



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
330 Harbor Drive
Sitka, AK
(907)747-1811

Meeting Agenda City and Borough Assembly

*Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Benjamin Miyasato
Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Michelle Putz*

*Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Colleen Ingman, MMC*

Tuesday, March 24, 2015

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

A [15-034](#) Reminders - Calendar - Correspondence

Attachments: [Reminder Calendar Corr](#)

V. CEREMONIAL MATTERS

AmeriCorps Proclamation

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Sitka Community Hospital, Municipal Departments, School District, Students and Guests (time limits apply)

VII. PERSONS TO BE HEARD

Public participation on any item off the agenda. All public testimony is not to exceed 3 minutes for any individual, unless the mayor imposes other time constraints at the beginning of the agenda item.

VIII. REPORTS

a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other

IX. CONSENT AGENDA

All matters under Item IX Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- A** [15-030](#) Approve the minutes of the March 10, 2015 Assembly meeting
Attachments: [Minutes](#)
- B** [15-031](#) Reappoint Charles Horan (temporarily) to a seat on the Gary Paxton Industrial Park Board; 2) Kevin Knox to the Port and Harbor Commission; and 3) Trish White on the Local Emergency Planning Commission
Attachments: [Appointments](#)
- C** [ORD 15-14](#) Proposing to clarify the SGC by Amending Section 13.13.025 Emission of Soot from an Oil Stove In a Vessel, Section 14.04.020 Ice and Snow Removal, Section 15.05.400 Cross-Connections, Sections 18.04.010 (I) Personal Property Definition and Title 18 Footnote 2 to Correct Statute References, Section 19.01.013 Adoption of Excavation and Grading Standards, Section 19.01.020 Building Permits Fees, Section 19.08.040 Definition Of "Islands," Section 22.08.585 Manufactured Home, and Section 22.08.590 Mobile Home
Attachments: [ORD 2015-14 Clarifying](#)

Clarifying CODE ordinance - first reading
- D** [ORD 15-15](#) PULLED Proposing to clarify the Sitka General Code by Amending Sections 1.01.010 Adoption, and 1.01.030 Codification Authority to update Alaska Statute References, Sections 2.04.010 Agenda Testimony Time, 2.04.170, Assembly Meeting Time, 02.12.010 Clarifying Physician Members on Hospital Board, 2.40.100 Acceptance of Nomination, 2.40.290 Election Supplies and Equipment, 2.40.300 Instructions to Voters, 2.40.410 Preservation of Ballot After Counting, 3.16.030 Open Market Procedures, 3.16.060 Exceptions to Competitive Bidding Requirements, 3.16.080 Procurement Monitoring, Title 4, Revenue and Finance in Sections 4.26.165 (A) and 4.26.165 (E) to clarify Alaska Appellate Court Name, in Section 4.28.040 (C) to update the best practices recommendation, in Section 4.44a.010 (B) to remove an incorrectly placed word, and Section 6.19.030 (E) Commercial Operations Permit to clarify fee expense
Clarifying CODE ordinance - first reading
- E** [ORD 15-16](#) Proposing to clarify the SGC by amending Sections 8.04.020 Licensing (Animals), 8.04.080 Objectionable Animals, and 10.52.010 Unlawful Acts (Dangerous Dog)
Attachments: [ORD 2015-16 Clarifying](#)

Clarifying CODE ordinance - first reading

- F** [ORD 15-18](#) Proposing to clarify the SGC by amending Chapter 10.40 Gambling, Section 10.40.010 Prohibited and Loitering Sections, 10.76.020 Definition and 10.76.030 Prohibited Operations
Attachments: [ORD 2015-18 Clarifying](#)
Clarifying CODE ordinance - first reading
- G** [ORD 15-19](#) Proposing to clarify the SGC by amending Title 10 Public Peace, Safety and Morals at Sections 10.44.010 Liquor Regulations Definition A, 10.44.020 Scopes of Provisions, 10.44.030 License Required, 10.44.060 Persons Forbidden to Have Liquor, and 10.84.010 Definitions
Attachments: [ORD 2015-19 Clarifying](#)
Clarifying CODE ordinance - first reading
- H** [ORD 15-20](#) Proposing to clarify the SGC by Amending Sections 11.17.25.010 Prohibited Vehicles and Loads, Section 11.17.25.020 Width of Vehicles, Section 11.28.010 Traffic Code-Adoption of State Traffic Laws, and Sections 15.05.590 and 15.05.600 Fire Protection Services and Systems
Attachments: [ORD 2015-20 Clarifying](#)
Clarifying CODE ordinance - first reading
- X. UNFINISHED BUSINESS:**
- I** [ORD 15-13](#) Adjusting the FY15 Budget
Attachments: [ORD 2015-13 Budget](#)
- J** [ORD 15-11](#) Proposing to clarify the SGC by amending the footnote in Title 9 Health and Sanitation, by amending Sections 10.24.050 Fireworks Permissible Sales and Uses and 10.24 reference note, Section 10.44.070 (c) Common Carrier Definition, by repealing without replacement Section 10.48.030 Evidence, by amending Section 10.72.070 Juvenile Curfew Penalties, by repealing Section 10.84.020 Grandfather Clause for Liquor Sales Age, by amending Section 11.04.110 Public Holidays List, Section 11.40.230 Parking Reference, Section 11.56.100 for correct reference for Taxicab Medical Requirements, by repealing Section 11.64.010 Pedestrian Rules, and by amending Section 11.70.010 to remove outdated Helmet Standard Reference
Attachments: [ORD 2015-11 Clarifying 7-12](#)
Clarifying CODE ordinance - second reading
- K** [ORD 15-12](#) Proposing to clarify SGC by amending Title 6 Business License and Regulations at Section 6.04.080 Bond
Attachments: [ORD 2015-12 Clarifying Title 6](#)
Clarifying CODE ordinance - second reading

XI. NEW BUSINESS:

New Business First Reading

- L [ORD 15-17](#) Utility Director/Acting Administrator to give an overview 1st
- Amending Subsection 15.01.020 of SGC Electrical Rates by increasing electric rates to fund approved Electrical Utility Capital Projects including the Blue Lake Hydroelectric Expansion Project and establishing an Energy Assistance Fund
- Attachments:** [MOTION ORD 2015-17](#)
[ORD 2015-17 Electrical Rates](#)

Additional New Business Items

- M [15-032](#) Approve an Operating and Terminal Building Sublease Agreement between City and Borough of Sitka and Delta Airlines subject to Department of Transportation and Public Facilities approval
- Attachments:** [Delta Airlines Sublease reduced size](#)
- N [15-035](#) Approve award Jarvis Bulk Fuel Tank API-653 Inspection Contract Award \$80,000 - Blue Lake Bonding
- Attachments:** [Jarvis St Diesel fuel tank](#)
[Backup Generator Storage Tan](#)
- O [15-036](#) Approve a change order to McMillen for the Bulk Water Upgrade at Gary Paxton Industrial Park - not to exceed \$370,000 - Blue Lake Bonding
- Attachments:** [Bulk water upgrade](#)
[McMillion Backup](#)
- P [15-033](#) Discussion/Direction on whether to bring forward a ballot ordinance on putting the question of "Whether Sitka should allow Commercial Sales of Marijuana?" on the October municipal election ballot
- Attachments:** [Discussion Direction Commercial Sales Marijuana](#)

XII. PERSONS TO BE HEARD:

Public participation on any item on or off the agenda. Not to exceed 3 minutes for any individual.

XIII. EXECUTIVE SESSION**XIV. ADJOURNMENT**

*Colleen Ingman, MMC
Municipal Clerk
Publish: 3/20/2015*



Legislation Details

File #: 15-034 **Version:** 1 **Name:**
Type: Correspondence **Status:** AGENDA READY
File created: 3/18/2015 **In control:** City and Borough Assembly
On agenda: 3/24/2015 **Final action:**
Title: Reminders - Calendar - Correspondence
Sponsors:
Indexes:
Code sections:
Attachments: [Reminder Calendar Corr](#)

Date	Ver.	Action By	Action	Result
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REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, March 24	Regular Meeting	6:00 PM
Thursday, April 9	Worksession: Budget – School Board	6:00 PM
Tuesday, April 14	Worksession: Harrigan Centennial Hall Project	5:00 PM
Tuesday, April 14	Regular Meeting	6:00 PM
Tuesday, April 21	Special Meeting Evaluations: Municipal Attorney and Municipal Administrator (Location – City Hall 3rd floor conference room)	5:30 PM



Assembly Calendar

[2014](#) [Jan](#) [Feb](#) [Mar](#) [Apr](#) [May](#) [Jun](#) [Jul](#) [Aug](#) [Sep](#) [Oct](#) [Nov](#) [Dec](#) [2016](#)

March 2015

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Mar	2	3	4	5	6	7
McConnell	McConnell	McConnell 7:00pm Planning 7:00pm <u>School</u>	McConnell 7:00pm Library Board	McConnell 12:00pm - 1:30pm SEDA Board Meeting	McConnell	McConnell
8	9	10	11	12	13	14
McConnell Putz	McConnell Putz	McConnell Putz 6:00pm <u>Reg Assembly Mtg</u>	McConnell Putz 6:00pm Historic Preservation	McConnell Putz Gorman 12:00pm LEPC 12:00pm <u>Parks & Rec</u>	McConnell Putz Gorman	McConnell Putz Gorman
15	16	17	18	19	20	21
McConnell Putz Gorman	McConnell Putz Gorman	McConnell Putz Gorman 12:00pm <u>Tree/Landscape</u>	McConnell Putz Gorman	McConnell Putz Gorman	McConnell Putz Gorman	McConnell Putz Gorman
22	23	24	25	26	27	28
McConnell Gorman	McConnell Gorman	McConnell Gorman 6:00pm <u>Regular Assembly Mtg</u>	McConnell Gorman 6:00pm Police and Fire Commission - Fire Hall	McConnell Gorman	McConnell Gorman	Gorman
29	30	31	1 Apr	2	3	4
		1:00pm SCVB Board	7:00pm Library Board	12:00pm - 1:30pm SEDA Board Meeting		

Assembly Calendar

[2014](#) [Jan](#) [Feb](#) [Mar](#) [Apr](#) [May](#) [Jun](#) [Jul](#) [Aug](#) [Sep](#) [Oct](#) [Nov](#) [Dec](#) [2016](#)
April 2015

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29 Mar	30	31	1 Apr	2	3	4
		1:00pm SCVB Board	7:00pm Library Board	12:00pm - 1:30pm SEDA Board Meeting		
5	6	7	8	9	10	11
		7:00pm Planning	6:00pm Historic Preservation	12:00pm LEPC 12:00pm <u>Parks & Rec</u> 6:00pm Budget Worksession: School District/Assembly		
12	13	14	15	16	17	18
		5:00pm Worksession: Harrigan Centennial Hall Project 6:00pm <u>Reg Assembly Mtg</u>				
19	20	21	22	23	24	25
		5:30pm Special Meeting: Evaluations Municipal Attorney and Municipal Administrator (City Hall Conference Room)	6:00pm Police and Fire Commission - Fire Hall	6:00pm 1st <u>Municipal Budget Worksession</u>		
26	27	28	29	30	1 May	2
	6:00pm 2nd <u>Municipal Budget Worksession</u>	1:00pm SCVB Board 6:00pm <u>Regular Assembly Mtg</u>				



City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

Coast Guard City, USA

March 17, 2015

Federal Subsistence Board

ATTENTION: Theo Matuskowitz

Office of Subsistence Management

3601 C Street Suite 1030

Anchorage, AK 99503

Via: The Southeast Alaska Subsistence Regional Advisory Council

RE: Comments on Proposed Changes to the Rural Determination Process

Dear Federal Subsistence Board and Southeast Alaska Subsistence Regional Advisory Council:

Please accept this letter and attached City and Borough of Sitka Resolution 2013-16 as an official comment from the City and Borough of Sitka on the proposed changes to the rural determination process during the Southeast Regional Advisory Committee meeting in Sitka, Alaska, on March 17, 2015.

City and Borough of Sitka is grateful to the Federal Subsistence Board for recommending changes to the rural determination process in response to many requests including ours. Thanks also to the Southeast Alaska Subsistence Regional Advisory Council for meeting in Sitka, accepting public testimony on this extremely important issue, and making recommendations to the Federal Subsistence Board on this proposal. The City and Borough of Sitka and the community of Sitka appreciate this attempt to simplify the arduous process to determine which areas or communities are rural or non-rural and to maintain Sitka's rural status.

Since the enactment of the Alaska National Interest Lands Conservation Act (ANILCA) Title VIII, which provides a preference to rural Alaskan residents for taking fish and wildlife resources for subsistence uses on Federal public lands and waters in Alaska, the residents of Sitka have had to repeatedly substantiate that Sitka is a rural subsistence community. Alaska Department of Fish and Game comprehensive reports have shown almost everyone (more than 95 percent) of Sitka residents subsist on the many natural resources located within the City and Borough of Sitka: fish, game, plants, and other resources gathered as part of Sitka's population's way of life. For many years the City and Borough of Sitka has asked that a rural subsistence community such as Sitka which has been designated rural for subsistence use should not be subjected to arbitrary population numbers or dates for review

Providing for today ... preparing for tomorrow

and have to repeatedly prove its continuing rural subsistence status without any evidence that substantive change in its rural subsistence uses has occurred.

Sitka was very pleased that the Federal Subsistence Board recommended simplifying the process by determining which areas or communities are nonrural in Alaska, and all other communities or areas would, therefore, be rural. We understand the Board would make nonrural determinations using a comprehensive approach that takes into consideration population size and density, economic indicators, military presence, industrial facilities, use of fish and wildlife, degree of remoteness and isolation, and any other relevant material, and information provided by the public. We further understand the Board would rely heavily on the recommendations of the Subsistence Regional Advisory Councils.

We understand that on November 24, 2014, the Secretaries of the Interior and Agriculture requested that the Federal Subsistence Board initiate rulemaking to pursue the regulatory changes recommended by the Board. The Secretaries also requested that the Board obtain Council recommendations and public input, and conduct Tribal and Alaska Native Corporation consultation on the proposed changes. If adopted through the rulemaking process, the current regulations would be revised to remove specific guidelines, including requirements regarding population data, the aggregation of communities, and the decennial review, for making rural determinations. This new direction is much appreciated.

The City and Borough of Sitka's Resolution 2013-16 is still relevant to this new approach to designating and continuing to consider Alaska communities as rural if they are not identified as nonrural. This resolution states:

"NOW, THEREFORE BE IT RESOLVED, that the Assembly of the City and Borough of Sitka recommends several modifications to improve the rural determination process. Modify the population threshold to delete the arbitrary 7,000 beyond which a community will be presumed non-rural and change the threshold to 11,000 as recommended by the Secretaries of the Interior and Agriculture in 2010 as a guideline only, since the current threshold levels fail to accurately define a rural Alaska community.

"BE IT FURTHER RESOLVED that the rural determination process be modified to better permit rural subsistence communities to identify their rural characteristics, including widespread use of fish, wildlife, and other wild resources, through Alaska Department of Fish and Game Subsistence studies, Coastal Management Subsistence research, and other information sources; geographic isolation, lack of connection to a regional road system; and importance of fish and other wild resources to the economic base; as the basis for retaining their continued rural designation.

Federal Subsistence Board via Southeast Regional Advisory Council

March 17, 2015

Page 3

“FINALLY, BE IT RESOLVED, that once a community has received its rural designation, no timeline for reconsideration should be triggered unless there is substantive change in the rural community’s status sufficient to re-designate the community as urban, in order to meet the intent of Title VIII of ANILCA which is to “protect and provide the opportunity for continued subsistence uses on public lands.” While the various administrative, land and resource use and economic concepts that fit the ‘lower 48’ states may meet federal agency needs in the contiguous states, these components of the determination process do not meet the needs of vast, isolated rural Alaska, which within Southeast Alaska includes more than 17 million acres of the Tongass National Forest.”

Please see Resolution No. 2013-16, attached, for the entirety of the above Resolution. This Resolution is still the official position of the City and Borough of Sitka. City and Borough of Sitka requests that the Southeast Regional Advisory Committee and Federal Subsistence Board consider these comments as the revised rule is formulated, and accommodate them where possible. We also request that the City and Borough of Sitka be added to the official mailing list for further notices about this rulemaking process, so that there is opportunity for City and Borough of Sitka and the public to comment on any of the rulemaking that would have the potential to adversely impact Sitka, Alaska’s rural subsistence status. Contact address for this mailing list is Mark Gorman, Municipal Administrator, City and Borough of Sitka, 100 Lincoln Street, Sitka, AK 99835; phone 907-747-1808; e-mail markgorman@cityofsitka.com.

Thank you for the opportunity to comment.

