

**ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY**

**RESOLUTION NO. G20-28**

**RESOLUTION OF THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY APPROVING THE INCREASE IN MAINTENANCE OBLIGATION SPENDING AND RELATED AMENDMENT TO OPERATING AGREEMENT FOR THE KETCHIKAN SHIPYARD**

**WHEREAS**, the Authority owns the shipyard in Ketchikan, Alaska, which is comprised of real estate, two floating dry docks, and other facilities, equipment and fixtures;

**WHEREAS**, effective December 1, 2005, the Authority entered into a contract with Alaska Ship and Drydock, Inc., an Alaska corporation, for it to operate the Ketchikan shipyard, and the contract was entitled “Amended and Restated Agreement for the Operation and Use of the Ketchikan Shipyard between the Alaska Industrial Development and Export Authority and Alaska Ship and Drydock, Inc.” (“Operation Agreement”);

**WHEREAS**, Alaska Ship and Drydock, Inc. has converted into and changed its name to Vigor Alaska LLC (“Vigor”) due to an ownership change;

**WHEREAS**, the Operation Agreement provides for operation and maintenance requirements. Operational costs, such as salaries, labor, materials, taxes, utilities, etc., shall be paid for by the operator. Maintenance costs shall be paid for by the operator up to a limit as determined by the parties, with the Authority reimbursing the operator from the repair and replacement (R&R) account for allowable amounts incurred above the limit each year if the additional expenses meet the conditions for reimbursement;

**WHEREAS**, the Authority and Vigor have been discussing the maintenance costs for 2018 and 2019 in order to determine reimbursement amounts from the R&R account;

**WHEREAS**, as described in the staff memorandum provided to the Board, the Authority and Vigor have come to an agreement on how to allocate the maintenance costs from 2018 and 2019, and put in place a new framework for determining future reimbursement allocations from the R&R account lasting at least through 2022;

**WHEREAS**, an agreement on maintenance costs for the Ketchikan shipyard in cooperation with Vigor is in furtherance of the Authority's statutory mission.

**NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY AS FOLLOWS:**

Section 1. The Authority agrees and approves the amendment to the Operation Agreement as provided to the Board, along with any non-material changes that may be necessary prior to execution.

Section 2. The Executive Director of the Authority is authorized to take such actions as may be necessary or convenient to carry out this approval, including executing the Amendment to the Operation Agreement in the name of and on behalf of the Authority.

DATED at Anchorage, Alaska on this 28<sup>th</sup> day of October, 2020.

ALASKA INDUSTRIAL DEVELOPMENT  
AND EXPORT AUTHORITY

  
\_\_\_\_\_  
Chair

SEAL  
ATTEST:



  
Secretary