MD	2,000.00	8,000.00	12,000.00	4,000.00	66.7
01-530-6770 TRAVEL, TRAINING & DEV.	.00	1,440.00	5,000.00	3,560.00	28.8
01-530-7350 REPAIRS - EQUIPMENT	.00	.00	5,000.00	5,000.00	.0
01-530-7400 REPAIRS - VEHICLES	.00	.00	2,000.00	2,000.00	.0
01-530-7750 GAS & OIL - VEHICLES	100.83	841.61	4,000.00	3,158.39	21.0
01-530-8150 SUPPLIES - CONSUMABLE	162.02	1,743.08	15,000.00	13,256.92	11.6
01-530-8550 SUPPLIES - OFFICE	.00	.00	2,500.00	2,500.00	.0
01-530-8650 SUPPLIES AND DRUGS BILLABLE	.00	2,272.42	5,000.00	2,727.58	45.5
01-530-8950 SUPPLIES - UNIFORMS	.00	173.39	2,500.00	2,326.61	6.9
01-530-8970 SUPPLIES - SAFETY	.00	.00	1,000.00	1,000.00	.0
01-530-9000 UTILITIES - INTERNET	362.87	1,148.69	12,000.00	10,851.31	9.6
01-530-9070 UTILITIES - TELEPHONE	100.98	201.98	2,500.00	2,298.02	8.1
01-530-9520 CAPITAL OUTLAY - EQUIPMENT	.00	330.00	.00	(330.00)	.0
TOTAL EMS	24,052.18	93,152.69	540,457.00	447,304.31	17.2

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PUBLIC WORKS</u>					
01-600-6000 SALARIES & WAGES	25,349.04	98,812.22	392,169.00	293,356.78	25.2
01-600-6030 FICA TAXES	367.55	1,696.27	5,604.00	3,907.73	30.3
01-600-6040 WORKER'S COMP.	.00	6,990.37	27,789.00	20,798.63	25.2
01-600-6050 ESC TAXES	253.47	897.24	3,865.00	2,967.76	23.2
01-600-6060 HEALTH & LIFE INSURANCE	5,424.85	31,248.77	97,677.00	66,428.23	32.0
01-600-6070 PERS RETIREMENT	5,576.80	23,261.82	85,348.00	62,086.18	27.3
01-600-6410 INSURANCE - LIABILITY	.00	6,799.03	15,400.00	8,600.97	44.2
01-600-6420 INSURANCE - AUTO	.00	1,362.09	5,225.00	3,862.91	26.1
01-600-6430 INSURANCE EQUIPMENT	.00	2,529.24	4,950.00	2,420.76	51.1
01-600-6440 INSURANCE - PROPERTY	.00	651.50	660.00	8.50	98.7
01-600-6540 LICENSES & FEES	.00	.00	250.00	250.00	.0
01-600-6565 OUTSIDE CONTRACTORS	.00	.00	5,000.00	5,000.00	.0
01-600-6570 PHYSICAL EXAMS	.00	.00	800.00	800.00	.0
01-600-6635 PROF. FEES - COMPUTER SUPPORT	2,587.56	3,602.56	2,400.00	(1,202.56)	150.1
01-600-6740 SMALL TOOLS AND EQUIPMENT	.00	1,350.59	5,000.00	3,649.41	27.0
01-600-6770 TRAVEL, TRAINING & DEV.	.00	50.00	2,000.00	1,950.00	2.5
01-600-7100 REPAIRS	.00	.00	5,000.00	5,000.00	.0
01-600-7210 REPAIRS - ROADS	.00	.00	3,000.00	3,000.00	.0
01-600-7350 REPAIR & MAINTENANCE	.00	7,612.70	50,000.00	42,387.30	15.2
01-600-7750 GAS & OIL - VEHICLES	27.82	4,268.44	28,000.00	23,731.56	15.2
01-600-8150 SUPPLIES - CONSUMABLE	63.04	403.18	1,500.00	1,096.82	26.9
01-600-8550 SUPPLIES - OFFICE	.00	.00	1,500.00	1,500.00	.0
01-600-8950 SUPPLIES - UNIFORMS	.00	.00	1,200.00	1,200.00	.0
01-600-8970 SUPPLIES - SAFETY	.00	.00	3,000.00	3,000.00	.0
01-600-8995 SUPPLIES & MATERIALS	.00	305.85	8,000.00	7,694.15	3.8
01-600-9000 UTILITIES - INTERNET	494.36	2,076.32	13,965.00	11,888.68	14.9
01-600-9010 UTILITIES - ELECTRICITY	684.88	2,886.57	14,000.00	11,113.43	20.6
01-600-9070 UTILITIES - TELEPHONE	57.35	229.64	1,750.00	1,520.36	13.1
01-600-9520 CAPITAL OUTLAY - EQUIPMENT	.00	.00	13,000.00	13,000.00	.0
01-600-9900 INTERDEPARTMENT SUPPORT	.00	.00	(41,616.00)	(41,616.00)	.0
TOTAL PUBLIC WORKS	40,886.72	197,034.40	756,436.00	559,401.60	26.1