Sincerely,



Colleen Ingman
Acting Municipal Administrator

cc: Sitka Tribe of Alaska c/o Jeff Feldpausch, Resource Protection Director
Mayor and Assembly

**CITY AND BOROUGH OF SITKA
RESOLUTION NO. 2013-16**

**A RESOLUTION BY THE CITY AND BOROUGH OF SITKA, ALASKA,
COMMENTING ON THE FEDERAL SUBSISTENCE MANAGEMENT PROGRAM'S
RURAL DETERMINATION PROCESS**

WHEREAS, the Federal Subsistence Board initiated a review of the rural determination process on December 31, 2012, requesting comments on the following components of the process: population thresholds, rural characteristics, aggregation of communities, timelines and information sources, with a submission deadline of November 1, 2013; and

WHEREAS, Title VIII of the Alaska National Interest Lands Conservation Act (ANILCA) provides a subsistence priority for rural Alaska residents for harvesting fish and wildlife resources on Federal public lands, and only residents of communities or areas determined to be rural are eligible under Federal subsistence regulations for the subsistence priority; and

WHEREAS, Sitka is an isolated Rural Subsistence community unconnected to any road system, and the vast majority of Sitka residents harvest large quantities of traditional, personal, and subsistence use fish and game year-round for both themselves and for others consistent with a rural community, as well documented by studies, surveys, and personal testimony community-wide for a large variety of fish, game, and other subsistence resources; and

WHEREAS, Sitka has had to struggle to keep its Rural Subsistence status which Sitka residents consider part of their basic cultural, economic and social identities, since its population exceeds the arbitrary population ceiling. Federal Regulations state a community with a population of more than 7,000 will be considered non-rural unless the community possesses significant characteristics of a rural nature, but this arbitrary threshold is invalid for Sitka, which has repeatedly substantiated its Rural Subsistence status, with over 90 percent of Sitka residents directly involved in subsistence gathering; and

WHEREAS, the rural determination process should be modified, as the Secretary of the Interior called for in 2009, to "ensure that the [Federal Subsistence Management] program is best serving rural Alaskans and that the letter and spirit of Title VIII [of ANILCA] are being met."

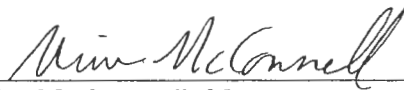
NOW, THEREFORE, BE IT RESOLVED, that the Assembly of the City and Borough of Sitka recommends several modifications to improve the rural determination process. Modify the population threshold to delete the arbitrary 7,000 beyond which a community will be presumed non-rural and change the threshold to 11,000 as recommended by the

Secretaries of the Interior and Agriculture in 2010 as a guideline only, since the current threshold levels fail to accurately define a rural Alaska community.

BE IT FURTHER RESOLVED, that the rural determination process be modified to better permit rural subsistence communities to identify their rural characteristics, including widespread use of fish, wildlife, and other wild resources, through Alaska Department of Fish and Game Subsistence studies, Coastal Management Subsistence research, and other information sources; geographic isolation; lack of connection to a regional road system; and importance of fish and other wild resources to the economic base; as the basis for retaining their continued rural designation.

FINALLY, BE IT RESOLVED, that once a community has received its rural designation, no timeline for reconsideration should be triggered unless there is substantive change in the rural community's status sufficient to re-designate the community as urban, in order to meet the intent of Title VIII of ANILCA which is to "protect and provide the opportunity for continued subsistence uses on public lands." While the various administrative, land and resource use and economic concepts that fit the "lower 48" states may meet federal agency needs in the contiguous states, these components of the determination process do not meet the needs of vast, isolated rural Alaska, which within Southeast Alaska includes more than 17 million acres of the Tongass National Forest.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 24th day of September, 2013.



Mim McConnell, Mayor

ATTEST:



Colleen Ingman, MMC
Municipal Clerk



Legislation Details

File #: 15-030 Version: 1 Name:
Type: Minutes Status: AGENDA READY
File created: 3/17/2015 In control: City and Borough Assembly
On agenda: 3/24/2015 Final action:
Title: Approve the minutes of the March 10, 2015 Assembly meeting
Sponsors:
Indexes:
Code sections:
Attachments: [Minutes](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTIONS

I move to approve the Consent Agenda consisting of
Items A, B, C, D, E, F, G & H

I wish to pull Item(s) ____, ____.

If this item is pulled from the consent agenda the following motion would be in order:

POSSIBLE MOTION

I MOVE TO approve the minutes of the March 10, 2015 Assembly meeting.



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
330 Harbor Drive
Sitka, AK
(907)747-1811

Minutes - Draft City and Borough Assembly

*Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Benjamin Miyasato
Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Michelle Putz*

*Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Colleen Ingman, MMC*

Tuesday, March 10, 2015

6:00 PM

Assembly Chambers

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - Hunter, Swanson, Miyasato, Eisenbeisz, and Guevin

Telephonic: 2 - McConnell, and Putz

IV. CORRESPONDENCE/AGENDA CHANGES

Deputy Mayor Hunter announced that Item G had been pulled from the agenda.

AA 15-020 Reminders and Calendars

BB 15-021 Misc. Correspondence

CC 15-022 Public Works Update

V. CEREMONIAL MATTERS

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Sitka Community Hospital, Municipal Departments, School District, Students and Guests (time limits apply)

Port and Harbors Commission - Chairman Kevin Knox reviewed the Commission's 2015 goals and relayed one focus was for safe, well maintained, affordable and livable harbors. Diversity of users was a big strength of Sitka. Knox shared the new camera system at ANB had been well received. The Commission felt some money wasn't coming back into the harbor system and they would like to change that. For instance, they would like to see 100% of fish box tax come back to harbors. They hope to be part of a budget worksession with the Assembly to discuss.

Sitka Community Hospital CEO Rob Allen announced that he had been working with the Board and planned to continue on as CEO for the next couple of years. He reported on the work that Cynthia Brandt, Director of Fiscal Services was doing and the current state of financials - still floating between \$800,000 - \$1,200,000. Allen reported the Hospital had started a strategic planning process regarding Medicaid Expansion and what it meant for SCH. He reported had it been in place last year the Hospital would have recovered over \$400,000.

DD 15-028

1) Sitka High School Student Update, and 2) Edgecumbe Drive Update
<10 minutes

SHS Representative Debbie Yearwood relayed that both boys and girls won first at Regions in basketball. SHS students did well on Drama and Debate. They were working on development of a school paper. The 2nd annual Risk Event was scheduled to happen on March 24th. Alaska Association of Student Government (AASG) will be held in Sitka with Mt.Edgecumbe hosting. SHS has a new band teacher, activities director and vice principal.

Edgecumbe Drive Update - Municipal Engineer, Dan Tadic, gave a presentation on the plans for Edgecumbe Drive. There will be a Multi Use Path with plans to take the bike lane width and add it to the sidewalk. They have implemented suggestions under "Safe Routes to School" near intersections and cross walks. Phase I - Charteris to Cascade began March 9. Phase II - Charteris to Peterson is to begin May 27. Paving won't start until August. Tadic noted S&S Construction was holding monthly meetings and going door to door posting information for residents in the area.

VII. PERSONS TO BE HEARD

Gerry Hope, Transportation Director for Sitka Tribe of Alaska, noticed that there was a bus stop sign on the Edgecumbe Drive photo, however, he didn't notice any pull out area for the RIDE. He will communicate with the Public Works Department.

VIII. REPORTS

a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other

Mayor - Regarding her trip to Washington DC she noted for those interested in the details they could read the trip report that Marlene Campbell prepared.

Administrator - Gorman expanded on the DC trip adding topics covered were the Blue Lake Completion, Sitka's 2nd water source, Secure Rural Schools and expediting the conveyance of the Administration Building at the Gary Paxton Industrial Park. Gorman added the first cut of the FY2016 budget was complete and showed a \$600,000 deficit. He noted there was a growing concern about the deficiency in the Electric Fund about \$1 M short, which was being driven by "Mother Nature". There would be a fairly steep rate increase coming in electric rates. He stated there may be another possibility that would infuse capital into the Electric Fund. Today's news of the state planning to de-fund the state park position here was of great concern and be detrimental to Sitka. Senator Stedman's office was looking into it. The seven state parks would go to self maintenance and be supported out of

Juneau. Harmon and I met with Chris and Chuck McGraw regarding the upcoming cruise ship season and they were anticipating around 110,000 passengers for this year. The past season was just below 90,000.

Attorney - Continued to work with Delta Airlines and Public Works in crafting a contract. Delta was adding more flights. Passenger service was of the highest priority.

Liaisons - Miyasato provided a report on the recent Library Commission meeting. He spoke to the House Transportation Committee on the use of herbicides along the road system. Miyasato congratulated basketball teams and wished them good luck at state. Eisenbeisz relayed that the Sitka Community Hospital Board was interested in being included in an upcoming budget worksession and announced the Board would hold a retreat on March 21st at 6:00 pm. Guevin reported on the Health Needs and Human Services Commission. Marijuana was the primary discuss at their last meeting. He announced a Town Hall Meeting would be held in March. He attended the School Board meeting where their main issue was the budget projected short fall of \$2.2 M. Deputy Mayor attended the Port and Harbors Commission meeting.

IX. CONSENT AGENDA

Deputy Mayor read the titles of the items on the Consent Agenda consisting of Items A, C, D, E & F.

- A 15-026** Approve the minutes of the February 24, 2015 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

- C 15-024** Approve Material Sale and/or Lease Agreement between the CBS and Little Bit Heavy Equipment Rental contingent on receipt of proof of insurance

This item was APPROVED ON THE CONSENT AGENDA.

- D RES 15-10** Urging the Alaska Legislature to Expand Medicaid Coverage to Improve the Health of Alaskans and Improve the Alaskan Economy

This item was APPROVED ON THE CONSENT AGENDA.

- E ORD 15-11** Proposing to clarify the SGC by amending the footnote in Title 9 Health and Sanitation, by amending Sections 10.24.050 Fireworks Permissible Sales and Uses and 10.24 reference note, Section 10.44.070 (c) Common Carrier Definition, by repealing without replacement Section 10.48.030 Evidence, by amending Section 10.72.070 Juvenile Curfew Penalties, by repealing Section 10.84.020 Grandfather Clause for Liquor Sales Age, by amending Section 11.04.110 Public Holidays List, Section 11.40.230 Parking Reference, Section 11.56.100 for correct reference for Taxicab Medical Requirements, by repealing Section 11.64.010 Pedestrian Rules, and by amending Section 11.70.010 to remove outdated Helmet Standard Reference

This item was **APPROVED ON THE CONSENT AGENDA.**

- F ORD 15-12** Clarifying SGC by amending Title 6 Business License and Regulations at Section 6.04.080 Bond

This item was **APPROVED ON THE CONSENT AGENDA.**

- B 15-025** Approve liquor license renewal applications: 1) Watson Point, 2) Channel Club, 3) BPO Elks Lodge, 4) Ernie's Bar, 5) Pioneer Bar, 6) Pioneer Liquor Store, 7) Salty Sals Liquor Cabinet, 8) Cascade Convenience Center, 9) Baranof Island Brewing Company, 10) Pizza Express, and 11) Totem Square Inn.

Mayor McConnell recused herself as two were her clients.

Eisenbeisz requested this item be pulled because Salty Sals liquor package store license was no longer in the location listed on the renewal. Municipal Clerk Ingman said that was not sufficient reasoning to protest their renewal.

A motion was made by Eisenbeisz that this Item be APPROVED. The motion PASSED by the following vote.

Yes: 6 - Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz

Recused: 1 - McConnell

X. UNFINISHED BUSINESS:

- H ORD 15-08** An ordinance of the City and Borough of Sitka, Alaska amending Sitka General Code Title 22 Zoning under Chapter 22.20 Supplemental District Regulations and Development Standards and updating Chapter 22.16 District Regulations, Table 22.16.015-1 to allow for and regulate accessory dwelling units (ADUS) as a permitted or conditional use

A motion was made by Swanson that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz

XI. NEW BUSINESS:

New Business First Reading

- I ORD 15-13** Adjusting the FY15 Budget

Putz questioned whether funds for the State/Municipal Building project might be pulled back if this was planned for next fiscal year. Administrator Gorman explained that the State requested that we do it now. Chief Finance and Administrative Officer,

Jay Sweeney, added the State of Alaska sped up the timeline and agreed to manage the project so we were moving this forward to this year. If for some reason the State abandoned the project the funds would not be committed.

A motion was made by Miyasato that this Ordinance be APPROVED on first reading. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz

Additional New Business Items

J 15-023 Discussion and/or direction to include any funding for "the Ride" through its coordinating agency Center for Community in the FY16 Municipal Budget

Swanson announced that his wife worked for Center for Community. Deputy Mayor Hunter ruled without objection that he did not have a conflict. Following some discussion and clarification on Miyasato's potential conflict it was determined that he needed to step down and wear his Sitka Tribe of Alaska (STA) Council member, treasurer and Transportation Chair hat. Guevin brought up that Miyasato didn't receive any financial benefit. Municipal Attorney Koutchak advised Miyasato had a conflict because there was a financial allocation.

Connie Sipe, Executive Director for Center for Community (CFC) was the state recognized operator of the RIDE, STA was the contractor. She explained CFC was reimbursed from the State. STA received a federal Tribal grant to expand the RIDE. Four buses belonged to CFC and two buses belonged to STA. Sipe reported they were in need of \$100,000. Considering salaries, wages, benefits and fuel Sipe reported the RIDE brings \$1 M to the community and helps Sitka be affordable.

Gerry Hope, Transportation Director, for STA spoke. He noted it was unheard of that the City didn't have an elevated role in public transit and was difficult for them to make a case when the City didn't contribute much. He requested a worksession with the Assembly.
Note: A time will be allocated during the budget worksessions.

Benjamin Miyasato speaking as STA Tribal member, treasurer, and Transportation Committee Chair recently traveled to Washington DC to discuss the issue of the next federal transportation bill. As treasurer of STA he stated there would be a shortfall and that STA did not have the funds.

STA Director, Lawrence SpottedBird, encouraged the Assembly to support the request.

Harry Green testified the RIDE was a good thing and there was a lot of people going through difficult times.

Guevin believed that it was part of the City's responsibilities. He added there were a lot of people who could not afford a vehicle, the RIDE gave them a benefit. He stated CBS needed to prioritize and equitable transportation was extremely important. Putz was very supportive to have some absolute funding on a yearly basis. At the same time, she was leery because she didn't know what shape the budget was in. McConnell said the City didn't have a social services department. She stressed the need to have non-profits in Sitka and the RIDE was important for the community. She asked staff to think about where money could possibly come from. Gorman stated it would be helpful for staff to get direction from the Assembly as to a dollar amount. Deputy Mayor Hunter recognized the value of the RIDE stating it was great for the community. He took issue with the statement that the City hadn't been supportive.

CBS has a huge deferred maintenance need, the Sitka School District deficit was over \$2 M and the municipality was still working on a \$600,000 deficit.

Miyasato said Center for Community and STA operate the RIDE.

A motion was made by Putz to place \$25,000 in the FY2016 budget and to consider additional funding at the April 14, 2015 Assembly meeting. The motion PASSED by the following vote.

Yes: 4 - McConnell, Swanson, Guevin, and Putz

No: 2 - Hunter, and Eisenbeisz

Recused: 1 - Miyasato

XII. PERSONS TO BE HEARD:

None.

XII. ADJOURNMENT

A motion was made by Swanson to ADJOURN. Without objection and no further business, the meeting ADJOURNED at 7:31 PM.

ATTEST

**Colleen Ingman, MMC
Municipal Clerk**



Legislation Details

File #: 15-031 Version: 1 Name:

Type: Appointment Status: AGENDA READY

File created: 3/17/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Reappoint Charles Horan (temporarily) to a seat on the Gary Paxton Industrial Park Board; 2) Kevin Knox to the Port and Harbor Commission; and 3) Trish White on the Local Emergency Planning Commission

Sponsors:

Indexes:

Code sections:

Attachments: [Appointments](#)

Date	Ver.	Action By	Action	Result
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If this item is pulled from the consent agenda the following motion would be in order:

POSSIBLE MOTION

I MOVE to reappoint: 1) Charles Horan (temporarily) to a seat on the Gary Paxton Industrial Park Board; 2) Kevin Knox to the Planning Commission; and Trish White to the Local Emergency Planning Commission



Application for Appointment to Boards, Committees, and Commissions City and Borough of Sitka

Board/Commission/Committee: SAW MILL COVE BOARD
 Name: CHARLES HORAN Daytime Phone: 747-6666
 Address: 403 LINCOLN ST. Evening Phone: 747 6471
 Email Address: CHARLES@HORANAPPROPRIALS.COM Fax Number: 747-6471
 Length of Residence in Sitka: 34 YEARS Registered to vote in Sitka? Yes No
 Employer: SELF

Organizations you belong to or participate in: SITKA TRAIL WORKS,
CATHOLIC CHURCH, CITIZENSHIP

Explain your main reason for applying:
WISH TO REMAIN ON BOARD

What background, experience or credentials will you bring to the board, commission, or committee membership?
10+ YEARS ON BOARD - SEE RESUME

Please attach a letter of interest, outline, or resume which includes your education, work, and volunteer experience that will enhance your membership.

→ (To be considered, your application must be complete AND be accompanied by one of the above supporting documents.)

Date: 6/4/2012 Signature: [Handwritten Signature]

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting. Applications received after the deadline will be considered but will not be included in the Assembly packets for review prior to appointment.

Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? Yes No

Return to:
 Sara Peterson, Deputy Clerk
 100 Lincoln Street
 Fax: 907-747-7403
 Email: sara@cityofsitka.com

p314

Expert Witness Experience and Testimony

2009 Expert at mediation - Talbot's Inc vs State of Alaska, et al. IKE-07-168CI
 2008 Albright vs Albright, IKE-07-265CI, settled
 2006 State of Alaska vs Homestead Alaska, et al, 1JU-06-572, settled
 2006 State of Alaska vs Heaton, et al, 1JU-06-570CI, settled
 2006 State of Alaska vs Jean Gain Estate, 1JU-06-571, settled
 2004 Assessment Appeal, Board of Equalization, Franklin Dock vs City and Borough of Juneau
 2000 Alaska Pulp Corporation vs National Surety - Deposition
 U.S. Senate, Natural Resources Committee:
 U.S. House of Representatives, Resource Committee
 Superior Court, State of Alaska, Trial Court and Bankruptcy Courts
 Board of Equalization Hearings testified on behalf of these municipalities: Ketchikan Gateway Borough, City of Skagway, City of Pelican, City and Borough of Haines, Alaska
 Witness at binding arbitration hearings, appointed Master for property partitionment by superior state court, selected expert as final appraiser in multi parties suit with settlements of real estate land value issues

Partial List of ClientsFederal Agencies

Bureau of Indian Affairs
 Bureau of Land Mngmnt
 Coast Guard
 Dept. Of Agriculture
 Dept. Of Interior
 Dept. Of Transportation
 Federal Deposit Ins Corp
 Federal Highway Admin.
 Fish & Wildlife Service
 Forest Service
 General Service Agency
 National Park Service
 USDA Rural Develop.
 Veterans Administration

Municipalities

City & Borough of Haines
 City & Borough of Juneau
 City & Borough of Sitka
 City of Akutan
 City of Coffman Cove
 City of Craig
 City of Hoonah
 City of Ketchikan
 City of Klawock
 City of Pelican
 City of Petersburg
 City of Thorne Bay
 City of Wrangell
 Ketchikan Gateway Borg.
 Municipality of Skagway

Lending Institutions

Alaska Growth Capital
 Alaska Pacific Bank
 Alaska Ind. Dev. Auth.
 ALPS FCU
 First Bank
 First National Bank AK
 Key Bank
 Met Life Captial Corp.
 National Bank of AK
 Rainier National Bank
 SeaFirst Bank
 True North Credit Union
 Wells Fargo
 Wells Fargo RETECHS

Other Organizations

Baranof Island Housing
 Authority (BIHA)
 Central Council for Tlingit
 & Haida Indian Tribes
 of Alaska (CCTHITA)
 Diocese of Juneau
 Elks Lodge
 Hoonah Indian Assoc.
 LDS Church
 Moose Lodge
 SE AK Land Trust (SEAL)
 SE AK Reg Health
 Consortium (SEARHC)
 Sitka Tribe of Alaska
 The Nature Conservancy

ANCSA Corporations

Cape Fox, Inc.
 Doyon Corporation
 Eyak Corporation
 Goldbelt
 Haida Corporation
 Huna Totem
 Kake Tribal Corporation
 Klawock-Heenya Corp.
 Klukwan, Inc.
 Kootznoowoo, Inc.
 Scalaska Corporation
 Shaan Seet, Inc.
 Shee Atika Corporation
 TDX Corporation
 Tho Tatitlek Corporation
 Yak-Tat Kwan

State of Alaska Agencies

Alaska State Building
 Authority (formerly
 ASHA)
 Attorney General
 Dept. of Fish & Game
 Dept. of Natural Service,
 Div. of Lands
 Dept. of Public Safety
 Dept. of Transportation &
 Public Facilities
 (DOT&PF)
 Mental Health Land Trust
 Superior Court
 University of Alaska

Companies

AK Electric Light & Power
 AK Lumber & Pulp Co.
 AK Power & Telephone
 Allen Marine
 Arrowhead Transfer
 AT&T Alscorn
 Coeur Alaska
 Delta Western
 Gulf Oil of Canada
 Hames Corporation
 HDR Alaska, Inc.
 Holland America
 Home Depot
 Kennecott Greens Creek
 Kennedy & Associates
 Madsen Construction, Inc.
 Service Transfer
 Standard Oil of CA
 The Conservation Fund
 Union Oil
 Ward Cove Paking
 White Pass & Yukon RR
 Yutana Barge Lines

Education

Uniform Standards of Professional Appraisal Practice -
 2011 Update, Juneau, AK; June 2011
 Current Issues & Regulatory Updates Affecting
 Appraisers #10066; William King & Associates, Inc.,
 Juneau, AK; June 2011
 Loss Prevention Program for Real Estate Appraisers;
 LIA Administrators & Insurance Services; Juneau,
 AK; June 2011
 Uniform Appraisal Standards for Federal Land
 Acquisitions (UASFLA), Rockville, MD, Oct 2010
 Business Practices and Ethics, Seattle, WA, Apr 2010
 Fall Real Estate Conference, Seattle, WA, Dec 2009
 7-hour National USPAP Update Course, Seattle, WA,
 May 2009
 Fall Real Estate Conference, Seattle, WA, Nov 2008
 Attacking and Defending an Appraisal in Litigation,
 Kent, WA, Sep 2008
 Sustainable Mixed-Use N.I.M., Seattle, WA, Feb 2008
 Appraising 2-4 Unit Properties, Bellevue, WA, Sep
 2007
 Business Practices and Ethics, Seattle, WA, Jun 2007
 7-hour National USPAP Update Course, Seattle, WA,
 Jun 2007
 Residential Market Analysis and Highest and Best Use,
 Seattle, WA, Apr 2007
 Basic Appraisal Procedures, Seattle, WA, Feb 2007
 USPAP Update Course, Anchorage, AK, Feb 2005
 Rates & Ratios: Making Sense of GIMs, OARs, and
 DCF, Anchorage, AK, Feb 2005
 Best Practices for Residential Appraisal Report
 Writing, Juneau, AK, Apr 2005
 Scope of Work - Expanding Your Range of Services,
 Anchorage, AK May 2003
 Litigation Appraising - Specialized Topics and
 Applications, Dublin, CA, Oct 2002
 UASFLA: Practical Applications for Fee Appraisers,
 Jim Eaton, Washington, D.C., May 2002
 USPAP, Part A, Burr Ridge, IL, Jun 2001
 Partial Interest Valuation - Undivided, Anchorage, AK,
 May 2001
 Partial Interest Valuation - Divided, Anchorage, AK,
 May 2001
 Easement Valuation, San Diego, CA, Dec 1997
 USPAP, Seattle, WA, Apr 1997
 The Appraiser as Expert Witness, Anchorage, AK, May
 1995
 Appraisal Practices for Litigation, Anchorage, AK, May
 1995
 Forestry Appraisal Practices, Atterbury Consultants,
 Beaverton, OR, Apr 1995
 Advanced Sales Comparison & Cost Approaches, Univ.
 of Colorado, Boulder, CO, Jun 1993
 Computer Assisted Investment Analysis, University of
 Maryland, MD, Jul 1991
 USPAP, Anchorage, AK, Apr 1991
 General State Certification Review Seminar,
 Anchorage, AK, Apr 1991
 State Certification Review Seminar, Dean Potter,
 Anchorage, AK, Apr 1991
 Highest and Best Use and Market Analysis, Baltimore,
 MA, Mar 1991
 Financial Institution Reform, Recovery & Enforcement
 Act of 1989, Doreen Fair Westfall, Appraisal
 Analyst, OTS, Juneau, AK, Jul 1990
 Real Estate Appraisal Reform, Gregory Hoefler, MAI,
 OTS, Juneau, AK, Jul 1990
 Standards of Professional Practice, Anchorage, AK, Oct
 1987
 Federal Home Loan Bank Board Memorandum R41C
 Seminar, Catherine Gearheart, MAI, FHLBB
 District Appraiser, Juneau, AK, Mar 1987
 Market Analysis, Boulder, CO, Jun 1986
 Federal Home Loan Bank Board Regulation 41b,
 Instructor Bob Foreman, MAI, Seattle, WA, Sep 1985
 Litigation Valuation, Chapel Hill, North CA, Aug 1984
 Standards of Professional Practices, Bloomington, IN,
 Jan 1982
 Course 2B, Valuation Analysis & Report Writing,
 Stanford, CA, Aug 1980
 Course 6, Introduction to Real Estate Investment
 Analysis, Aug 1980
 Course 1B, Capitalization Techniques, San Francisco,
 CA, Aug 1976
 Course 2A, Case Studies in Real Estate Valuation, Aug
 1976
 Course 1A, Real Estate Principles and Valuation, San
 Francisco, CA, Aug 1974



**Application for Appointment to Boards, Committees, and Commissions
City and Borough of Sitka**

Board/Commission/Committee: Ports and Harbors

Name: Kevin Knox Daytime Phone: 907-738-4664

Address: 324 Wachusetts St, Sitka Evening Phone: _____

Email Address: kevin@bluesteel.org Fax Number: _____

Length of Residence in Sitka: 5 years Registered to vote in Sitka? Yes No

Employer: Self employed

Organizations you belong to or participate in:

Board member: Ports and Harbors Commission (Chair), Baranof Barracuda Swim Club (President), founding member of Southeast Alaska Aviation Association (SEAKAA)

Explain your main reason for applying:

I have been a member of the Ports and Harbors Commission for the past 15 months and would be happy to continue to serve on the commission. In December 2014 I was elected to serve as the Chair of the commission for the 2015 session.

What background, experience or credentials will you bring to the board, commission, or committee membership?

As noted above I have served on the Ports and Harbors Commission a little over a year and now serve as Chair. I have learned a lot about Sitka's harbor system in the past year and would really like to continue learning more about what is one of Sitka's largest economic factors. I also feel as though I bring a reasoned and broad viewed voice to the commission and how the harbor operations fit as a part of overall City business.

Please attach a letter of interest, outline, or resume which includes your education, work, and volunteer experience that will enhance your membership.

→ (To be considered, your application must be complete AND be accompanied by one of the above supporting documents.)

Date: 3/6/2015 Signature: Kevin Knox

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting. Applications received after the deadline will be considered but will not be included in the Assembly packets for review prior to appointment.

Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? Yes No

Return to:
Sara Peterson, Deputy Clerk
100 Lincoln Street
Fax: 907-747-7403
Email: sara@cityofsitka.com

Kevin Knox

324 Wachussets St Sitka, AK 99835

Phone: 907-738-4664 E-Mail: kevin@bluesteel.org

Experience

Weiland Construction

February 2010 - Present

- Home designer and carpenter/contractor on new build and remodel projects.

Kenmore Air Express

October 2004 - June 2009

- Captain – C208 Part 135 IFR service in Puget Sound region with central base at Seattle King County International Airport, Boeing Field.
- First Officer – C208 Part 135 IFR service. Required flight crew on certain flights. Volunteer flight crew when available.
- Dispatcher – Part 135 dispatch operations for four (4) C208 aircraft serving Puget Sound region. Weather and aircraft dispatch duties, MEL controller, weight and balance coordination with flight crews, crew duty schedule and flight time monitoring. Created Professional Standards guide for flight crew management.
- CSR – responsible for passenger check in, baggage management including hazmat handling, shuttle driver to and from SeaTac and Seattle King County International Airport.

American Cancer Society

May 2000 - February 2004

- Policy Director – Robert Wood Johnson Foundation and Smokeless States grant direction. Grant Writer, project coordinator within coalition of 23 partner organizations, policy priority direction, coalition organization, contractor supervision, media liaison, staff supervision, grants finance reporting and grant administrator.
- Advocacy Manager – Coordinate and plan all Washington State advocacy programs relating to Washington State Legislature and National advocacy priorities related to healthcare and cancer programs, prevention, treatment and insurance coverage.

Casa Mojanda

May 1998 – May 1999

- Volunteer Project Manager – coordinated community volunteer projects including health clinic restoration, volunteer and community office space and meeting house, environmental protection programs and tourism enhancement, and community organic gardening programs. All projects were community driven and prioritized by members of the Mojandita Lakes community in rural Ecuador.

Friends of Youth

1995-1998

- Youth Outreach Coordinator – Developed community outreach program for homeless youth in East King County. Program activities included contacting homeless and runaway youth to establish trusting relationships and provide suitable services to reduce harm while youth were not in permanent housing then transition to appropriate short and long term housing and other services.

Volunteer/Boards/Commissions

- Southeast Alaska Aviation Association – Founding member and volunteer. Tasked with various activities from event coordination and set up to drafting of by-laws and other incorporating documents. Applied for IRS tax exempt status. Regularly participate in membership meetings and decision making.

- Baranof Barracuda Swim Club – Current Board President and member of Executive Committee, Budget Committee, Nominating Committee. Race Director for BBSC community and nationally recognized events – Julie Hughes Triathlon and Change Your Latitude Open Water Challenge. USA Swimming Official – Stroke and Turn, Starter and Head Referee.
- Alaska Masters Swimming – Board member - Open Water Chair, February 2013 - present. Redesigned Alaska Masters website in 2015.
- City of Sitka Ports and Harbors Commission – Commission member and current Chair. Member since January 2014.

Education

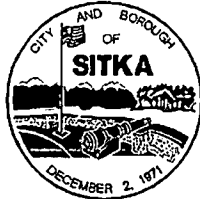
Galvin Flight Training	2004-2005
Commercial Single Engine Instrument	
Western Washington University	September 1989 – March 1994
BS Community and Outdoor Recreation- Minor focus in Adolescent Development	
Sitka High School	1985-1989

Certificates, Ratings and Types of Aircraft flown

Commercial Instrument, Single Engine Seaplane
C-172, C-180, C-208, PA-12, PA-28, PA-36, DHC-2

Current Flight Times

Total Time: 1945 Turbine: 1500 Actual Instrument: 390 Night: 240 SES: 3.1 hrs



PORT AND HARBORS COMMISSION

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
KEVIN KNOX 324 Wachussetts Street	738-4664 c kevin@bluesteel.org	12/10/13	4/10/15	CHAIR <i>Lamade's term</i>
JOSH ARNOLD 106 Shotgun Alley	738-0854 c 747-0545 oceanlure@gmail.com	5/13/14	5/22/15	VICE CHAIR <i>Coleman's term</i>
STAN JOHNSON 405 Louise Court	752-0947 c 747-6145 h nwslj@acsalaska.net	5/27/12	5/27/15	
MICHAEL JOHNSON 2017 Cascade Creek Road	752-7900 c 966-4042 h southeastmike@hotmail.com	6/11/13	6/11/16	
MARY ANN PETERSON PO Box 593	752-3684 map3684@gmail.com	10/7/13	10/7/16	
CLAY DAVIS 511 Verstovia Avenue	747-4225 w clayrdavis@fs.fed.us	1/13/15	7/8/17	<i>Tjosmsland's term</i>
MELISSA GREENHALGH PO Box 25	738-1320 c melissarae1984@yahoo.com	2/11/15	3/26/16	<i>Lawrie's term</i>
Stan Eliason Office: 617 Katlian Street	747-3439 w 738-0832 stan@cityofsitka.com			Harbormaster Non-voting
Matthew Hunter 102 Remington Way	738-6851 c assemblyhunter@cityofsitka.com			Assembly Liaison
Kacie Rear Administrative Assistant	747-3439 w kacie@cityofsitka.com			Secretary

7 members from the public, 3-year terms
 Established by Resolution 88-375
 Nine meetings per year, September – May, 2nd Wednesday
 Harrigan Centennial Hall 6:00 p.m.

Revised: March 3, 2015



Attn: Sara

State of Alaska
LOCAL EMERGENCY PLANNING COMMITTEE
INDIVIDUAL APPLICATION FORM FOR MEMBERSHIP ON LEPC

LEPC name: Sitka Local Emergency Planning Committee

Applicant name: Trish White

Mailing address: 117 Granite Creek Road

Residence address: 4505 HPR

Day phone: (907) 966-2102 Home Phone (optional): (907) 747-5976

Where employed: Whites Dr Job title: pharmacist - owner

LEPC category/seat that applicant seeks: 5

Categories: 1) Elected local officials, 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Env/Hospital, and Transportation Personnel, 3) Media/Broadcast, 4) Community Groups, 5) Owners/Operators of Facilities, 6) Members of the Public, 7) LEPC Information Coordinator/SERC liaison

New applicant Renewal Regular member Alternate member

Qualifications for this category:

previous member (since 2006) current vice - pres
hospital pharmacist / community pharmacist for 35 years
former member of Alaska Pharm Assn Disaster preparedness
business owner for 30 years - employ 35 folks

Organizations in which applicant participates (that are pertinent to the application): Boy Scouts of America

Nat Assn of Retail Community Pharmacy

Sitka Chamber of Commerce Good Neighbor Pharmacy Assn

(Please provide enough information to demonstrate an applicant's eligibility or suitability for a particular seat on the LEPC. For the Public At Large position, please state whether an applicant qualifies for any other category on the LEPC.)