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>PROPERTY & FACILITIES</u>					
01-700-6210 B.T.I. CONDO FEES	1,812.53	7,250.12	23,932.00	16,681.88	30.3
01-700-6225 REFUND OIL TAXES	.00	11,696.46	.00	(11,696.46)	.0
01-700-6410 INSURANCE - LIABILITY	.00	1,180.00	4,620.00	3,440.00	25.5
01-700-6440 INSURANCE - PROPERTY	.00	15,449.78	35,200.00	19,750.22	43.9
01-700-6565 PROP & FAC-CONTRACTED SERVICES	.00	25,781.13	66,052.00	40,270.87	39.0
01-700-7100 REPAIRS - BUILDINGS	2,953.94	2,953.94	6,050.00	3,096.06	48.8
01-700-7350 REPAIRS - EQUIPMENT	132.95	502.85	1,500.00	997.15	33.5
01-700-8150 SUPPLIES - CONSUMABLE	.00	1,800.00	3,152.00	1,352.00	57.1
01-700-8550 JANITORIAL SUPPLIES	.00	146.96	500.00	353.04	29.4
01-700-8970 SUPPLIES - SAFETY	.00	.00	1,500.00	1,500.00	.0
01-700-9010 UTILITIES - ELECTRICITY	3,655.01	15,210.34	37,823.00	22,612.66	40.2
01-700-9040 UTILITIES - HEATING FUEL	1,820.29	11,950.51	23,100.00	11,149.49	51.7
01-700-9050 UTILITIES - SOLID WASTE	100.31	401.24	1,638.00	1,236.76	24.5
01-700-9095 UTILITIES - WATER/SEWER	148.01	679.81	1,757.00	1,077.19	38.7
01-700-9520 CAPITAL OUTLAY - EQUIPMENT	.00	57,612.00	126,851.50	69,239.50	45.4
TOTAL PROPERTY & FACILITIES	10,623.04	152,615.14	333,675.50	181,060.36	45.7
<u>PARKS AND RECREATION</u>					
01-800-6000 SALARIES AND WAGES	.00	.00	63,876.00	63,876.00	.0
01-800-6030 FICA TAXES	.00	.00	911.00	911.00	.0
01-800-6040 WORKER'S COMP	.00	.00	290.00	290.00	.0
01-800-6050 ESC TAX	.00	.00	629.00	629.00	.0
01-800-6060 HEALTH & LIFE INSURANCE	.00	.00	23,829.00	23,829.00	.0
01-800-6070 PERS RETIREMENT	.00	.00	13,887.00	13,887.00	.0
01-800-6565 OUTSIDE CONTRACTORS	.00	1,050.00	42,350.00	41,300.00	2.5
01-800-6740 SMALL TOOLS AND EQUIPMENT	.00	3,536.98	10,000.00	6,463.02	35.4
01-800-7350 REPAIRS EQUIPMENT	.00	9.25	500.00	490.75	1.9
01-800-8950 SUPPLIES AND MATERIALS	.00	.00	10,000.00	10,000.00	.0
01-800-9050 UTILITIES - SOLID WASTE	.00	.00	8,103.00	8,103.00	.0
01-800-9520 CAPITAL OUTLAY - EQUIPMENT	.00	.00	15,000.00	15,000.00	.0
TOTAL PARKS AND RECREATION	.00	4,596.23	189,375.00	184,778.77	2.4
TOTAL FUND EXPENDITURES	315,715.06	1,612,052.03	5,589,040.00	3,976,987.97	28.8
NET REVENUE OVER EXPENDITURES	(115,455.34)	(1,024,178.60)	(980,662.00)	43,516.60	(104.4)

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

WATER AND WASTEWATER

ASSETS

50-000-0100	CASH - COMBINED FUND	647,625.74	
50-000-1200	ACCT REC - WATER WASTEWATER	23,910.53	
50-000-1299	ALLOWANCE FOR DOUBTFUL ACCOUNT	(443.31)	
50-000-1800	SYSTEMS	12,666,103.20	
50-000-1810	BUILDINGS & FACILITIES	1,579,746.74	
50-000-1820	MACHINERY & EQUIPMENT	126,987.56	
50-000-1830	CONSTRUCTION IN PROGRESS	2,485,028.31	
50-000-1890	ACCUMULATED DEPRECIATION	(9,276,521.24)	
	TOTAL ASSETS		8,252,437.53

LIABILITIES AND EQUITY

LIABILITIES

50-000-2000	ACCOUNTS PAYABLE	6,700.05	
50-000-2010	ACCRUED WAGES PAYABLE	(5,437.90)	
50-000-2050	FEDERAL PAYROLL TAXES PAYABLE	705.49	
50-000-2060	ESC TAXES PAYABLE	163.98	
50-000-2075	HEALTH & LIFE INSURANCE PAYABL	1,549.34	
50-000-2080	PERS PAYABLE	1,585.22	
50-000-2090	AFLAC/GUARDIAN INSURANCE LIAB	155.62	
50-000-2095	ACCRUED LEAVE	27,644.75	
50-000-2150	ACCRUED PAYROLL	3,919.65	
50-000-2182	CURRENT PORT LIFT STATION LOAN	33,474.66	
50-000-2188	L/T PORTION. LIFT STATION LOAN	636,018.63	
50-000-2320	UNEARNED REVENUE	1,093.77	
	TOTAL LIABILITIES		707,573.26

FUND EQUITY

50-000-3000	RETAINED EARNINGS	(2,385,864.79)	
50-000-3350	NET INVESTMENT CAPITAL ASSETS	9,977,803.95	
	REVENUE OVER EXPENDITURES - YTD	(47,074.89)	
	BALANCE - CURRENT DATE	7,544,864.27	
	TOTAL FUND EQUITY		7,544,864.27
	TOTAL LIABILITIES AND EQUITY		8,252,437.53

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

WATER AND WASTEWATER

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>CHARGES FOR SERVICES</u>					
50-340-4300	WATER SERVICE CHARGES	11,483.31	40,043.07	310,000.00	269,956.93	12.9
50-340-4350	WASTE WATER SERVICE CHARGES	8,499.92	30,051.36	96,000.00	65,948.64	31.3
	<u>TOTAL CHARGES FOR SERVICES</u>	<u>19,983.23</u>	<u>70,094.43</u>	<u>406,000.00</u>	<u>335,905.57</u>	<u>17.3</u>
	<u>MISCELLANEOUS</u>					
50-360-4902	INVESTMENT INTEREST	.00	.00	30,000.00	30,000.00	.0
50-360-4910	MISCELLANEOUS INCOME	3.90	544.97	500.00	(44.97)	109.0
	<u>TOTAL MISCELLANEOUS</u>	<u>3.90</u>	<u>544.97</u>	<u>30,500.00</u>	<u>29,955.03</u>	<u>1.8</u>
	<u>PROPERTY & SURPLUS SALES</u>					
50-390-4990	TRANSFERS IN	.00	.00	23,341.00	23,341.00	.0
	<u>TOTAL PROPERTY & SURPLUS SALES</u>	<u>.00</u>	<u>.00</u>	<u>23,341.00</u>	<u>23,341.00</u>	<u>.0</u>
	<u>TOTAL FUND REVENUE</u>	<u>19,987.13</u>	<u>70,639.40</u>	<u>459,841.00</u>	<u>389,201.60</u>	<u>15.4</u>