I hereby certify that the above information is correct and that I have not misrepresented myself.

Trish White
Signature

3/15/15
Date

To be considered, your application must be complete AND be accompanied by either a letter of interest or resume. Return to:

Sara Peterson, Deputy Clerk
100 Lincoln Street
Fax: 907-747-7403
Email: sara@cityofsitka.com



White's

Pharmacy
705 Halibut Point Rd
Sitka Ak 99835
Ph: (907) 966-2150
Fax: (907) 966-2468



Harry Race

Pharmacy & Photo
106 Lincoln St
Sitka Ak 99835
Ph: (907) 966-2130
Fax: (907) 966-2190



Seasons

Cards & Gifts
332 Lincoln St
Sitka Ak 99835
Ph: (907) 966-2160
Fax: (907) 966-2838

To Whom It May Concern:

It has been an honor to be a member of the Local Emergency Planning Committee. The dedicated folks that make up this board are committed to education, readiness, communication and policy making that helps to ensure the health and safety of our community. I've been fortunate enough to be a part of this group since 2006 and would like to continue. It's also a great way to involve our visiting pharmacy students and to impress upon them the importance of community responsibility and involvement.

Thank you,

Trish White



LOCAL EMERGENCY PLANNING COMMITTEE

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY	
DAVE MILLER, CHAIR	747-1860	davem@cityofsitka.com	Permanent	Fire Chief*	2
WILLIAM F. PETERS 714 Sirstad St.	966-8608 w 738-0537 c	billp@searhc.org	2/28/12	2/28/15	2
KEN FATE 115 Somer Dr.	747-5877 w 747-7410 h	ken@kcaw.org	2/13/07 2/9/10 2/12/13	2/13/10 2/9/13 2/12/16	3
DONNA CALLISTINI 106 Naomi Kanosh Lane	747-7107 w 747-5494	donna.callistini@yahoo.com	10/26/10 11/12/13	10/26/13 11/12/16	3
ANNABEL LUND PO Box 1616	623-0996 h	alund1123@yahoo.com	4/13/10 4/23/13	4/13/13 4/23/16	4
CAROL BERGE 315 Wachusetts Street	747-3636 w 738-3433	clundy@scpsak.org	8/14/12	8/14/15	4
TRISH WHITE 106 Lincoln St.	747-8006X202 w; 747-5976 h	trish@whitesalaska.com	3/10/09 3/13/12	3/10/12 3/15/15	5
CHARLES HOWLETT 209 Moller Ave.	747-0303 w 738-4440 c	bmet@sitkahospital.org	3/9/10 6/11/13	3/9/13 6/11/16	5
MARY ANN HALL 2037 Halibut Point Road	747-7265	hall.jerry63@yahoo.com	8/23/11 8/12/14	8/23/14 8/12/17	6
BOB GORMAN PO Box 6477	747-9412 w 747-5158 h	bgorman@ptialaska.net	12/11/12	12/11/15	6
VALERIE HERRERA 222 Tongass Dr.	966-8511 w 738-5962 c	vherrera@searhc.org	3/12/13	3/12/16	2
DONALD JONES PO Box 6205	623-0431	d_caldwell_j@hotmail.com	8/13/13	8/13/16	6
SCOTT WAGNER 304 Nicole Dr.	747-3791 h 738-2729 c	scott_wagner@nsraa.org	11/12/13	11/12/16	5
JEFF ANKERFELT	747-3245	jeffa@sitkapd.com	Permanent	Lieutenant*	2
AL STEVENS	747-3233	als@cityofsitka.com	Permanent	Acting LEPC Coordinator*	7
Mim McConnell	747-2860 h 738-2888 c	assemblymcconnell@cityofsitka.com	Non-Voting	Assembly Liaison	1
Gail Johansen Peterson 3511 Halibut Point Road	747-7646	scribeinkservices@gmail.com		Secretary	

*The police and fire chiefs and the LEPC Coordinator are permanent appointments; whoever is serving in that capacity will be appointed to the commission.
 Minimum of seven members, 3-year terms; Established by Resolution 89-406; Amended by Resolution 89-441; Further amended by Resolution 99-727
 Meeting: Second Thursday, noon – Fire Hall

Categories as follows: 1) Elected local officials 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Environmental/Hospital, and Transportation Personnel
 3) Media/ Broadcast 4) Community Groups 5) Owners/Operators of Facilities 6) Members of the Public 7) LEPC Information Coordinator/ SERC liaison

Quorum Requirement: At least one member from four different categories must be present.

Revised: September 11, 2014



Legislation Details

File #: ORD 15-14 Version: 1 Name:

Type: Ordinance Status: FIRST READING

File created: 3/4/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Proposing to clarify the SGC by Amending Section 13.13.025 Emission of Soot from an Oil Stove In a Vessel, Section 14.04.020 Ice and Snow Removal, Section 15.05.400 Cross-Connections, Sections 18.04.010 (I) Personal Property Definition and Title 18 Footnote 2 to Correct Statute References, Section 19.01.013 Adoption of Excavation and Grading Standards, Section 19.01.020 Building Permits Fees, Section 19.08.040 Definition Of "Islands," Section 22.08.585 Manufactured Home, and Section 22.08.590 Mobile Home

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2015-14 Clarifying](#)

Date	Ver.	Action By	Action	Result
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If this item should be pulled from the consent agenda the following motion would be in order.

POSSIBLE MOTION


I MOVE TO approve Ordinance 2015-14 on first reading.



City & Borough of Sitka
Municipal Clerk's Office
100 Lincoln Street, Sitka AK 99835
Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assembly
From: Municipal Clerk Colleen Ingman 
Date: March 18, 2015
Subject: **Ordinances resulting from Legal Analysis**

In September of 2014, CBS contracted with Code Publishing to complete a legal analysis of our code. Their attorney recommended items that they felt needed immediate action to bring the code into legal compliance and, where possible, has recommended amending language for this purpose.

We considered doing a single "clean-up" ordinance but quickly learned that one clean up ordinance that addressed all the recommendations would be extremely bulky and difficult to follow. It is still our intent to bring forward as few ordinances as possible, but at the same time keep the amendments concise enough that they can be easily understood. We will combine amendments whenever possible.

The attached is an ordinance that resulted from the legal analysis and has been shared with the impacted departments, which have approved that it be moved forward.

Please see the purpose section of the ordinance for clarification.

It is my intent to have all clarifying ordinances passed by the final meeting in April. I have placed them on the Consent Agenda for first reading as the majority will be fairly straight forward, plus we are not required to take public testimony until second reading.

Attachment: Ordinance: 2015-14, 15, 16, 18, 19 & 20

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-14

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA PROPOSING TO CLARIFY AND UPDATE THE SITKA GENERAL CODE BY AMENDING SECTION 10.88.020 PROHIBITIONS, SECTION 13.13.025 EMISSION OF SOOT FROM AN OIL STOVE IN A VESSEL, SECTION 14.04.020 ICE AND SNOW REMOVAL, SECTION 15.05.400 CROSS-CONNECTIONS, SECTIONS 18.08.020 A. PERSONAL PROPERTY DEFINITION AND TITLE 18 FOOTNOTE 2 TO CORRECT STATUTE REFERENCES, SECTION 19.01.013 ADOPTION OF EXCAVATION AND GRADING STANDARDS, SECTION 19.01.020 PERMITS FEES, SECTION 19.08.040 DEFINITION OF "ISLANDS," SECTION 21.08.050 E. B. DEFINITIONS, SECTION 22.08.585 MANUFACTURED HOME, AND SECTION 22.08.590 MOBILE HOME

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. PURPOSE. As found in Alaska Statute 29.25.050, the municipal clerk is responsible for ensuring that the municipal code is kept current. Sitka's municipal clerk sought legal analysis from Code Publishing Company for a review of the Sitka General Code for state and federal constitutional issues and apparent conflicts. These clarifying changes to these Code sections are derived from that review and further analysis.

In Title 10, Alaska Statute references are corrected to current law.

In Title 13, since the punishment for soot emission from a vessel's oil stove is a fine and not arrest, bail is not a consideration. The final sentence in Section 13.13.025 is corrected to read that the offense is a nuisance.

In Title 14, it is clarified that each property owner is responsible to clear the sidewalks adjacent to their property and not all sidewalks.

In Title 15, the correct edition on cross-connection technology is adopted as the superseded edition.

In Title 18, Alaska Statute references are corrected to current law.

In Title 19, the abbreviation "UBC" is spelled-out. The Building Permit Fee schedule shows the correctly intended beginning valuation for each increment. The spelling of Cape Burunof is corrected.

In Title 21, Alaska Statute references are corrected to current law.

In Title 22, the correct metric conversions are applied.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the following sections of the Sitka General Code are hereby amended to read as follows:

51 Title 10
52 PUBLIC PEACE, SAFETY AND MORALS
53 ***

54
55 Chapter
56 10.88 FIREARMS

57 ***

58
59 Section
60 10.88.020 Prohibitions.

61 It is unlawful for any person to:

62 A. It is unlawful for any person to ~~D~~ discharge any firearm within the boundaries of the
63 central business district, waterfront district, hospitals, any public school premises, including
64 adjacent parking lots, in or around a child care facility, in a courthouse, court room, or
65 office of the court system or justice related agencies, in domestic violence or sexual
66 assault shelters and the City Hall and Harrigan Centennial Building and their parking
67 lots;

68 B. It is unlawful for any person to ~~h~~ intentionally point or aim any firearm, loaded or
69 otherwise, at any person;

70 C. ~~Carry a concealed firearm on his/her person except with a permit issued under AS~~
71 ~~1865.700 et seq.;~~

72 The municipality may not restrict the carrying of a concealed handgun by permit
73 under AS 18.65.700 – 18.65.790. There is no prohibition against carrying a
74 concealed weapon so long as the prohibited behaviors regarding the carry are
75 respected:

- 76 • The person is 21 years or older.
- 77 • The person is eligible to own or possess a handgun under state and federal
- 78 laws
- 79 • The firearm is legal.
- 80 • Upon contact with a peace officer, the person immediately informs the officer
- 81 about the weapon, and allows the officer to secure the weapon for the
- 82 duration of the contact.
- 83 • The person does not carry the weapon if they are intoxicated or impaired by
- 84 alcohol or controlled substances
- 85 • The person does not carry the concealed weapon in certain places:
- 86 ○ In someone else's home without their specific knowledge and
- 87 permission

- 88 ○ In any place where intoxicating liquor is sold for on-site consumption,
- 89 except a restaurant and the person does not consume alcoholic
- 90 beverages
- 91 ○ In or around any public or private K-12 school or on a school bus
- 92 without the knowledge and consent of the school's administrator
- 93 (weapons may be unloaded and locked in the trunk of a car or secured
- 94 in a locked container).
- 95 ○ In or around a child care facility (weapons may be unloaded and locked
- 96 in the trunk of a car or secured in a locked container).
- 97 ○ In a courthouse, court room, or office of the court system or justice
- 98 related agencies,
- 99 ○ In domestic violence or sexual assault shelters.

100 Alaska's laws do not apply to federal property, offices, installations, or places under

101 federal jurisdiction. Such places can include national parks, military bases, federal

102 court buildings, space rented by federal offices, airports, or airport terminal areas.

103 Please consult with the appropriate federal agency before deciding if weapon carry

104 or concealed carry is permitted.

105 The owners or management of facilities, including such places as hospitals,

106 universities, gymnasiums, or private property, may restrict or deny concealed carry

107 on their premises. Failure to comply while on their property could violate trespass

108 statutes.

109 ~~D. — Carry a loaded firearm within the boundaries of the central business district,~~

110 ~~waterfront district, hospitals, any public school premises, including adjacent parking lots,~~

111 ~~and the City Hall and Centennial Building and their parking lots except under such permit~~

112 ~~as described in subsection C of this section.~~

113 ~~E. D. The prohibitions stated in this section shall not apply to sworn peace officers or a~~

114 ~~person in premises owned or leased by that person and applicable defenses such as self~~

115 ~~defense self-defense or defense of others should apply.~~

116 ***

117 **Title 13**

118 **PORT AND HARBORS**

119 ***

120 **Chapter 13.13**

121 **Nuisances**

122 ***

123

124

125 Section

126 **13.13.025 Emission of soot from an oil stove in a vessel.**

Each owner and operator of a vessel in the harbor system shall take all reasonable measures to prevent the emission of soot from oil stoves. If a vessel's oil stove emits soot that settles onto or touches another vessel, the owner or operator of the vessel from which the soot came shall face a correctional citation, and if not corrected shall pay the fine imposed in Section [13.12.050\(D\)](#). ~~The first and second offenses shall be bailable. A person cited for a~~ Third offense of emission of soot from an oil stove shall be declared a nuisance.

**Title 14
STREETS AND SIDEWALKS**

**Chapter 14.04
ICE AND SNOW REMOVAL**

Section
14.04.020 Ice and snow removal.

All property owners are responsible for keeping the portions of sidewalks or public thoroughfares that are adjacent to their property free of snow and ice and clear of all other obstructions or menaces dangerous to life or limb. ~~All property owners owning property abutting any sidewalk or public thoroughfare shall keep the sidewalk or thoroughfare free of snow and ice and all other obstructions or menaces dangerous to life or limb.~~ A reasonable time after snowfall shall be allowed to remove the snow.

**Title 15
PUBLIC UTILITIES**

**Chapter 15.05
WATER SYSTEM**

Section
15.05.400 Cross-connections.

- B. Use of Backflow Prevention Devices.
 - 5. The policies, procedures, and criteria for determining appropriate levels of protection shall be in accordance with the "Accepted Procedure and Practice in Cross-Connection Control Manual—Pacific Northwest Section—American Waterworks Association," Seventh ~~Third~~ Edition," or any superseding edition."

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**Title 18
PROPERTY ACQUISITION AND DISPOSAL**

* * *

**Chapter 18.08
PERSONAL PROPERTY ACQUISITION AND DISPOSAL**

* * *

**Section
18.08.20 Disposal.**

A. "Personal property" means only tangible personal property and that property which is not land or permanently attached to land and more particularly as defined in AS 29.71.800 (16), A.S. ~~29.78.010 (10)~~.

* * *

TITLE 18 FOOTNOTES

2 For the statutory provisions regarding eminent domain powers of home rule municipalities, see AS 29.35.030 ~~29.73.020~~ and 9.55.250 – 9.55.460, ~~9.55.250 § 9.55.460~~.

* * *

**Title 19
BUILDING AND CONSTRUCTION
Chapter 19.01
BUILDING CODE**

* * *

**Section
19.01.013 Adoption of excavation and grading standards.**

1997 Uniform Building Code (UBC) UBC Appendix Chapter 33, Excavation and Grading, as modified by the published building department policy, is adopted and included in the building code by reference.

**Section
19.01.020 Permit fees.**

BUILDING PERMIT FEE SCHEDULE FOR R-3 AND U OCCUPANCIES

TOTAL VALUATION	FEE
\$1.00 to \$2,000.00	\$46.35
\$2,000.01 \$2,001.00 to \$25,000.00	\$46.35 for the first \$2,000.00 plus \$9.27 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,000.01 \$25,001.00 to \$50,000.00	\$259.56 for the first \$25,000.00 plus \$6.70 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,000.01 \$50,001.00 to	\$426.94 for the first \$50,000.00 plus \$4.64 for each additional \$1,000.00 or

BUILDING PERMIT FEE SCHEDULE FOR R-3 AND U OCCUPANCIES

TOTAL VALUATION	FEE
\$100,000.00	fraction thereof, to and including \$100,000.00
\$100,000.01 \$100,001.00 to \$500,000.00	\$658.69 for the first \$100,000.00 plus \$3.61 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
\$500,000.01 \$500,001.00 to \$1,000,000.00	\$2,100.69 for the first \$500,000.00 plus \$3.10 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
\$1,000,000.01 \$1,000,001.00 and up	\$3,645.69 for the first \$1,000,000.00 plus \$2.10 for each additional \$1,000.00 or fraction thereof

**Chapter 19.08
CODE APPLICABILITY**

Section

19.08.040 Definition of “islands” for purposes of this title and Title 22.

For purposes of this title and Title 22, the definition of “islands” will be the islands in Sitka Sound from the Siginaka Islands to Cape **Burunof** ~~Buronef~~ which are not on the Sitka road system.

**Title 21
SUBDIVISION CODE**

**Chapter 21.08
DEFINITIONS**

Section

21.08.050 “E”.

B. “Engineer” means a registered, professional, civil engineer authorized to practice engineering in the state of Alaska. Engineers perform the consultation, investigation, evaluation, planning, design, and inspection of private and public works, structures, or projects. Unless also qualified as a surveyor, an engineer may not engage in the preparation of subdivisions. (Cross reference: ~~AS 08.48.291, AS 08.48.291(8)~~).

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Title 22
ZONING
* * *

Chapter 22.08
DEFINITIONS
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Section

22.08.585 Manufactured home.

“Manufactured home” means a structure constructed on or after June 15, 1976, according to the United States Department of Housing and Urban Development (“HUD”) standards, transportable in one or more sections which, in the traveling mode is eight feet two thousand, four hundred thirty-eight millimeters (~~two thousand one hundred thirty-eight millimeters~~) or more in width or

Section

22.08.590 Mobile home.

“Mobile home” means a structure that was constructed before June 15, 1976, transportable in one or more sections, which, in the traveling mode, is eight feet two thousand, four hundred thirty-eight millimeters (~~two thousand one hundred thirty-eight millimeters~~) or more in width or

* * *

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 14th day of April, 2015.

Matt Hunter, Deputy Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk

2015-19

48.	10.84.049 Access of persons under the age of twenty-one to licensed premises. Subsection (C)(3) refers to the Alaska Department of Labor. Its current name is the Alaska Department of Labor and Workforce Development. Recommendation: Shall we update the name?	Action ✓
49.	10.84.050 Possession or consumption by persons under the age of twenty-one. Subsection (K)(1) of this section refers to AS 28.40.100. That section has been renumbered to AS 28.90.990. Recommendation: Shall we update the reference?	✓
50.	10.88.020 Prohibitions. Subsection (C) refers to AS 1865.700. This is a typographical error for AS 18.65.700. Recommendation: Shall we correct the reference?	✓

ORD
2015-19

10-88.020 Prohibited } 2015-14
 C: person conceal
 conflict w/ state

Sitka General Code Legal Review

	Title 14, Streets and Sidewalks	Action
64.	<p>14.04.020 Ice and snow removal. This section requires “All property owners owning property abutting any sidewalk or public thoroughfare” to “keep the sidewalk or thoroughfare free of snow and ice.” As worded, this makes each property owner individually liable for the entire sidewalk/thoroughfare no matter its length or how little or much of the property abuts it.</p> <p>Recommendation: If this is unintended, the City and Borough should amend this section by ordinance to change “the sidewalk or thoroughfare” to “the section of sidewalk or thoroughfare adjacent to the property” or similar language.</p>	○
65.	<p>14.12.010 Erection of signs along municipal streets, highways, and sidewalks. Subsection (C) of this section refers to a sign that is “safety constructed.” This appears to be a typo for “safely constructed.”</p> <p>Recommendation: Shall we change “safety” to “safely”?</p>	✓
69.	<p>15.05.400 Cross-connections. Subsections (A) and (B)(5) use a standard of <i>Accepted Procedure and Practice in Cross Connection Control, Third Edition</i>, “or any superseding edition.” ((A) refers to the “latest edition.”) From a legal standpoint, there is no superseding edition until the City and Borough adopts it, so the <i>Third Edition</i> continues to control Sitka cross-connection policies. The most recent edition of the publication is the <i>Seventh Edition</i>.</p> <p>Recommendation: If the City and Borough wishes to adopt the Seventh Edition, it should adopt it specifically with an ordinance.</p>	○

Sitka General Code Legal Review

	Title 18, Property Acquisition and Disposal	Action
73.	<p>18.04.010 Definitions. Subsections (E), (G), and (H) reference specific NOAA data.</p> <p>Recommendation: If these have changed since 1983, the City and Borough should amend this section by ordinance either to update the data (with a need to update it whenever it changes) or to delete specific references to data (so that this section does not need updating).</p>	—
74.	<p>Subsection (I) refers to AS 29.78.010 (10). That section has been repealed; current State definition of “personal property” is in AS 29.71.800(16).</p> <p>Recommendation: Referring to this new law requires an amending ordinance.</p>	○
75.	<p>Footnote 2. This footnote refers to AS 29.73.020 regarding eminent domain. That section has been repealed; current law on the subject is at AS 29.35.030.</p> <p>Recommendation: Referencing this new law requires an amending ordinance.</p>	○

62. **13.13.025 Emission of soot from an oil stove in a vessel.** This section states that the first two offenses of soot emission are "bailable," although the only punishment listed is a fine and arrest is not contemplated. It is therefore unclear how these offenses are bailable.
Recommendation: If the City and Borough wishes to clarify, it should amend this section by ordinance.

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P+H

that "A person cited for a third offense of emission of

PH

78.	19.01.013 Adoption of excavation and grading standards. This section refers to the UBC. As nothing else in the chapter refers to the Uniform Building Code, a housekeeping ordinance should amend this section from "UBC" to "Uniform Building Code" for clarity. Recommendation: No action is required, but the City and Borough should amend for clarity at some point.	<input type="checkbox"/>
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81.	19.01.020 Permit fees. This section refers to International Building Code Section 108.2, Fees. This appears to be a typographical error for Section 109.2, Schedule of Permit Fees. If the City and Borough confirms this as an error, we can correct it. Recommendation: Shall we correct the reference?	<input type="checkbox"/>
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89.	19.08.040 Definition of "Islands" for purposes of this title and Title 22. This section refers to Cape Burunof. Recommendation: Shall we correct this name to Cape Burunof?	<input type="checkbox"/>
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92.	21.08.050 "E." Subsection (B) refers to AS 08.48.291(8). 08.48.291 exists, but it has no subsections; it is unclear where this citation is meant to point. Recommendation: If the City and Borough confirms what this was intended to say, we can correct it; otherwise, an ordinance should amend this section as necessary.	<input type="checkbox"/>
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Sitka General Code Legal Review

	Title 22, Zoning	Action
96.	22.08.585 Manufactured home. This section defines manufactured home in part by its traveling width: minimum "eight feet (two thousand one hundred thirty-eight millimeters)." Eight feet is just over 2,438 millimeters; seven feet is just under 2,134 millimeters. If the City and Borough confirms the foot or the millimeter measurement as a typographical error, we can correct it. Recommendation: Shall we correct this section?	<input type="checkbox"/>
97.	22.08.590 Mobile home. Regarding the definition in this section, see comment for 22.08.585. Recommendation: Shall we correct this section?	<input type="checkbox"/>



Legislation Details

File #: ORD 15-15 Version: 1 Name:

Type: Ordinance Status: TO BE INTRODUCED

File created: 3/17/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: PULLED Proposing to clarify the Sitka General Code by Amending Sections 1.01.010 Adoption, and 1.01.030 Codification Authority to update Alaska Statute References, Sections 2.04.010 Agenda Testimony Time, 2.04.170, Assembly Meeting Time, 02.12.010 Clarifying Physician Members on Hospital Board, 2.40.100 Acceptance of Nomination, 2.40.290 Election Supplies and Equipment, 2.40.300 Instructions to Voters, 2.40.410 Preservation of Ballot After Counting, 3.16.030 Open Market Procedures, 3.16.060 Exceptions to Competitive Bidding Requirements, 3.16.080 Procurement Monitoring, Title 4, Revenue and Finance in Sections 4.26.165 (A) and 4.26.165 (E) to clarify Alaska Appellate Court Name, in Section 4.28.040 (C) to update the best practices recommendation, in Section 4.44a.010 (B) to remove an incorrectly placed word, and Section 6.19.030 (E) Commercial Operations Permit to clarify fee expense

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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Legislation Details

File #: ORD 15-16 Version: 1 Name:

Type: Ordinance Status: FIRST READING

File created: 3/18/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Proposing to clarify the SGC by amending Sections 8.04.020 Licensing (Animals), 8.04.080 Objectionable Animals, and 10.52.010 Unlawful Acts (Dangerous Dog)

Sponsors:

Indexes:

Code sections:

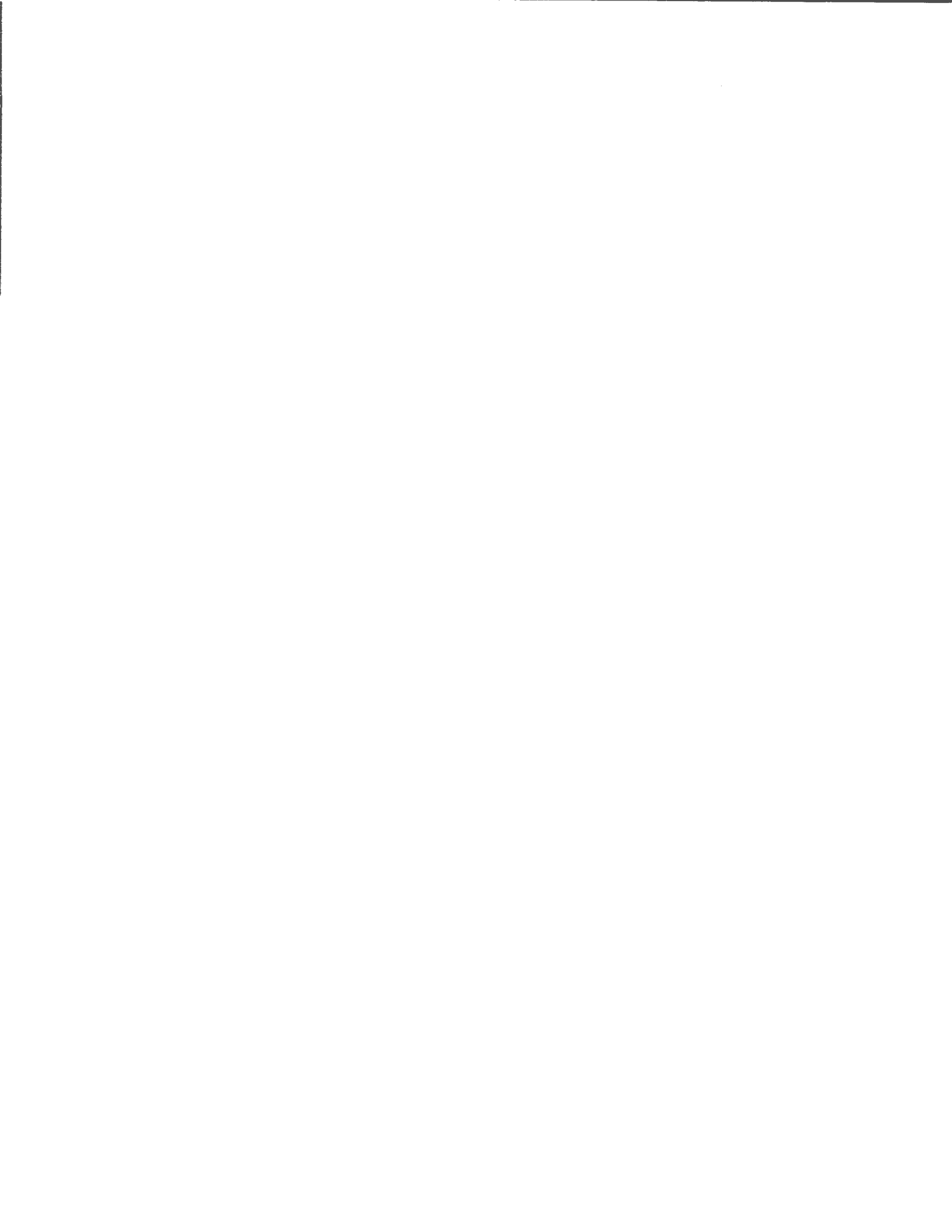
Attachments: [ORD 2015-16 Clarifying](#)

Date	Ver.	Action By	Action	Result
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If this item should be pulled from the consent agenda the following motion would be in order.

POSSIBLE MOTION

I MOVE TO approve Ordinance 2015-16 on first reading.





City & Borough of Sitka
Municipal Clerk's Office
100 Lincoln Street, Sitka AK 99835
Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assembly
From: Municipal Clerk Colleen Ingman
Date: March 18, 2015
Subject: **Ordinances resulting from Legal Analysis**

In September of 2014, CBS contracted with Code Publishing to complete a legal analysis of our code. Their attorney recommended items that they felt needed immediate action to bring the code into legal compliance and, where possible, has recommended amending language for this purpose.

We considered doing a single "clean-up" ordinance but quickly learned that one clean up ordinance that addressed all the recommendations would be extremely bulky and difficult to follow. It is still our intent to bring forward as few ordinances as possible, but at the same time keep the amendments concise enough that they can be easily understood. We will combine amendments whenever possible.

The attached is an ordinance that resulted from the legal analysis and has been shared with the impacted departments, which have approved that it be moved forward.

Please see the purpose section of the ordinance for clarification.

It is my intent to have all clarifying ordinances passed by the final meeting in April. I have placed them on the Consent Agenda for first reading as the majority will be fairly straight forward, plus we are not required to take public testimony until second reading.

Attachment: Ordinance: 2015-14, 15, 16, 18, 19 & 20



Colleen Ingman

From: sheldons@sitkapd.com
Sent: Wednesday, March 18, 2015 11:52 AM
To: Colleen Ingman
Subject: Re: FW: Clarifying Ordinances

The ordinances look fine.

Chief Sheldon Schmitt
304 Lake St, Sitka AK 99835
(907) 747-3349 or 747-3245

*Animal Control Officer
Nancy Buckmaster also reviewed
3/18/15 OKD*

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CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-16

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA
PROPOSING TO CLARIFY THE SITKA GENERAL CODE BY AMENDING
SECTIONS 8.04.020 LICENSING (ANIMALS), 8.04.080 OBJECTIONABLE ANIMALS,
AND 10.52.010 UNLAWFUL ACTS (DANGEROUS DOG)

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. **PURPOSE.** As found in Alaska Statute 29.25.050, the municipal clerk is responsible for ensuring that the municipal code is kept current. Sitka's municipal clerk sought legal analysis from Code Publishing Company for a review of the Sitka General Code for state and federal constitutional issues and apparent conflicts. These clarifying changes are derived from that review and further analysis.

Amending these three sections help clarify animal offenses. In Section 8.04.020, the ordinance is rewritten to clarify that the city and borough does not intend to keep people from bringing dogs in, but does stipulate that the animals must be licensed within a given time frame. Because the language in Section 8.04.080 is vague, it is a difficult ordinance to enforce. The objective guidelines help citizens identify what frequent and prolonged noises means. In Section 10.52.010, it is clarified that there are certain circumstances where a dangerous dog may be kept, as described in 8.04.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the following section of the Sitka General Code is hereby amended to read as follows:

**Title 8
ANIMALS**

8.04.020 Licensing.

A. No person shall own or keep ~~keep or bring~~ any dog over six months old within one-quarter mile of the city and borough road system unless such dog is licensed, ~~as herein provided~~. Application for such license shall be made to the animal control officer **within ninety days of getting the dog** and shall state the name and address of the owner and the name, breed, color, age and sex of the dog. The license fee shall be paid at the time of making application, a numbered receipt given to the applicant and a numbered metallic tag for the dog shall be issued to the owner. No license or tag shall be issued unless it is shown by a veterinarian's statement, in writing, that the dog for which the license is sought has received an immunization for rabies which shall remain effective for the licensing period. Such proof may consist of, but shall not be limited to, a statement or receipt from a veterinarian showing such immunization and the period of protection.



52 **8.04.080 Objectionable animals.**
53 A. The keeper of any animal shall not allow the animal to disturb a
54 neighborhood or any number of persons by frequent or prolonged barking,
55 howling or other noises on a repeated basis. **If an animal barks, whines, howls**
56 **or makes similar sounds for more than thirty minutes on at least three**
57 **different days within a ten-day period or for more than fifteen minutes**
58 **during at least three different nights between 10:00pm and 7:00am within a**
59 **ten-day period, this is a violation of this ordinance. The fine for violating**
60 **this law is \$25.**

61
62 Title 10
63 PUBLIC PEACE, SAFETY AND MORALS
64 V. Offenses Against the Public Peace
65 Chapter 10.52 Disorderly Conduct
66

67 **10.52.010 Unlawful Acts.**
68 O. Harbor, keep or maintain a vicious animal, **except as provided in various**
69 **Sections of SGC 8.04.**

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72 5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after
73 the date of its passage.

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75 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough
76 of Sitka, Alaska this 14th day of April 2015.