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

WATER AND WASTEWATER

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>WATER & WASTE WATER OPERATING</u>					
50-800-6000 SALARIES & WAGES	11,426.53	48,584.73	162,793.00	114,208.27	29.8
50-800-6030 FICA TAXES	165.67	840.33	2,322.00	1,481.67	36.2
50-800-6040 WORKER'S COMP.	.00	3,108.12	7,040.00	3,931.88	44.2
50-800-6050 ESC TAXES	109.33	434.01	1,601.00	1,166.99	27.1
50-800-6060 HEALTH & LIFE INSURANCE	1,675.61	11,027.62	33,369.00	22,341.38	33.1
50-800-6070 PERS RETIREMENT	2,448.54	11,397.69	33,570.00	22,172.31	34.0
50-800-6091 UNIFORM ALLOWANCE	.00	.00	1,000.00	1,000.00	.0
50-800-6220 BANK SERVICE CHARGES	.00	.00	1,000.00	1,000.00	.0
50-800-6265 DEBT INTEREST EXPENSE	.00	.00	19,399.00	19,399.00	.0
50-800-6270 DEPRECIATION	.00	.00	470,087.00	470,087.00	.0
50-800-6280 DUES & SUBSCRIPTIONS	.00	.00	500.00	500.00	.0
50-800-6410 INSURANCE - LIABILITY	.00	3,293.81	8,030.00	4,736.19	41.0
50-800-6440 INSURANCE - PROPERTY	.00	4,369.26	6,050.00	1,680.74	72.2
50-800-6540 LICENSES & PERMITS	.00	805.00	1,200.00	395.00	67.1
50-800-6565 OUTSIDE CONTRACTORS	.00	.00	10,000.00	10,000.00	.0
50-800-6570 PHYSICAL EXAMS	.00	.00	500.00	500.00	.0
50-800-6580 POSTAGE	.00	.00	1,300.00	1,300.00	.0
50-800-6635 PROF. FEES - COMPUTER SUPPORT	507.50	1,753.43	1,200.00	(553.43)	146.1
50-800-6740 SMALL TOOLS	.00	.00	2,500.00	2,500.00	.0
50-800-6750 TESTING WATER/SEWER	1,075.00	1,075.00	10,000.00	8,925.00	10.8
50-800-6770 TRAVEL, TRAINING & DEV.	.00	120.71	5,000.00	4,879.29	2.4
50-800-7100 REPAIRS - BUILDING	.00	.00	5,000.00	5,000.00	.0
50-800-7350 REPAIRS - EQUIPMENT	561.99	2,282.74	5,000.00	2,717.26	45.7
50-800-7650 REPAIRS - SYSTEM	.00	.00	5,000.00	5,000.00	.0
50-800-7750 GAS & OIL - VEHICLES	336.38	2,222.10	5,000.00	2,777.90	44.4
50-800-8550 SUPPLIES - OFFICE	.00	.00	500.00	500.00	.0
50-800-8950 UNIFORMS	.00	.00	500.00	500.00	.0
50-800-8970 SUPPLIES - SAFETY	.00	.00	1,500.00	1,500.00	.0
50-800-8995 SUPPLIES & MATERIALS	.00	13.80	5,000.00	4,986.20	.3
50-800-9000 UTILITIES -INTERNET	494.36	1,845.39	13,230.00	11,384.61	14.0
50-800-9010 UTILITIES - ELECTRICITY	2,736.89	15,085.29	32,000.00	16,914.71	47.1
50-800-9040 UTILITIES - HEATING FUEL	300.68	632.38	3,200.00	2,567.62	19.8
50-800-9070 UTILITIES - TELEPHONE	271.42	542.88	1,000.00	457.12	54.3
50-800-9580 CAPITAL OUTLAY - W/WW	.00	8,280.00	33,015.00	24,735.00	25.1
TOTAL WATER & WASTE WATER OPERATING	22,109.90	117,714.29	888,406.00	770,691.71	13.3
TOTAL FUND EXPENDITURES	22,109.90	117,714.29	888,406.00	770,691.71	13.3
NET REVENUE OVER EXPENDITURES	(2,122.77)	(47,074.89)	(428,565.00)	(381,490.11)	(11.0)

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

SMALL BOAT HARBOR

ASSETS

51-000-0100	CASH - COMBINED FUND	697,397.70	
51-000-0110	2017 HARBOR BOND RESERVE	159,025.00	
51-000-0120	2025 HARBOR BOND RESERVE	315,667.56	
51-000-1090	PETTY CASH	350.00	
51-000-1200	ACCOUNTS RECEIVABLE - CASELLE	840.00	
51-000-1201	ACCTS REC FROM HARBOR	585,245.14	
51-000-1230	ACCOUNTS RECEIVABLE - LEASES	10,720.49	
51-000-1240	GASB 87 LEASE RECEIVABLE	2,651,418.18	
51-000-1299	ALLOWANCE FOR DOUBTFUL ACCOUNT	(5,551.25)	
51-000-1399	CASH CLEARING	1,416.85	
51-000-1720	PREPAID INSURANCE	.04	
51-000-1810	BUILDINGS & FACILITIES	24,624,869.38	
51-000-1820	MACHINERY & EQUIPMENT	242,870.95	
51-000-1824	EQUIPMENT - COMPUTER	154,150.47	
51-000-1830	CONSTRUCTION IN PROGRESS	6,436,574.59	
51-000-1850	CAP ASSETS - ROU	1,106,504.85	
51-000-1890	ACCUMULATED DEPRECIATION	(14,933,688.21)	
51-000-1895	ACCUM AMORTIZATION - ROU	(95,038.50)	
	TOTAL ASSETS		21,952,773.24