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81 Matt Hunter, Deputy Mayor

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ATTEST:

Colleen Ingman, MMC
Municipal Clerk

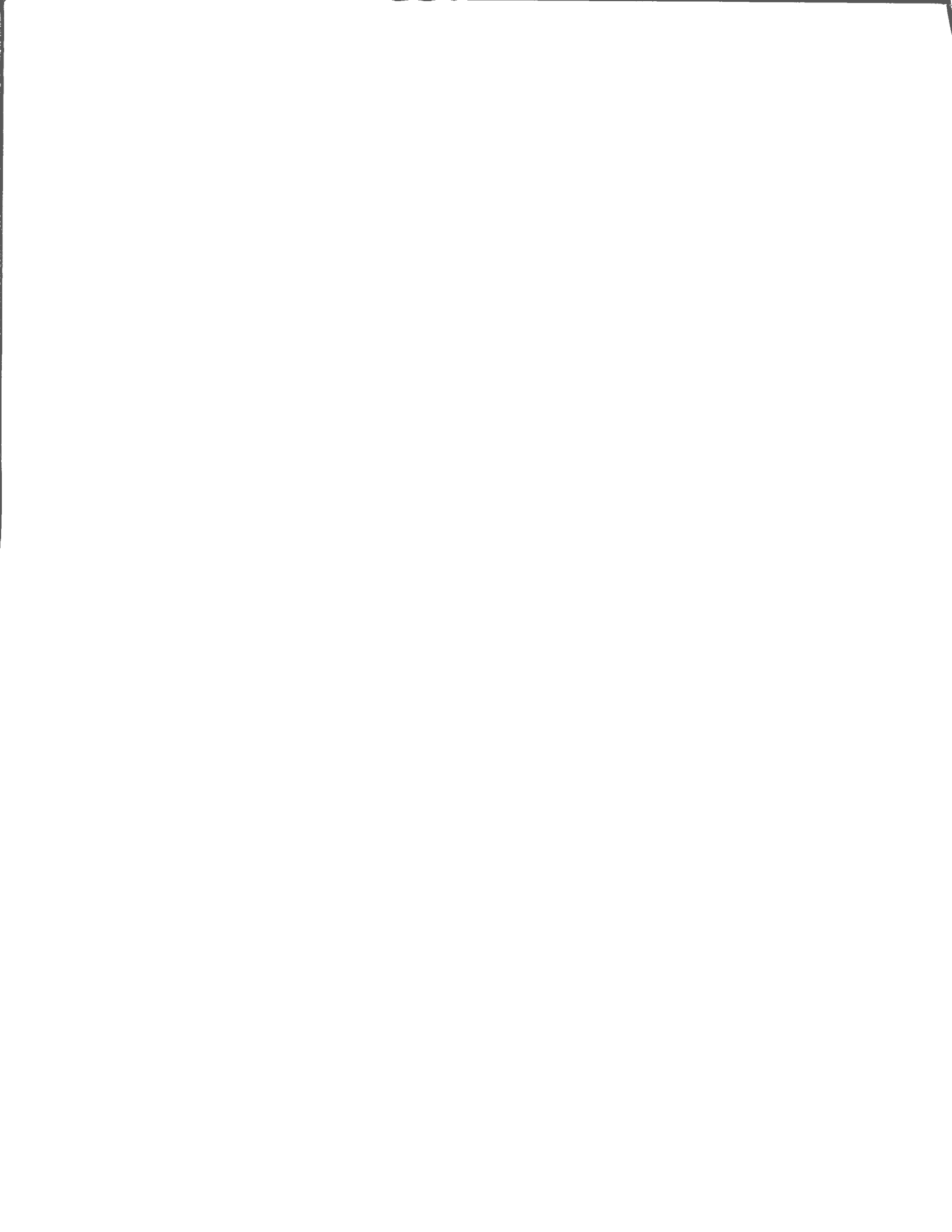


DOG VIOLATIONS

FINES

<u>Offense</u>	<u>Statute/Regulation</u>	1 st	2 nd	3 rd	4 th
No Dog License	8.04.020(a)	Correctable			
Failure to Display	8.04.030(b)	\$25	\$50	\$100	\$300
RAL	8.04.031(a)	\$25	\$50	\$100	\$300
Dog in Open Truck	8.04.031(b)	\$25	\$100	\$200	\$400
Dog in Season	8.04.070	\$25	\$100	\$200	\$400
Objectionable Dog	8.04.080				
A. Barking		\$25	\$50	\$100	\$300
B. Defecate		\$25	\$100	\$200	\$400
C. Snap, Chase, Menace		\$25	\$50	\$100	\$300
D. Disturb Wildlife		\$25	\$50	\$100	\$300
E. Other Animals RAL		\$25	\$50	\$100	\$300
F. Bite-human/animal		\$50	\$100	\$200	\$400
Potentially Dangerous	8.04.081				
1. Approaches in Threatening Manner		\$50	\$100	\$200	\$400
2. Threaten the Safety of Human/Animal		\$50	\$100	\$200	\$400
Dangerous Dog	8.04.081				
1. Physical Injury		\$50	\$100	\$200	\$400
2. Killed a Domestic Animal		\$50	\$100	\$200	\$400
3. Violation of Potentially Dangerous		\$50	\$100	\$200	\$400
On-premises Confinement		\$50	MCA		
Off-premises Confinement		\$50	MCA		
Signs		\$50	MCA		
Dangerous Tag Displayed		\$50	MCA		
Sanitary Disposal-Container		\$50	\$100	\$200	\$400
Sanitary Disposal-removal		\$50	\$100	\$200	\$400
Cruelty	8.08.010				
1. Neglect	8.08.010(a)	MCA			
2. Physical Abuse	8.08.010(b)	MCA			
3. Kill or Injure	8.08.010(c)	MCA			
4. Abandon	8.08.010(d)	MCA			
5. Fighting	8.08.010(e/f)	MCA			

	Title 8, Animals	Action
30.	<p>8.04.020 Licensing. Subsection (A) states that “No person shall...bring any dog over six months old within one-quarter mile of the city and borough road system unless such dog is licensed as herein provided.” Given that the license is obtained within the city, it seems extraordinarily difficult to follow this law unless licensing is available greater than one-quarter mile outside the city and borough road system. As phrased, if someone were to stay in Sitka for one night, they would have to get a dog license, even if offices were closed for the entire stay in Sitka. Additionally, in the distance between encountering the road system and where a license may be obtained, visitors would violate this ordinance. In other words, unless animal control offices are open 24/7 and at every entry point to the road system, getting a license probably involves breaking the law.</p> <p>Recommendation: Amending (A) by ordinance to state a time frame after which someone in the City and Borough with a dog must obtain a license might be a better approach to licensing. Ultimately, anything that takes the focus off “bring[ing]” a dog and places it more on “own[ing]” or “keep[ing]” a dog will be more useful.</p>	<p>SPD O</p>
31.	<p>8.04.080 Objectionable animals. Subsection (A) is vague and therefore difficult to enforce, as it has no objective guidelines to put citizens on notice as to what “frequent” or “prolonged” barking might be. Giving an hour range, e.g., barking on average 30 minutes an hour for 3 hours or barking intermittently for 3 hours for 4 straight days, would give better guidance to dog owners so that this law’s interpretation is not up to annoyed individuals.</p> <p>Recommendation: Any change to this section requires an amending ordinance.</p>	<p>SPD O</p>



BARKING DOGS: WHAT DO YOU DO?

Why All The Racket?

Barking is one of the ways that dogs communicate. It can signify anything from playfulness to danger. Dogs also bark from situations that cause discomfort. Examples are:

- Chained to a fixed point without enough room to move
- Long periods of time alone without any attention
- Kept in a space which is too small
- Provoked (deliberately or unintentionally) by people or roaming dogs
- Lack of exercise
- Lack of socialization
- Sick or injured
- Hunger, thirst, or the wrong diet
- Stress
- Separated from their pack (you) or other family members



Barking excessively should not be part of a dog's life. **Barking** can be the signal of a distressed animal and chronic excessive barking is considered a nuisance. **Barking** continually may be interpreted as a sign of a poorly cared for and/or trained dog. **Barking** excessively may also be viewed as cruelty by some people.

Changing Barking Behaviors

Making situational changes, and investing a little time and training can eliminate most excessive barking. Examples are:

1. Provide enough space for your dog to move freely within your enclosed backyard.
2. Exercise your dog regularly and adequately for its breed and size.
3. Take your dog to a dog trainer, who specializes in barking dog problems, and/or go to obedience training and spend some time bonding.
4. Purchase a bark collar. There are different variations, so do some research and talk to the retailer who sells them.
5. Purchase a "Scarecrow Motion Activated Sprinkler". Retailers sell a few variations that work with a garden hose. When your dog gets near the "stimulation" that triggers his barking (e.g., fence line), the motion detector is activated and the dog is shot with a burst of water.
6. Hire a dog walker or take your dog to doggie daycare. This will give them regular exercise and socialization, which will help with any anxiety.
7. Make them part of the pack. Dogs are pack animals and when they are left outside all the time, they feel alienated from the pack and become vocal. They want and need your affection. Both you and your dog will benefit from time together.

Your Dog and The Law

Marion County Ordinance 1236 section 5 states the keeper of the dog commits a civil infraction if the keeper's dog(s) commits any of the following acts:

- Runs at large.
- Disturbs a person by prolonged or frequent noise.
- Scatters garbage.
- Trespasses on private property of others.
- Damages or destroys property of others.
- Chase vehicles on roadway.
- Female in heat at large.

Marion County Ordinance 1236 section 5 describes a disturbing dog noise as barking, whining, howling or similar sounds. If a dog(s) barks, whines, howls or makes similar sounds for more than fifteen minutes on at least three different days within a ten-day period or for more than five minutes during at least three different nights between 10:00pm and 7:00am within a ten-day period this is a violation of this ordinance. The fine for violating this law is \$250. There are many noise nuisance issues and dogs barking is just one kind. Marion County encourages neighbors to communicate with dog owners to resolve barking issues. Marion County offers **mediation assistance** to aid neighbors with solutions to dog barking issues, including Neighbor-2-Neighbor mediation. Their contact information is: 503-585-0651 or 503-375-6269, or via email at n2nmediation@gmail.com.



Marion County Dog Control
3550 Aumsville Hwy SE
Salem OR 97317
Phone: 503-566-6988
Website: www.mcdogs.net

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Legislation Details

File #: ORD 15-18 Version: 1 Name:

Type: Ordinance Status: FIRST READING

File created: 3/18/2015 In control: City and Borough Assembly

On agenda: 4/14/2015 Final action:

Title: Proposing to clarify the SGC by amending Chapter 10.40 Gambling, Section 10.40.010 Prohibited and Loitering Sections, 10.76.020 Definition and 10.76.030 Prohibited Operations

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2015-18 Clarifying](#)

Date	Ver.	Action By	Action	Result
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If this item should be pulled from the consent agenda the following motion would be in order.

POSSIBLE MOTION

I MOVE TO approve Ordinance 2015-18 on first reading.



City & Borough of Sitka
Municipal Clerk's Office
100 Lincoln Street, Sitka AK 99835
Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assembly
From: Municipal Clerk Colleen Ingman
Date: March 18, 2015
Subject: **Ordinances resulting from Legal Analysis**

In September of 2014, CBS contracted with Code Publishing to complete a legal analysis of our code. Their attorney recommended items that they felt needed immediate action to bring the code into legal compliance and, where possible, has recommended amending language for this purpose.

We considered doing a single "clean-up" ordinance but quickly learned that one clean up ordinance that addressed all the recommendations would be extremely bulky and difficult to follow. It is still our intent to bring forward as few ordinances as possible, but at the same time keep the amendments concise enough that they can be easily understood. We will combine amendments whenever possible.

The attached is an ordinance that resulted from the legal analysis and has been shared with the impacted departments, which have approved that it be moved forward.

Please see the purpose section of the ordinance for clarification.

It is my intent to have all clarifying ordinances passed by the final meeting in April. I have placed them on the Consent Agenda for first reading as the majority will be fairly straight forward, plus we are not required to take public testimony until second reading.

Attachment: Ordinance: 2015-14, 15, 16, 18, 19 & 20

Colleen Ingman

From: sheldons@sitkapd.com
Sent: Wednesday, March 18, 2015 11:52 AM
To: Colleen Ingman
Subject: Re: FW: Clarifying Ordinances

The ordinances look fine.

Chief Sheldon Schmitt
304 Lake St, Sitka AK 99835
(907) 747-3349 or 747-3245

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-18

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA PROPOSING TO CLARIFY THE SITKA GENERAL CODE BY AMENDING TITLE 10 CHAPTER 10.40 GAMBLING SECTION 10.40.010 PROHIBITED AND LOITERING SECTIONS 10.76.020 DEFINITION AND 10.76.030 PROHIBITED OPERATIONS

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. PURPOSE. As found in Alaska Statute 29.25.050, the municipal clerk is responsible for ensuring that the municipal code is kept current. Sitka's municipal clerk sought legal analysis from Code Publishing Company for a review of the Sitka General Code for state and federal constitutional issues and apparent conflicts. These clarifying changes are derived from that review and further analysis.

Section 10.40.010 updates the 1973 gambling section into current language according to Alaska Statutes. Sections 10.76.020 and 10.76.030 on loitering are removed as the state sections referenced have been removed without replacement; thus, these sections do not appear to have foundations within current state law.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the following section of the Sitka General Code is hereby amended to read as follows:

Title 10 PUBLIC PEACE, SAFETY AND MORALS

IV. Offenses Against Public Decency 10.40 Gambling

Section 10.40.010 Prohibited.

A person who engages in gambling deals, plays, carries on, opens or causes to be open, or who conducts, either as owner, proprietor or employee, whether for hire or not, a game or faro, monte, roulette, rouge et noir, lansquenet, rondo, vingt-un, twenty one, poker, draw poker, brag, bluff, thaw, craps, or a banking or other game played with cards, dice, or other device, whether played for any prize, money, checks, chips, credit representing money, or other representative of value, is guilty of a misdemeanor. Gambling means that a person stakes or risks something of value upon the outcome of a contest of chance or a future contingent event not under the person's control or influence, upon an agreement or understanding that that person or someone else will receive something of value in the event of a certain outcome. (AS 11.66.280(2)).

* * *

VIII. Offenses By or Against Minors
Chapter 10.76 Loitering

10.76.020—Definition.

~~Class I coin-operated device is an entertainment or amusement apparatus which operates by means of insertion of a coin, token, or similar object which does not involve an element of chance (AS 43.35.090), including coin-operated electronic video games, billiard, pool, foosball, or shuffleboard tables, juke boxes, and other similar amusement and gaming devices, but does not include automatic vending machines that dispense food or sundries. (15 AAC 35.040) (Ord. 84-601 § 3(c) (part), 1984.)~~

10.76.030—Prohibited operations.

~~The following acts shall be prohibited and unlawful:~~

~~A.—The operation of any class I coin-operated device by any person under the age of thirteen years unless accompanied by a parent, step-parent, legal guardian, or grandparent. It is unlawful for any person to misrepresent his or her age or the age of any other person for the purpose of gaining access to class I machines;~~

~~B.—The permitting or allowing of any person under the age of thirteen years to operate any class I coin-operated device unless accompanied by a parent, step-parent, legal guardian, or grandparent, by any owner and other person having such device under their control. It is the duty and responsibility of every person having such gaming devices under their control to prevent the prohibited class of minors from operating such device;~~

~~C.—For any owner operator or other person who has charge of a class I coin-operated device to fail to place a conspicuous notice on each device that operation by any person under thirteen years of age is unlawful and prohibited unless accompanied by the minor's parent, step-parent, legal guardian, or grandparent.~~

~~(Ord. 84-601 § 3(c) (part), 1984.)~~

* * *

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 14th day of April, 2015.

Matthew Hunter, Deputy Mayor


100 **ATTEST:**


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105 Colleen Ingman, MMC
106 Municipal Clerk

34.	<p>10.40.010 Prohibited. This section references several card and dice games. Recommendation: It might be worthwhile to update this section with an amendment to include games more commonly played that the City and Borough is concerned about.</p>	
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43.	<p>ORDINANCE TO REPEAL 10.76.020 (C) & CHIEF OF 10.72.070(D).</p> <p>10.76.020 Definition. This section refers to AS 43.35.090 and 15 AAC 35.040. Both sections have been repealed without replacement. 10.76.020 and 10.76.030 appear not to have foundations in current state law. Recommendation: The City and Borough should revisit this law to determine action, whether to repeal without replacement, whether to amend the text so as not to refer to state law, or something else. Any action taken in this vein requires an amending ordinance.</p>	
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Legislation Details

File #: ORD 15-19 Version: 1 Name:
Type: Ordinance Status: FIRST READING
File created: 3/18/2015 In control: City and Borough Assembly
On agenda: 3/24/2015 Final action:
Title: Proposing to clarify the SGC by amending Title 10 Public Peace, Safety and Morals at Sections 10.44.010 Liquor Regulations Definition A, 10.44.020 Scopes of Provisions, 10.44.030 License Required, 10.44.060 Persons Forbidden to Have Liquor, and 10.84.010 Definitions

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2015-19 Clarifying](#)

Date	Ver.	Action By	Action	Result
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If this item should be pulled from the consent agenda the following motion would be in order.

POSSIBLE MOTION


I MOVE TO approve Ordinance 2015-19 on first reading.



City & Borough of Sitka
Municipal Clerk's Office
100 Lincoln Street, Sitka AK 99835
Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assembly
From: Municipal Clerk Colleen Ingman 
Date: March 18, 2015
Subject: **Ordinances resulting from Legal Analysis**

In September of 2014, CBS contracted with Code Publishing to complete a legal analysis of our code. Their attorney recommended items that they felt needed immediate action to bring the code into legal compliance and, where possible, has recommended amending language for this purpose.

We considered doing a single “clean-up” ordinance but quickly learned that one clean up ordinance that addressed all the recommendations would be extremely bulky and difficult to follow. It is still our intent to bring forward as few ordinances as possible, but at the same time keep the amendments concise enough that they can be easily understood. We will combine amendments whenever possible.

The attached is an ordinance that resulted from the legal analysis and has been shared with the impacted departments, which have approved that it be moved forward.

Please see the purpose section of the ordinance for clarification.

It is my intent to have all clarifying ordinances passed by the final meeting in April. I have placed them on the Consent Agenda for first reading as the majority will be fairly straight forward, plus we are not required to take public testimony until second reading.

Attachment: Ordinance: 2015-14, 15, 16, 18, 19 & 20

Colleen Ingman

From: sheldons@sitkapd.com
Sent: Wednesday, March 18, 2015 11:52 AM
To: Colleen Ingman
Subject: Re: FW: Clarifying Ordinances

The ordinances look fine.

Chief Sheldon Schmitt
304 Lake St, Sitka AK 99835
(907) 747-3349 or 747-3245

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-19

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA PROPOSING TO CLARIFY THE SITKA GENERAL CODE BY AMENDING TITLE 10 PUBLIC PEACE, SAFETY AND MORALS AT SECTIONS 10.44.010 LIQUOR REGULATIONS DEFINITION A, 10.44.020 SCOPES OF PROVISIONS, 10.44.030 LICENSE REQUIRED, 10.44.060 PERSONS FORBIDDEN TO HAVE LIQUOR, AND 10.84.010 DEFINITIONS

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. PURPOSE. As found in Alaska Statute 29.25.050, the municipal clerk is responsible for ensuring that the municipal code is kept current. Sitka’s municipal clerk sought legal analysis from Code Publishing Company for a review of the Sitka General Code for state and federal constitutional issues and apparent conflicts. These clarifying changes are derived from that review and further analysis.

Sections 10.44.010 and 10.84.010 are updated to a current state definition of alcoholic beverage. Section 10.44.020 updates the 1973 provisions to reflect current state wording. The state reference used in Section 10.44.030 has been repealed and replaced. The stricken phrase in Section 10.44.060 is not defined or referenced in municipal or state law.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the following section of the Sitka General Code is hereby amended to read as follows:

Title 10
PUBLIC PEACE, SAFETY AND MORALS
IV. Offenses Against Public Decency
10.44 Liquor Regulations

Section
10.44.010 Definitions.

A. Whenever the term “intoxicating liquor” is used, it means an alcoholic beverage that is a spirituous, vinous, malt, or other fermented or distilled liquid, whatever the origin, that is intended for human consumption as a beverage and that contains one-half of one percent or more of alcohol by volume, whether produced commercially or privately; (AS 4.21.080(b)(1)) shall be deemed to include whiskey, rum, gin, wine, ale, porter, beer, hoochينو, and all spirituous, vinous, malt and other fermented or distilled liquors having an alcoholic content of more than one percent of alcohol by volume; and “beer” includes ale and porter; and “hard and distilled liquor” includes all intoxicating liquors except beer and wine;

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10.44.020 Scope of provisions.

The provisions contained herein shall apply to all places where liquor of any description as herein defined is **manufactured, offered for sale,** sold, vended, bartered or furnished.

10.44.030 License required.

Alaska Statute Section **04.11.010** ~~04.10.020~~ designating a classification of licenses is incorporated herein and made a part hereof, and the sale of hard or distilled liquor, including wine and beer by any person, firm or corporation is prohibited anywhere except under and by virtue of a license secured from the Director of the Alcoholic Beverage Control Board, and the sale, barter or consumption of intoxicating liquor, including wine and beer, ~~on any premises~~ not covered by a license under the classifications in Section **10.44.010** is prohibited. (Ord. 73-59 § 3 (part), 1973.)

10.44.060 Persons forbidden to have liquor.

It is unlawful to give, barter or sell any intoxicating liquors including beer and wine to any person under the age of twenty-one years ~~or, to any intoxicated person, or to any habitual drunkard;~~ and it is unlawful for any licensee to permit giving, bartering, selling or drinking of any intoxicating liquor within the premises covered by any license to or by any of the forbidden classes nor shall such licensee permit the drinking of hard or distilled liquors by such person or persons upon the premises covered by his license.

* * *

**VIII. Offenses By or Against Minors
Chapter 10.84 Liquor Regulations**

10.84.010 Definitions.

The terms "intoxicating liquor" and "alcoholic beverages" as used hereafter are interchangeable and are defined as **a spirituous, vinous, malt, or other fermented or distilled liquid, whatever the origin, that is intended for human consumption as a beverage and that contains one-half of one percent or more of alcohol by volume, whether produced commercially or privately.** ~~any fermented or distilled liquor, wine, beer, or other beverage, containing more than one percent alcohol by volume.~~

* * *

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 14th day of April, 2015.

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ATTEST:

Matthew Hunter, Deputy Mayor

Colleen Ingman, MMC
Municipal Clerk

	<p>Recommendation: Shall we update the reference?</p>	✓
37.	<p>10.44.010 Definitions. Subsection (A) defines intoxicating liquor as beverages with “an alcoholic content of more than one percent of alcohol by volume.” Changes in state law (see AS 4.21.080(b)(1)) now use a definition of “alcoholic beverage,” which includes beverages of at least one-half of one percent alcoholic content.</p> <p>Recommendation: Given changes in state law (see comment for 10.44.030 below), it might be worthwhile to revise sections of Chapter 10.44 that predate 2000 by ordinance to align easier with state law.</p>	○
38.	<p>10.44.030 License required. This section refers to AS 4.10.020. That section has been repealed; the new law is AS 4.11.010.</p> <p>Recommendation: Adopting it requires an ordinance, although the wording of the new law might be such that adoption by reference does not make sense for the City and Borough.</p>	✓ ○
39.	<p>10.44.070 Offers of sale and presence on licensed premises (standard operating hours). Subsection (C) refers to AS 42.10.420. That section has been repealed. There is a definition of common carrier in AS 4.16.125(c)(1) that might be useful to adopt.</p> <p>Recommendation: An ordinance is necessary for any action taken regarding the definition of common carrier.</p>	○

2015-19

48.	10.84.049 Access of persons under the age of twenty-one to licensed premises. Subsection (C)(3) refers to the Alaska Department of Labor. Its current name is the Alaska Department of Labor and Workforce Development. Recommendation: Shall we update the name?	Action
49.	10.84.050 Possession or consumption by persons under the age of twenty-one. Subsection (K)(1) of this section refers to AS 28.40.100. That section has been renumbered to AS 28.90.990. Recommendation: Shall we update the reference?	✓
50.	10.88.020 Prohibitions. Subsection (C) refers to AS 1865.700. This is a typographical error for AS 18.65.700. Recommendation: Shall we correct the reference?	✓

10.88.020 Prohibited

C. person conceal
conflict of interest

2015-14



Legislation Details

File #: ORD 15-20 Version: 1 Name:
Type: Ordinance Status: FIRST READING
File created: 3/18/2015 In control: City and Borough Assembly
On agenda: 3/24/2015 Final action:
Title: Proposing to clarify the SGC by Amending Sections 11.17.25.010 Prohibited Vehicles and Loads, Section 11.17.25.020 Width of Vehicles, Section 11.28.010 Traffic Code-Adoption of State Traffic Laws, and Sections 15.05.590 and 15.05.600 Fire Protection Services and Systems

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2015-20 Clarifying](#)

Date	Ver.	Action By	Action	Result
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If this item should be pulled from the consent agenda the following motion would be in order.

POSSIBLE MOTION

I MOVE TO approve Ordinance 2015-20 on first reading.



City & Borough of Sitka
Municipal Clerk's Office
100 Lincoln Street, Sitka AK 99835
Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assembly
From: Municipal Clerk Colleen Ingman
Date: March 18, 2015
Subject: **Ordinances resulting from Legal Analysis**

In September of 2014, CBS contracted with Code Publishing to complete a legal analysis of our code. Their attorney recommended items that they felt needed immediate action to bring the code into legal compliance and, where possible, has recommended amending language for this purpose.

We considered doing a single "clean-up" ordinance but quickly learned that one clean up ordinance that addressed all the recommendations would be extremely bulky and difficult to follow. It is still our intent to bring forward as few ordinances as possible, but at the same time keep the amendments concise enough that they can be easily understood. We will combine amendments whenever possible.

The attached is an ordinance that resulted from the legal analysis and has been shared with the impacted departments, which have approved that it be moved forward.

Please see the purpose section of the ordinance for clarification.

It is my intent to have all clarifying ordinances passed by the final meeting in April. I have placed them on the Consent Agenda for first reading as the majority will be fairly straight forward, plus we are not required to take public testimony until second reading.

Attachment: Ordinance: 2015-14, 15, 16, 18, 19 & 20

Colleen Ingman

From: sheldons@sitkapd.com
Sent: Wednesday, March 18, 2015 11:52 AM
To: Colleen Ingman
Subject: Re: FW: Clarifying Ordinances

The ordinances look fine.

Chief Sheldon Schmitt
304 Lake St, Sitka AK 99835
(907) 747-3349 or 747-3245

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-20

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA PROPOSING TO CLARIFY THE SITKA GENERAL CODE BY AMENDING SECTIONS 11.17.25.010 PROHIBITED VEHICLES AND LOADS AND 11.17.25.020 WIDTH OF VEHICLES, SECTION 11.28.010 TRAFFIC CODE—ADOPTION OF STATE TRAFFIC LAWS, AND SECTIONS 15.05.590 AND 15.05.600 FIRE PROTECTION SERVICES AND SYSTEMS

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. PURPOSE. As found in Alaska Statute 29.25.050, the municipal clerk is responsible for ensuring that the municipal code is kept current. Sitka’s municipal clerk sought legal analysis from Code Publishing Company for a review of the Sitka General Code for state and federal constitutional issues and apparent conflicts. These clarifying changes are derived from that review and further analysis.

Sections 11.17.25.010 and 11.17.25.020 refer to Alaska Statutes for oversize vehicle permits that are now covered under Alaska Administrative Code. Inserting the words “state traffic” in Section 11.28.010 clarifies that the city and borough did not intend to adopt all statutes and regulations of the state of Alaska. The changes to Sections 15.05.590 and 15.05.600 correct the referenced title number.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the following section of the Sitka General Code is hereby amended to read as follows:

Title 11
VEHICLES AND TRAFFIC

11.17 Vehicle Weight and Load Limitations

Section

11.17.25.010 Prohibited vehicles and loads.

B. The provisions of this chapter governing size, weight, and load do not apply to a vehicle or vehicles with a load operated under the terms of a permit issued, under

17 AAC 25.011. AS ~~44.33.020~~(25).

11.17.25.020 Width of vehicles.

A. The total outside width of any vehicle or load on a vehicle may not exceed ninety-six inches, except by permit as provided in 17 AAC 25.011 AS ~~28.05.011~~(8).

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11.28 State Traffic Laws Adopted

Section 11.28.010 Traffic Code—Adoption of state traffic laws.

City and borough of Sitka adopts all state traffic statutes and regulations of the state of Alaska, as they presently exist and as they may be revised in the future as the traffic code for the city and borough of Sitka.

* * *

**Title 15
PUBLIC UTILITIES**

* * *

**Chapter 15.05
Water System**

Section 15.05.590 Fire protection services.

D. Violations of Regulations. ... Every person convicted of a violation of this chapter shall be guilty of a misdemeanor, and penalties assessed as prescribed in Title 1 ~~40~~ of the Sitka General Code.

15.05.600 Fire protection systems.

B. An unmetered fire protection service Every person convicted of a violation of this chapter shall be guilty of a misdemeanor, and penalties assessed as prescribed in Title 1 ~~40~~ of the Sitka General Code.

* * *

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 14th day of April, 2015.

Matthew Hunter, Deputy Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk

52.	<p>11.17.25.010 Prohibited vehicles and loads. Subsection (B) refers to AS 44.33.020(25) regarding motor vehicle load permits. AS 44.33.020 no longer governs those permits. 17 AAC 25.011 appears to cover the same subject matter, but it might not be what the City and Borough wishes to adopt.</p> <p>Recommendation: Any action taken to address this section requires an ordinance.</p>	0
53.	<p>11.17.25.020 Width of vehicles. This section refers to AS 28.05.011(8). That section does not exist. It appears width of vehicles is covered primarily by 17 AAC 25.012, but it might not be what the City and Borough wishes to adopt.</p> <p>Recommendation: Any action taken to address this section requires an ordinance.</p>	0
54.	<p>11.28.010 Traffic code – Adoption of state traffic laws. This law intends to adopt various sections of Alaska law that might affect traffic laws. However, because section headings are not part of the law (SGC 1.01.060), this section adopts the entire Alaska Statutes and Administrative Code.</p> <p>Additionally, this type of adoption should not be undertaken without checking whether older laws in the SGC state different things than the AS or AAC. For example, if an SGC ordinance specifies that cars must be parked no more than 12 inches from a curb and the AAC specifies 16 inches, it is unclear whether parking 13 to 16 inches from the curb is legal.</p> <p>Recommendation: While updating this section to adopt the intended set of laws (ideally a list of AS and AAC sections), the City and Borough should look at its existing traffic laws in Title 11 to compare them to the AS and AAC and decide what to do with them.</p>	0 Legal

71.	<p>15.05.590 Fire protection services. See comment for 15.04.260. Additionally, this section refers to Title 10 when it appears to mean Title 1.</p> <p>Recommendation: We can correct this error, but the City and Borough might wish to take action on this section and 15.04.260 before such correction.</p>	0
72.	<p>15.05.600 Fire protection systems. See comment for 15.04.260. Additionally, this section refers to Title 10 when it appears to mean Title 1.</p> <p>Recommendation: We can correct this error, but the City and Borough might wish to take action on this section and 15.04.260 before such correction.</p>	0



Legislation Details

File #: ORD 15-13 Version: 1 Name:
Type: Ordinance Status: SECOND READING
File created: 3/4/2015 In control: City and Borough Assembly
On agenda: 3/24/2015 Final action:
Title: Adjusting the FY15 Budget
Sponsors:
Indexes:
Code sections:
Attachments: [ORD 2015-13 Budget](#)

Date	Ver.	Action By	Action	Result
3/10/2015	1	City and Borough Assembly		

Suggested Motion

I MOVE TO approve Ordinance 2015-13 on second and final reading.

Memo

To : Assembly, City and Borough of Sitka

From: Jay Sweeney, Chief Financial and Administrative Officer



Date: March 4, 2015

Re: Supplemental Appropriation Ordinance - Purposes

Mayor McConnell and Assembly Members,

The accompanying supplemental appropriation ordinance is submitted to you for two purposes.

At your last meeting, February 24, you approved entering into a Microsoft Enterprise Agreement. The cost of the agreement, as stated in accompanying memo for that agenda item, is \$74,715/year for three years. The accompanying ordinance below appropriates the first year of this cost. The source of the funds is the reserve working capital of the Management Information Systems Fund.

Also, the Municipality has been planning for some time to participate in a remodel of shared facilities in the City/State Building at 304 Lake Street. The remodel was original planned for next year, FY16, but the State of Alaska has expressed a desire to commence with the remodel this fiscal year. This is to the benefit of the Municipality, as the State of Alaska will manage the remodel project. The Municipality's share of the costs is 34%. The portion of the appropriation for restroom remodels is \$153,000 and the portion for window replacement is \$59,100. The source of the funds is from the reserve working capital of the Building Maintenance Fund.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-13

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY15 BUDGET

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

3. **PURPOSE.** The purpose of this ordinance is to adjust the FY15 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY15 budget for known changes. In accordance with Section 11.10(a) of the Charter of the City and Borough of Sitka, Alaska, the budget for the fiscal period beginning July 1, 2014 and ending June 30, 2015 is hereby adjusted as follows:

Account Number	Account	Increase	Decrease
<u>FISCAL YEAR 2015 EXPENDITURE BUDGETS</u>			
MANAGEMENT INFORMATION SYSTEMS FUND			
300-600-670-7106.000	Fixed Assets - Machinery	74,715.00	
To appropriate funds from the working capital of the Management Information Systems Fund to pay for the first year of the Microsoft Enterprise Purchase Agreement approved by the Assembly at its February 24, 2015 Assembly meeting.			
MANAGEMENT INFORMATION SYSTEMS FUND			
300-600-630-5212	Contracted/Purchased Services	9,000	
To appropriate funds from the working capital of the Management Information Systems Fund to pay for contracted services related to the migration of the City and Borough of Sitka's email system based on the Microsoft Enterprise Purchase Agreement approved by the Assembly at its February 24, 2015 Assembly meeting.			
BUILDING MAINTENANCE FUND			
Operations			
320-600-630-5212.000	Contracted/Purchased Services	212,000.00	
To appropriate funds from the working capital of the Building Maintenance Fund to pay for the Municipality's matching share of repairs to the State/Municipal Building at 304 Lake Street. \$153,000 is for the Municipality's share of the first and 2 nd floor restroom remodels. \$59,100 is for the Municipality's share of replacing windows. These repairs were originally planned for FY16, but the State of Alaska wishes to commence with the repairs this fiscal year.			