LIABILITIES AND EQUITY

LIABILITIES

51-000-2000	ACCOUNTS PAYABLE	19,089.48	
51-000-2010	ACCRUED WAGES PAYABLE	(19,796.05)	
51-000-2050	FEDERAL PAYROLL TAXES PAYABLE	2,300.43	
51-000-2060	ESC TAXES PAYABLE	574.73	
51-000-2075	HEALTH & LIFE INSURANCE PAYABL	8,263.19	
51-000-2080	PERS PAYABLE	918.81	
51-000-2090	AFLAC/GUARDIAN INSURANCE LIAB	297.46	
51-000-2095	ACCRUED LEAVE	47,288.86	
51-000-2150	ACCRUED PAYROLL	17,458.10	
51-000-2178	ACCRUED INTEREST PAYABLE	29,427.09	
51-000-2180	CURRENT PORT. 2017 BOND PREMIUM	8,843.00	
51-000-2182	CURRENT PORT. 2017 HARBOR BOND	90,000.00	
51-000-2183	CURRENT PORT. 2025 HARBOR BOND	95,000.00	
51-000-2186	NET PREMIUM-2017 BOND ISSUANCE	88,430.45	
51-000-2187	L/T PORT 25 HARB BOND PREMIUM	185,000.00	
51-000-2188	L/T PORTION. 2017 HARBOR BOND	1,325,000.00	
51-000-2189	L/T PORTION. 2025 HARBOR BOND	4,160,000.00	
51-000-2190	L/T LEASE LIABILITIES	1,060,086.59	
51-000-2320	UNEARNED REVENUE - MOORAGE	150,523.69	
51-000-2700	DEFERRED INFLOW OF RESOURCES	2,540,653.13	
	TOTAL LIABILITIES		9,809,358.96

FUND EQUITY

51-000-3000	RETAINED EARNINGS	(10,942,860.44)	
51-000-3350	NET INVESTMENT CAPITAL ASSETS	22,798,731.33	

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

SMALL BOAT HARBOR

REVENUE OVER EXPENDITURES - YTD	<u>287,543.39</u>		
BALANCE - CURRENT DATE		<u>12,143,414.28</u>	
TOTAL FUND EQUITY			<u>12,143,414.28</u>
TOTAL LIABILITIES AND EQUITY			<u><u>21,952,773.24</u></u>

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

SMALL BOAT HARBOR

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>CHARGES FOR SERVICES</u>					
51-340-4251 USER FEES & PERMITS	.00	.00	3,000.00	3,000.00	.0
51-340-4399 MOORAGE - TRANSIENT WINTER	736.06	5,898.59	35,000.00	29,101.41	16.9
51-340-4401 MOORAGE - PREFERENTIAL	9,383.60	828,381.66	550,000.00	(278,381.66)	150.6
51-340-4402 MOORAGE - TRANSIENT	26,928.98	134,991.00	535,000.00	400,009.00	25.2
51-340-4403 BOAT LIFT FEES	71.73	119.55	.00	(119.55)	.0
51-340-4404 UTILITY FEES	.00	3,086.04	63,000.00	59,913.96	4.9
51-340-4406 WHARFAGE FEES	173.34	173.34	5,000.00	4,826.66	3.5
51-340-4407 VESSEL TOW FEES	.00	.00	1,000.00	1,000.00	.0
51-340-4409 WAITING LIST FEES	300.00	5,500.00	20,000.00	14,500.00	27.5
51-340-4410 PUMP OUT FEES	.00	75.00	1,000.00	925.00	7.5
51-340-4411 LAUNCH FEES	3,400.00	15,300.00	125,000.00	109,700.00	12.2
51-340-4412 SHOWERS	.00	15.00	3,700.00	3,685.00	.4
51-340-4413 GRID	145.00	145.00	3,000.00	2,855.00	4.8
51-340-4414 VESSEL MAINTENANCE	25.00	75.00	1,000.00	925.00	7.5
51-340-4415 DRY STORAGE FEES	163.16	1,000.98	5,300.00	4,299.02	18.9
51-340-4416 PARKING - ANNUAL	5,000.00	6,000.00	48,000.00	42,000.00	12.5
51-340-4426 PARKING DAILY	1,089.60	2,153.10	129,000.00	126,846.90	1.7
51-340-4427 KAYAK LAUNCH FEES	.00	.00	2,500.00	2,500.00	.0
51-340-4428 ENVIRONMENTAL FEE	27.75	105.50	2,205.00	2,099.50	4.8
51-340-4445 MISC. SERVICES	.00	3,253.05	5,000.00	1,746.95	65.1
TOTAL CHARGES FOR SERVICES	47,444.22	1,006,272.81	1,537,705.00	531,432.19	65.4
<u>LEASE INCOME</u>					
51-345-4512 LEASE - ARRC NET OF RR SHARE	9,033.43	36,973.72	59,787.00	22,813.28	61.8
51-345-4513 LEASE CREDITS (CONTRA)	(14,779.95)	(14,779.95)	(55,571.00)	(40,791.05)	(26.6)
51-345-4515 LEASE - GARBAGE REVENUE	2,730.00	2,730.00	8,750.00	6,020.00	31.2
TOTAL LEASE INCOME	(3,016.52)	24,923.77	12,966.00	(11,957.77)	192.2
<u>OTHER REVENUE</u>					
51-360-4416 STORAGE IN LIEU OF LEASE	.00	.00	2,500.00	2,500.00	.0
51-360-4417 FUEL FLOAT INCOME	.00	.00	38,000.00	38,000.00	.0
51-360-4430 CAMPING	11.00	11.00	25,000.00	24,989.00	.0
51-360-4900 INTEREST & LATE FEES ON A/R	.00	318.49	87,141.00	86,822.51	.4
51-360-4902 INVESTMENT INTEREST	.00	.00	40,000.00	40,000.00	.0
51-360-4910 MISCELLANEOUS INCOME	.00	.00	1,500.00	1,500.00	.0
51-360-4957 AMORTIZATION OF BOND PREMIUM	.00	.00	8,843.00	8,843.00	.0
TOTAL OTHER REVENUE	11.00	329.49	202,984.00	202,654.51	.2
TOTAL FUND REVENUE	44,438.70	1,031,526.07	1,753,655.00	722,128.93	58.8

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

SMALL BOAT HARBOR

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>HARBOR OPERATIONS EXP</u>					
51-800-6000 SALARIES & WAGES	40,289.34	173,297.47	661,689.00	488,391.53	26.2
51-800-6030 FICA TAXES	769.79	3,743.85	11,858.00	8,114.15	31.6
51-800-6040 WORKER'S COMP.	.00	13,198.11	3,047.00	(10,151.11)	433.2
51-800-6050 ESC TAXES	383.15	1,542.63	6,597.00	5,054.37	23.4
51-800-6060 HEALTH & LIFE INSURANCE	8,774.09	50,974.04	193,619.00	142,644.96	26.3
51-800-6070 PERS RETIREMENT	8,139.82	38,537.03	135,296.00	96,758.97	28.5
51-800-6220 BANK SERVICE CHARGES	1,661.12	32,431.28	20,000.00	(12,431.28)	162.2
51-800-6265 BOND INTEREST EXPENSE	143,550.00	143,550.00	306,343.00	162,793.00	46.9
51-800-6270 DEPRECIATION	.00	.00	1,280,000.00	1,280,000.00	.0
51-800-6275 AMORTIZATION EXPENSE	.00	.00	23,760.00	23,760.00	.0
51-800-6280 DUES & SUBSCRIPTIONS	.00	365.00	250.00	(115.00)	146.0
51-800-6410 INSURANCE - LIABILITY	.00	29,125.85	58,425.00	29,299.15	49.9
51-800-6420 INSURANCE - AUTO	.00	374.18	1,500.00	1,125.82	25.0
51-800-6430 INSURANCE EQUIPMENT	.00	289.68	815.00	525.32	35.5
51-800-6440 INSURANCE - PROPERTY	.00	63,665.13	72,000.00	8,334.87	88.4
51-800-6565 OUTSIDE CONTRACTORS	295.00	449.29	80,000.00	79,550.71	.6
51-800-6570 PHYSICAL EXAMS	.00	.00	150.00	150.00	.0
51-800-6580 POSTAGE	200.00	600.00	3,500.00	2,900.00	17.1
51-800-6635 PROF. FEES - COMPUTER SUPPORT	5,167.62	6,690.12	3,200.00	(3,490.12)	209.1
51-800-6650 PROF. FEES - LEGAL	.00	.00	2,000.00	2,000.00	.0
51-800-6700 PUBLICATIONS&SUBS.	.00	.00	200.00	200.00	.0
51-800-6730 EQUIPMENT RENTAL	.00	.00	2,000.00	2,000.00	.0
51-800-6740 SMALL TOOLS	.00	.00	2,500.00	2,500.00	.0
51-800-6770 TRAVEL, TRAINING & DEV.	.00	2,025.30	6,000.00	3,974.70	33.8
51-800-6780 WASTE DISPOSAL - EVOS	807.30	807.30	500.00	(307.30)	161.5
51-800-7100 REPAIRS - BUILDINGS	.00	.00	5,000.00	5,000.00	.0
51-800-7350 REPAIRS - EQUIPMENT	.00	2,104.97	3,500.00	1,395.03	60.1
51-800-7400 REPAIRS - VEHICLES	183.99	711.86	1,000.00	288.14	71.2
51-800-7500 PARKING LOT MAINTENANCE	.00	.00	500.00	500.00	.0
51-800-7610 REPAIRS - UTILITIES	.00	3,719.89	5,000.00	1,280.11	74.4
51-800-7750 GAS & OIL - VEHICLES	260.33	2,073.72	5,000.00	2,926.28	41.5
51-800-7800 REPAIRS - FACILITIES	243.77	243.77	3,000.00	2,756.23	8.1
51-800-7820 REPAIRS - DOCKS	.00	285.82	5,000.00	4,714.18	5.7
51-800-8150 SUPPLIES - CONSUMABLE	3,647.58	4,090.67	19,475.00	15,384.33	21.0
51-800-8200 SUPPLIES - PARKING	.00	.00	1,000.00	1,000.00	.0
51-800-8400 SUPPLIES - FIRE SUPPRESSION	.00	.00	1,000.00	1,000.00	.0
51-800-8550 SUPPLIES - OFFICE	47.50	1,576.82	5,500.00	3,923.18	28.7
51-800-8950 SUPPLIES - UNIFORMS	.00	.00	2,500.00	2,500.00	.0
51-800-8970 SUPPLIES - SAFETY	.00	61.12	2,500.00	2,438.88	2.4
51-800-9000 UTILITIES - INTERNET	978.85	4,672.46	26,460.00	21,787.54	17.7
51-800-9010 UTILITIES - ELECTRICITY	7,832.19	35,617.06	79,000.00	43,382.94	45.1
51-800-9040 UTILITIES - HEATING FUEL	575.46	2,790.22	4,000.00	1,209.78	69.8
51-800-9050 UTILITIES - SOLID WASTE	7,684.31	30,737.24	165,000.00	134,262.76	18.6
51-800-9070 UTILITIES - TELEPHONE	279.43	866.20	2,000.00	1,133.80	43.3
51-800-9095 UTILITIES - WATER/WASTEWATER	568.08	2,434.60	24,000.00	21,565.40	10.1
51-800-9510 SNOW REMOVAL	.00	.00	41,616.00	41,616.00	.0
51-800-9520 CAPITAL OUTLAY - EQUIPMENT	.00	330.00	29,667.00	29,337.00	1.1
TOTAL HARBOR OPERATIONS EXP	232,338.72	653,982.68	3,306,967.00	2,652,984.32	19.8

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

SMALL BOAT HARBOR

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>CAPITAL OUTLAY - FROM RESERVE</u>					
51-900-9575 BOND PRINCIPAL	90,000.00	90,000.00	180,864.00	90,864.00	49.8
TOTAL CAPITAL OUTLAY - FROM RESERVE	90,000.00	90,000.00	180,864.00	90,864.00	49.8
TOTAL FUND EXPENDITURES	322,338.72	743,982.68	3,487,831.00	2,743,848.32	21.3
NET REVENUE OVER EXPENDITURES	(277,900.02)	287,543.39	(1,734,176.00)	(2,021,719.39)	16.6

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

DELONG DOCK

ASSETS

53-000-0100	CASH - COMBINED FUND	1,470,543.07	
53-000-1201	ACCTS REC FROM DELONG DOCK	230,614.05	
53-000-1299	ALLOWANCE FOR DOUBTFUL ACCOUNT	(206,703.60)	
53-000-1810	BUILDINGS & FACILITIES	5,554,604.65	
53-000-1820	MACHINERY & EQUIPMENT	4,259.00	
53-000-1890	ACCUMULATED DEPRECIATION	(3,837,712.49)	
	TOTAL ASSETS		3,215,604.68

LIABILITIES AND EQUITY

LIABILITIES

53-000-2000	ACCOUNTS PAYABLE	6,535.06	
53-000-2060	ESC TAXES PAYABLE	109.13	
53-000-2075	HEALTH & LIFE INSURANCE PAYABL	1,549.35	
53-000-2090	AFLAC/GUARDIAN INSURANCE LIAB	122.67	
53-000-2150	ACCRUED PAYROLL	2,974.43	
	TOTAL LIABILITIES		11,290.64

FUND EQUITY

53-000-3000	RETAINED EARNINGS	3,251,015.08	
	REVENUE OVER EXPENDITURES - YTD	(46,701.04)	
	BALANCE - CURRENT DATE	3,204,314.04	
	TOTAL FUND EQUITY		3,204,314.04
	TOTAL LIABILITIES AND EQUITY		3,215,604.68

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

DELONG DOCK

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>CHARGES FOR SERVICES</u>					
53-341-4251	USER FEES & PERMITS	.00	3,000.00	3,000.00	.00	100.0
53-341-4402	MOORAGE - TRANSIENT	.00	.00	5,000.00	5,000.00	.0
53-341-4404	UTILITY FEES	.00	.00	15,000.00	15,000.00	.0
53-341-4406	WHARFAGE FEES	.00	.00	100,000.00	100,000.00	.0
	TOTAL CHARGES FOR SERVICES	.00	3,000.00	123,000.00	120,000.00	2.4
	<u>SOURCE 360</u>					
53-360-4901	INTEREST ON BANK ACCO	.00	.00	20,000.00	20,000.00	.0
	TOTAL SOURCE 360	.00	.00	20,000.00	20,000.00	.0
	TOTAL FUND REVENUE	.00	3,000.00	143,000.00	140,000.00	2.1

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

DELONG DOCK

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>DEPARTMENT 801</u>					
53-801-6000 SALARES & WAGES	7,277.68	7,277.68	57,204.00	49,926.32	12.7
53-801-6030 FICA/MEDICARE	105.52	105.52	950.00	844.48	11.1
53-801-6040 WORKER'S COMP.	.00	.00	264.00	264.00	.0
53-801-6050 ESC TAXES	72.76	72.76	572.00	499.24	12.7
53-801-6060 HEALTH & LIFE INSURANCE	1,647.85	1,647.85	16,085.00	14,437.15	10.2
53-801-6070 PERS RETIREMENT	1,601.02	1,601.02	12,157.00	10,555.98	13.2
53-801-6270 DEPRECIATION	.00	.00	554,000.00	554,000.00	.0
53-801-6410 INSURANCE - LIABILITY	.00	5,194.11	12,000.00	6,805.89	43.3
53-801-6440 INSURANCE - PROPERTY	.00	26,167.29	16,200.00	(9,967.29)	161.5
53-801-6565 OUTSIDE CONTRACTORS	5,203.88	5,203.88	52,956.00	47,752.12	9.8
53-801-6730 EQUIPMENT RENTAL	.00	.00	1,000.00	1,000.00	.0
53-801-6740 SMALL TOOLS	.00	.00	1,000.00	1,000.00	.0
53-801-6780 WASTE DISPOSAL - EVOS	.00	.00	12,000.00	12,000.00	.0
53-801-7350 REPAIRS - EQUIPMENT	.00	.00	1,000.00	1,000.00	.0
53-801-7750 GAS & OIL - VEHICLES	.00	.00	500.00	500.00	.0
53-801-7820 REPAIRS - DOCKS	.00	.00	45,000.00	45,000.00	.0
53-801-8150 SUPPLIES - CONSUMABLE	.00	.00	5,000.00	5,000.00	.0
53-801-8400 SUPPLIES - FIRE SUPPRESSION	.00	.00	1,000.00	1,000.00	.0
53-801-8950 SUPPLIES - UNIFORMS	.00	.00	500.00	500.00	.0
53-801-8970 SUPPLIES - SAFETY	.00	.00	2,000.00	2,000.00	.0
53-801-9010 UTILITIES - ELECTRICITY	1,331.18	2,430.93	10,000.00	7,569.07	24.3
53-801-9050 UTILITIES - SOLID WASTE	.00	.00	2,000.00	2,000.00	.0
53-801-9095 UTILITIES - WATER/WASTEWATER	.00	.00	1,000.00	1,000.00	.0
TOTAL DEPARTMENT 801	17,239.89	49,701.04	804,388.00	754,686.96	6.2
<u>CAPITAL OUTLAY</u>					
53-900-9540 CAP EXP EMERGENCY REPAIRS	.00	.00	10,000.00	10,000.00	.0
TOTAL CAPITAL OUTLAY	.00	.00	10,000.00	10,000.00	.0
TOTAL FUND EXPENDITURES	17,239.89	49,701.04	814,388.00	764,686.96	6.1
NET REVENUE OVER EXPENDITURES	(17,239.89)	(46,701.04)	(671,388.00)	(624,686.96)	(7.0)

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

MOTOR POOL

ASSETS

60-000-0100	CASH - COMBINED FUND	203,637.90	
60-000-1820	MACHINERY & EQUIPMENT	780,527.00	
60-000-1823	EQUIPMENT - VEHICLES	120,000.00	
60-000-1890	ACCUMULATED DEPRECIATION	(144,023.83)	
	TOTAL ASSETS		960,141.07

LIABILITIES AND EQUITY

LIABILITIES

60-000-2182	CURRENT PORT MOTOR GRADER LOAN	89,486.90	
60-000-2190	L/T LOAN PAYABLE	387,540.10	
	TOTAL LIABILITIES		477,027.00

FUND EQUITY

60-000-3000	RETAINED EARNINGS	327,996.17	
60-000-3003	RESERVE - HARBOR FUND	65,631.00	
	REVENUE OVER EXPENDITURES - YTD	89,486.90	
	BALANCE - CURRENT DATE	483,114.07	
	TOTAL FUND EQUITY		483,114.07
	TOTAL LIABILITIES AND EQUITY		960,141.07

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

MOTOR POOL

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>OTHER REVENUE</u>					
60-360-4910	VEHICLE RENT	.00	.00	30,750.00	30,750.00	.0
	TOTAL OTHER REVENUE	.00	.00	30,750.00	30,750.00	.0
	<u>TRANSFERS IN</u>					
60-390-4990	TRANSFERS IN	.00	89,486.90	.00	(89,486.90)	.0
	TOTAL TRANSFERS IN	.00	89,486.90	.00	(89,486.90)	.0
	TOTAL FUND REVENUE	.00	89,486.90	30,750.00	(58,736.90)	291.0

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

MOTOR POOL

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>MOTOR POOL OPERATING</u>					
60-800-6270	DEPRECIATION	.00	.00	34,805.00	34,805.00	.0
	TOTAL MOTOR POOL OPERATING	.00	.00	34,805.00	34,805.00	.0
	TOTAL FUND EXPENDITURES	.00	.00	34,805.00	34,805.00	.0
	NET REVENUE OVER EXPENDITURES	.00	89,486.90	(4,055.00)	(93,541.90)	2206.8

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

GENERAL FUND MRRF

ASSETS

72-000-0100	CASH - COMBINED FUND	823,680.22	
	TOTAL ASSETS		823,680.22

LIABILITIES AND EQUITY

LIABILITIES

72-000-2000	ACCOUNTS PAYABLE	6,006.75	
	TOTAL LIABILITIES		6,006.75

FUND EQUITY

72-000-3000	FUND BALANCE	710,438.75	
72-000-3201	F/B-ASSIGNED STORMDRAIN PROJEC	110,016.59	
72-000-3202	F/B-ASSIGNED PS EQUIPMENT	23,000.00	
	REVENUE OVER EXPENDITURES - YTD	(25,781.87)	
	BALANCE - CURRENT DATE	817,673.47	
	TOTAL FUND EQUITY		817,673.47
	TOTAL LIABILITIES AND EQUITY		823,680.22

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND MRRF

		<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEARNED</u>	<u>PCNT</u>
	<u>SOURCE 390</u>					
72-390-4990	TRANSFERS-IN	.00	1,787.76	.00	(1,787.76)	.0
	TOTAL SOURCE 390	.00	1,787.76	.00	(1,787.76)	.0
	TOTAL FUND REVENUE	.00	1,787.76	.00	(1,787.76)	.0

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

GENERAL FUND MRRF

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>EXPENDITURES</u>					
72-800-6740	SMALL TOOLS AND EQUIPMENT	.00	11,839.84	.00	(11,839.84)	.0
	TOTAL EXPENDITURES	.00	11,839.84	.00	(11,839.84)	.0
	<u>DEPARTMENT 900</u>					
72-900-9200	CAPITAL EXPENDITURES	15,119.99	15,729.79	.00	(15,729.79)	.0
	TOTAL DEPARTMENT 900	15,119.99	15,729.79	.00	(15,729.79)	.0
	TOTAL FUND EXPENDITURES	15,119.99	27,569.63	.00	(27,569.63)	.0
	NET REVENUE OVER EXPENDITURES	(15,119.99)	(25,781.87)	.00	25,781.87	.0

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

HARBOR MRRF

ASSETS

73-000-0100	CASH - COMBINED FUND	693,180.02	
73-000-1220	ACCOUNTS REC - BUSINESS TAX	5,621.01	
	TOTAL ASSETS		698,801.03

LIABILITIES AND EQUITY

LIABILITIES

73-000-2320	UNEARNED REVENUE	1,992.79	
	TOTAL LIABILITIES		1,992.79

FUND EQUITY

73-000-3000	FUND BALANCE	676,888.97	
	REVENUE OVER EXPENDITURES - YTD	19,919.27	
	BALANCE - CURRENT DATE	696,808.24	
	TOTAL FUND EQUITY		696,808.24
	TOTAL LIABILITIES AND EQUITY		698,801.03

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

HARBOR MRRF

		<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEARNED</u>	<u>PCNT</u>
	<u>SOURCE 340</u>					
73-340-4405	WATER-BORNE PASSENGER FEES	18,241.24	21,985.24	.00	(21,985.24)	.0
	TOTAL SOURCE 340	18,241.24	21,985.24	.00	(21,985.24)	.0
	TOTAL FUND REVENUE	18,241.24	21,985.24	.00	(21,985.24)	.0

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

HARBOR MRRF

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>NON-GRANT EXPENDITURES</u>					
73-800-9205	HARBOR RENOVATION	.00	2,065.97	.00	(2,065.97)	.0
	TOTAL NON-GRANT EXPENDITURES	.00	2,065.97	.00	(2,065.97)	.0
	TOTAL FUND EXPENDITURES	.00	2,065.97	.00	(2,065.97)	.0
	NET REVENUE OVER EXPENDITURES	18,241.24	19,919.27	.00	(19,919.27)	.0

CITY OF WHITTIER
BALANCE SHEET
APRIL 30, 2026

WATER/WASTEWATER MRRF

ASSETS

75-000-0100	CASH - COMBINED FUND	1,369,927.12	
	TOTAL ASSETS		1,369,927.12

LIABILITIES AND EQUITYFUND EQUITY

75-000-3000	FUND BALANCE	1,369,927.12	
	TOTAL FUND EQUITY		1,369,927.12
	TOTAL LIABILITIES AND EQUITY		1,369,927.12

CITY OF WHITTIER
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

WATER/WASTEWATER MRRF

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
	<u>SOURCE 360</u>					
75-360-4000	STATE GRANT FUNDS	.00	.00	75,000.00	75,000.00	.0
	TOTAL SOURCE 360	.00	.00	75,000.00	75,000.00	.0
	TOTAL FUND REVENUE	.00	.00	75,000.00	75,000.00	.0

CITY OF WHITTIER
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING APRIL 30, 2026

WATER/WASTEWATER MRRF

		PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
	<u>GRANT EXPENDITURES</u>					
75-900-9200	CAPITAL EQUIPMENT	.00	.00	75,000.00	75,000.00	.0
	TOTAL GRANT EXPENDITURES	.00	.00	75,000.00	75,000.00	.0
	TOTAL FUND EXPENDITURES	.00	.00	75,000.00	75,000.00	.0
	NET REVENUE OVER EXPENDITURES	.00	.00	.00	.00	.0

WHITTIER PARKS & REC**REGULAR MEETING****May 8, 2026 6pm****MINUTES****Assign recorder: Jamie Loan****Attendance: Victor Shen****Meeting Begins: 6:37pm****New Business**

- **Parks:** We are still waiting on news about the AARP grant. Councilwoman Borg has been working with students to restore the memorial at the Triangle. Victor and Jamie led a group of volunteers to assemble 6 new picnic tables.
- **Recreation:**
- **Trails:** We want to get a small event coordinated this summer to remove some brush and debris around the connexes at Smitty's Cove. National Trails Day is June 6th. We will have a work day followed by a cookout.
- **Other:** Artist ChaCha painted 4 more community mini murals. Jamie will present at the Symposium on Tuesday. Whittier Clean Up Week starts Sunday, May 10th. We will stage bags Saturday, May 16th is the HoB clean up—we will ask Charla to bring down cookout provisions and Jamie will grill. Victor will pull tools Thursday. The mural artist, ChaCha, wants to continue the relationship that has been built with the City and Parks & Rec. With rising costs, she has asked if it would be okay if she got a reimbursement or an extra payment for supplies, as they've more than tripled in cost. We agree that we would like the project to continue and would be happy to do that within reason.

Follow up of tasks/to do:

- Jamie will talk to Harbor Master about a kayak launch on the passenger dock.
- Story board signs and trail signage, as well as a Seafarer Memorial (Corvus Design):
Jamie – In progress
- Walk to Whittier sub committee: Jamie, Ben, Aubrey – In Progress
- Talk to Ports & Harbor/Harbormaster about small single launch kayak infrastructure – in progress
- RTP trails grants - some done
- Rachel will get with Cam about the planter initiative
- Victor will contact Rob Raincock about a disc golf course - Progress
- Email Jackie about having launch ramp closed for Solstice – Jamie - done

New Tasks/to do:**Next meeting date: June 2, 2025 7:00****Adjournment:**



NAVIGATE AK

2026 ALASKA LEGISLATIVE SESSION WRAP-UP

Session Overview

The 34th Alaska Legislature adjourned its regular session late evening on Wednesday, May 20, after 121 days. Lawmakers passed 111 bills across the two-year term, addressing energy, education, public safety, workforce development, and fiscal policy in meaningful ways. But the session will also be remembered for what did not get done: the pension bill was vetoed, the gas pipeline tax legislation ran out of time, and a special session began the very next morning. The coalition dynamic produced productive bipartisan work on many fronts, even as the relationship between the Legislature and Governor Dunleavy remained strained. Dunleavy vetoed 12 bills during the 34th Legislature, including the pension bill just hours before adjournment.

What's Next: Special Session on the Gas Pipeline

Governor Dunleavy called a 30-day special session beginning May 21, focused solely on legislation to advance the Alaska LNG Project. The core issue is property tax relief for Glenfarne, the project developer, to improve the project's financial viability. The governor introduced his gas pipeline tax proposals on March 20, halfway through the regular session, and the compressed timeline prevented passage before adjournment.

Key unresolved issues include the property tax rate on pipeline infrastructure, a potential spur gas line to Fairbanks, a price ceiling for gas sold to Alaska utilities, whether municipalities can take equity in the project in lieu of taxes, and local impact fund structures. New bills (SB 2001 and HB 2001) were introduced for the special session alongside the surviving regular-session bills (HB 381 and SB 280).

As of May 22, the Senate Finance Committee is set to begin hearings on May 27, and the House Finance Committee held its first hearing on May 21. Both chambers have recessed until June 4, with finance committees doing the work in the interim while most lawmakers return to their districts. The governor has stated he will call special session after special session until a bill acceptable to him passes. Legislators remain skeptical about the scope of tax relief needed, and U.S. Interior Secretary Doug Burgum made a public appearance urging Alaska to move the project forward.

Budget and Fiscal Outcomes

The Legislature passed a balanced operating budget that reduces overall Unrestricted General Fund spending by \$910 million and eliminates the \$1.1 billion deficit in the Governor's proposed budget. The Permanent Fund Dividend was set at \$1,200 per person, down from the Governor's proposed \$3,700. That \$1.5 billion in savings was redirected toward school maintenance, state infrastructure, vocational training, and community assistance. The capital budget is heavy on energy, housing, and infrastructure investments. Both budgets now sit on the Governor's desk, where vetoes are expected. The Legislature also funded community jails at locally submitted budget levels (\$14.5 million), fully funded PILT and SRS, and allocated \$30 million to recapitalize Community Assistance plus an additional \$50 million for increased distribution this year.

Landmark Legislation

- **Omnibus Crime Bill (HB 239):** Passed nearly unanimously (Senate 20-0, House 39-1), this sweeping package rolled 14 bills into one. Key provisions raise the age of consent from 16 to 18, criminalize AI-generated child sexual abuse material, increase penalties for hit-and-run fatalities, close loopholes in sexual assault statutes, and restructure the Board of Parole. Awaiting the Governor's signature.
- **Pension Bill (HB 78):** The Legislature passed a bill to restore defined benefit pensions for public employees and teachers for the first time since 2006. Governor Dunleavy vetoed it on May 18, and the override attempt on May 19 failed 33-27, seven votes short of the 40 needed. Supporters framed HB 78 as a workforce retention tool expected to save \$240 million in turnover costs against \$73 million in annual implementation costs. Proponents say the issue is teed up for the 2027 session under a new governor.
- **Education (HB 28):** This omnibus education bill authorizes a pilot program for teacher student loan repayment as a recruitment tool, funds school energy costs, increases boarding school support, tightens oversight of correspondence study programs, and launches a study of K-12 funding formulas. The operating budget also includes \$115 million in one-time school funding and \$30 million in energy relief for school districts.
- **Rural Fuel Crisis Response (HB 388):** Expanded state bulk fuel loan limits from \$750,000 to \$1.5 million to help rural communities pay for fuel amid prices that have doubled in some western Alaska communities due to the war in Iran. Passed quickly through both chambers.
- **AIDEA Workforce Housing (HB 184):** Expands AIDEA's authority to finance housing development projects with three or more units. Passed both chambers and is awaiting transmittal to the Governor.
- **Prompt Payment (HB 133):** Requires state agencies to pay contracts with nonprofits, municipalities, and tribes within 30 days or face late payment fees.
- **Digital Tax (HB 280):** Amends the multi-state tax compact for corporate income tax paid by out-of-state companies selling in Alaska, including telecom, broadcast, and financial institutions. Passed on the final day. The Governor is expected to veto this bill, similar to a bill he vetoed last September.
- **Campaign Finance (HB 16):** Imposes campaign contribution limits, but the House failed to get the 27 votes needed for a delayed effective date, meaning the bill could take effect during the current election cycle. A veto is likely.

As we move through special session periodic updates will be provided. If you have questions related to bills and the status, please reach out for details.

Have a wonderful summer.

Dianne