EXPLANATION

Necessary revisions in the FY 2015 budget have been identified as a result of ongoing Municipal activities. These changes involve the increase of expenditure accounts and causes decreased cash flows to the fund balance of various funds. A short explanation of each budget revision is included.

5. EFFECTIVE DATE. This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 24th day of March, 2015.

ATTEST:

Matt Hunter, Deputy Mayor

**Colleen Ingman, MMC
Municipal Clerk**



Legislation Details

File #: ORD 15-11 Version: 1 Name:

Type: Ordinance Status: SECOND READING

File created: 3/4/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Proposing to clarify the SGC by amending the footnote in Title 9 Health and Sanitation, by amending Sections 10.24.050 Fireworks Permissible Sales and Uses and 10.24 reference note, Section 10.44.070 (c) Common Carrier Definition, by repealing without replacement Section 10.48.030 Evidence, by amending Section 10.72.070 Juvenile Curfew Penalties, by repealing Section 10.84.020 Grandfather Clause for Liquor Sales Age, by amending Section 11.04.110 Public Holidays List, Section 11.40.230 Parking Reference, Section 11.56.100 for correct reference for Taxicab Medical Requirements, by repealing Section 11.64.010 Pedestrian Rules, and by amending Section 11.70.010 to remove outdated Helmet Standard Reference

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2015-11 Clarifying 7-12](#)

Date	Ver.	Action By	Action	Result
3/10/2015	1	City and Borough Assembly		

Suggested Motion

I MOVE TO approve Ordinance 2015-11 on second and final reading.



City & Borough of Sitka
Municipal Clerk's Office
100 Lincoln Street, Sitka AK 99835
Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assembly
Cc: Municipal Administrator Mark Gorman
From: Municipal Clerk Colleen Ingman
Date: March 4, 2015
Subject: **Ordinances resulting from Legal Analysis**

In September of 2014, CBS contracted with Code Publishing to complete a legal analysis of our code. Their attorney recommended items that they felt needed immediate action to bring the code into legal compliance and, where possible, has recommended amending language for this purpose.

We considered doing a single "clean-up" ordinance but quickly learned that one clean up ordinance that addressed all the recommendations would be extremely bulky and difficult to follow. It is still our intent to bring forward as few ordinances as possible, but at the same time keep the amendments concise enough that they can be easily understood. We will combine amendments whenever possible.

The attached Ordinances 2015, 11; 12 & 14 all resulted from the legal analysis and have been shared with the various departments.

It is my intent to have all clarifying ordinances passed by the final meeting in April, so a few more are forthcoming. I have placed them on the Consent Agenda for first reading as the majority will be fairly straight forward, plus we are not required to take public testimony until second reading.

Attachment: **Ordinance 2015-11; 2015-12; 2015-14**

From: Colleen Ingman [redacted]
Sent: Friday, December 26, 2014 2:19 PM
To: Sara Peterson
Subject: Clarifying Titles 7 - 12 of SGC

Hi Sara,
Attached is an ordinance that clarifies things brought up during the legal review for Titles 7-12.
Please route the draft to Legal, Police and Fire departments for their review and comments.

Thanks!

Colleen

RE: Review/Comment : Clarifying Titles 7 - 12 of SGC

Page 1 of 2

RE: Review/Comment : Clarifying Titles 7 - 12 of SGC

Dave Miller [redacted]

Sent: Tuesday, December 30, 2014 12:38 PM

To: Lt. Jeff Ankerfelt [jeffa@sitkapd.com]; Sara Peterson; Robin Koutchak; Janine Canul; Sheldon Schmitt [sheldons@sitkapd.com]

Fire Department feels the same as the PD

From: Lt. Jeff Ankerfelt [redacted]

Sent: Tuesday, December 30, 2014 12:29 PM

To: Sara Peterson; Robin Koutchak; Janine Canul; Sheldon Schmitt; Dave Miller

Subject: RE: Review/Comment : Clarifying Titles 7 - 12 of SGC

Hi Sara,

Thanks for the PD a chance to view this. No objections to any of the changes from the police. Thanks, Jeff.

Lieutenant Jeff Ankerfelt
Sitka Police Department
304 Lake Street
Sitka, Alaska 99835
Phone: (907) 966-5702
Fax: (907) 747-7122



CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-11

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA
PROPOSING TO CLARIFY THE SITKA GENERAL CODE BY AMENDING THE
FOOTNOTE IN TITLE 9 HEALTH AND SANITATION, BY AMENDING SECTIONS
10.24.050 FIREWORKS PERMISSABLE SALES AND USES AND 10.24 REFERENCE
NOTE, SECTION 10.44.070 (C) COMMON CARRIER DEFINITION, BY REPEALING
WITHOUT REPLACEMENT SECTION 10.48.030 EVIDENCE, BY AMENDING SECTION
10.72.070 JUVENILE CURFEW PENALTIES, BY REPEALING SECTION 10.84.020
GRANDFATHER CLAUSE FOR LIQUOR SALES AGE, BY AMENDING SECTION
11.04.110 PUBLIC HOLIDAYS LIST, SECTION 11.40.230 PARKING REFERENCE,
SECTION 11.56.100 FOR CORRECT REFERENCE FOR TAXICAB MEDICAL
REQUIREMENTS, BY REPEALING SECTION 11.64.010 PEDESTRIAN RULES, AND
BY AMENDING SECTION 11.70.010 TO REMOVE OUTDATED HELMET STANDARD
REFERENCE

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. **PURPOSE.** As found in Alaska Statute 29.25.050, the municipal clerk is responsible for ensuring that the municipal code is kept current. Sitka's municipal clerk sought legal analysis from Code Publishing Company for a review of the Sitka General Code for state and federal constitutional issues and apparent conflicts. These clarifying changes to these Code sections are derived from that review and further analysis.

In Title 9, Footnote 1 refers to an Alaska Statute for authorization of garbage collection that no longer exists. The correct reference is named.

In Title 10, fireworks are now regulated by the federal Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). A reference to current fireworks regulations is added. A correct reference to a common carrier definition is applied to sales of liquor. Section 10.48.030 serves no legal or practical purpose as "common fame" does not currently exist as a legal concept and this section is covered by Alaska Rule of Evidence 404 regarding character evidence. Alaska Statutes require a maximum fine of \$250 for curfew violators. The special grandfather provision for legal drinking age is no longer needed for those born before 1965.

In Title 11, public holidays are updated to their correct names. The correct AAC reference for taxicab operators' medical rules is named. A redundant section on pedestrian rules at traffic control signals is removed. The American National Standards Institute (ANSI) no longer makes standards and has chosen to use American Society for Testing and Materials (ASTM) standard F1447, so ANSI is being removed from the helmet standards list.

51 4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of
52 the City and Borough of Sitka that the following sections of the Sitka General Code are
53 hereby amended to read as follows:

54 **Title 9**
55 **HEALTH AND SANITATION**

56 Chapter:

57 9 Footnotes

58 **¹Footnote**

59 For statutory provisions authorizing home rule municipalities to maintain and
60 operate a garbage and solid waste collection and disposal system, see **AS**
61 **29.35.050**. ~~AS 29.48.033.~~

62 * * *

63
64 **Title 10**
65 **PUBLIC PEACE, SAFETY AND MORALS**
66 **III. Offenses Against Health and Safety**

67 Chapter:

68 10.24 Fireworks

69
70 10.24.050 Permissible sales and uses.

71 Nothing in this chapter shall be construed to prohibit:

72 ***

73 B. The sale of any kind of fireworks if the fireworks are to be shipped directly
74 from the state in accordance with regulations **27 CFR, Part 555 of the**
75 **Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)**, of the
76 ~~United States Interstate Commerce Commission.~~

77 ***

78 10.24.060 Fireworks defined.

79 ... or other devices for use of such caps, the sale and **use** se of which shall
80 be permitted at all times. (**AS 18.72.100**, B.C.S. § 12.04.060.)

81 ***

82
83 **IV. Offenses Against Public Decency**

84 ***

85 10.44.070 Offers of sale and presence on licensed premises (standard operating hours).

86 C. A licensee, his agent, or employee may not permit a person to enter

87 This

88 subsection shall not apply to common carriers as defined in Alaska Statute
89 **4.16.125(c)(1)** ~~42.10.420, subsection (2)~~ or to an employee....

90 ***

91
92 10.48 Prostitution

93 ~~10.48.030 Evidence.~~

94 ~~In all cases of prosecution under this title, common fame shall be competent~~
95 ~~evidence in support of a complaint thereunder; and every house or place used~~
96 ~~for the purpose of prostitution shall be taken and deemed to be a house of~~

97 ~~prostitution within the meaning of this title; and any person residing in such~~
98 ~~house or place with knowledge of its character, shall be presumed, in any~~
99 ~~prosecution against such house, place, person, or persons, guilty as in this title~~
100 ~~provided. (Ord. 73-59 § 3 (part), 1973.)~~

101 ***

102 VIII. Offenses By or Against Minors

103 10.72 Juvenile Curfew

104 10.72.070 Penalties.

105 F. The maximum penalty for violation of this chapter shall be three hundred
106 dollars, except

107 for curfew violation, which shall carry a maximum penalty of not more
108 than two hundred fifty dollars. (AS 29.35.085(b))
109

110 ***

111 10.84 Liquor Regulations

112 ~~10.84.020 Age.~~

113 ~~Whenever in this chapter an age limit is set at twenty-one years, any person who~~
114 ~~was born on or before December 31, 1964, shall be deemed to have attained~~
115 ~~the age limit. (Grandfather clause—Section 18, CH 109, SLA 1983.) (Ord. 73-59~~
116 ~~§ 3 (part), 1973.)~~
117

118 ***

119 Title 11

120 VEHICLES AND TRAFFIC

121 11.04 Definitions

122 11.04.110 Public Holidays

123 “Public holidays” means New Year’s Day, ~~Washington’s Birthday,~~ President’s
124 Day, Memorial Day, Independence Day ~~Fourth of July,~~ Labor Day, Alaska Day,
125 Veterans’ Day, Thanksgiving Day and Christmas Day.
126

127 ***

128 11.40.230 Parking method.

129 E. No person may park a vehicle upon a street, roadway, alley, or vehicular
130 way or area, for the purpose of:

131 ***

132 3. Displaying the vehicle for sale or hire in the regular course of the person’s
133 business ... in accordance with the provisions of Section 11.40.140
134 ~~11.13.02.372.~~
135

136 ***

137 11.56.100 Application for driver’s permit.

138 C. A taxicab driver’s license shall not be issued to any person who does not
139 meet the medical standards set forth in 2 AAC 90.440 ~~13 AAC 08.025.~~
140

141 ***

142 ~~11.64.010 Pedestrians subject to traffic control signals.~~

143

144 ~~Pedestrians shall be subject to traffic control signals as heretofore declared in~~
145 ~~Sections 11.24.050 and 11.24.060, but at all other places pedestrians shall be~~
146 ~~granted those rights and be subject to the restrictions stated hereafter. (Ord. 73-~~
147 ~~64 § 3 (part), 1973.)~~

148 ***

149
150 11.70.010 Helmet requirements for young persons riding certain vehicles.

151 D. A certified protective helmet is a helmet containing a manufacturer
152 certification that meets the standards of the ~~American National Standards~~
153 ~~Institute~~, American Society for Testing and Materials (ASTM) or the United
154 States Consumer Product Safety Commission (CPSC).

155
156
157 5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after
158 the date of its passage.

159
160
161 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough
162 of Sitka, Alaska this 24th day of March, 2015.

163
164
165
166 _____
167 Matt Hunter, Deputy Mayor

167 **ATTEST:**

168
169
170 _____
171 Colleen Ingman, MMC
172 Municipal Clerk



Legislation Details

File #: ORD 15-12 Version: 1 Name:

Type: Ordinance Status: SECOND READING

File created: 3/4/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Proposing to clarify SGC by amending Title 6 Business License and Regulations at Section 6.04.080 Bond

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2015-12 Clarifying Title 6](#)

Date	Ver.	Action By	Action	Result
3/10/2015	1	City and Borough Assembly		

Suggested Motion

I MOVE TO approve Ordinance 2015-12 on second and final reading.



City & Borough of Sitka

Municipal Clerk's Office

100 Lincoln Street, Sitka AK 99835

Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assembly

Cc: Municipal Administrator Mark Gorman

From: Municipal Clerk Colleen Ingman

Date: March 4, 2015

Subject: **Ordinances resulting from Legal Analysis**

In September of 2014, CBS contracted with Code Publishing to complete a legal analysis of our code. Their attorney recommended items that they felt needed immediate action to bring the code into legal compliance and, where possible, has recommended amending language for this purpose.

We considered doing a single "clean-up" ordinance but quickly learned that one clean up ordinance that addressed all the recommendations would be extremely bulky and difficult to follow. It is still our intent to bring forward as few ordinances as possible, but at the same time keep the amendments concise enough that they can be easily understood. We will combine amendments whenever possible.

The attached Ordinances 2015, 11; 12 & 14 all resulted from the legal analysis and have been shared with the various departments.

It is my intent to have all clarifying ordinances passed by the final meeting in April, so a few more are forthcoming. I have placed them on the Consent Agenda for first reading as the majority will be fairly straight forward, plus we are not required to take public testimony until second reading.

Attachment: Ordinance 2015-11; 2015-12; 2015-14

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-12

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA PROPOSING TO CLARIFY THE SITKA GENERAL CODE BY AMENDING SECTION 6.04.080 BUSINESS LICENSES AND REGULATIONS, BOND

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. PURPOSE. As found in Alaska Statute 29.25.050, the municipal clerk is responsible for ensuring that the municipal code is kept current. Sitka’s municipal clerk sought legal analysis from Code Publishing Company for a review of the Sitka General Code for state and federal constitutional issues and apparent conflicts. This clarifying change is derived from that review and further analysis.

This section requires certain bond sureties to be executed by residents of the city and borough who are also “the owners of real property therein,” perhaps incorrectly insinuating that an apartment dweller’s bond is less sure than a real property owner.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the following section of the Sitka General Code is hereby amended to read as follows:

Title 6

BUSINESS LICENSES AND REGULATIONS

6.04.080 Bond.

The application shall be accompanied by a bond in the amount of one hundred dollars for an annual license and fifty dollars for a license of less than a year. The bond may be cash; or a bond executed by the applicant and a surety company doing business in the state of Alaska and authorized to do business therein; or by the applicant and two or more qualified sureties who are residents of the city and borough and the owners of real property therein; which bond shall be conditioned that all ordinances of the city and borough have been complied with.

5. EFFECTIVE DATE. This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 24th day of March, 2015.

Matthew Hunter, Deputy Mayor

ATTEST:

Colleen Ingman, MMC Municipal Clerk

Colleen Ingman

To: Jay Sweeney; Mike Middleton
Subject: Clarifying ORD
Attachments: 2015- SGC 06 Bond.docx

Hi Jay and Mike,

I may have sent this to you previously, but need to know if this ordinance still on track. Recommended change is second to last line under 6.04.080. I have lost the line numbers in my copy.

While it is clear why residents of the city should be asked, it is less clear (and risky from a due process standpoint) why those residents should own real property. In the abstract it does not seem that an apartment dweller's bond is less sure than any other bond.

Need approval to move forward.

Thanks!

*Best -
Colleen*



Legislation Details

File #: ORD 15-17 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 3/18/2015 In control: City and Borough Assembly
On agenda: 3/24/2015 Final action:
Title: Utility Director/Acting Administrator to give an overview 1st

Amending Subsection 15.01.020 of SGC Electrical Rates by increasing electric rates to fund approved Electrical Utility Capital Projects including the Blue Lake Hydroelectric Expansion Project and establishing an Energy Assistance Fund

Sponsors:

Indexes:

Code sections:

Attachments: [MOTION ORD 2015-17](#)
[ORD 2015-17 Electrical Rates](#)

Date	Ver.	Action By	Action	Result
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Possible Motion

I MOVE TO approve Ordinance 2015-17 on first reading.

Memo

Via: Colleen Ingman, Acting Municipal Administrator
To: City and Borough of Sitka Assembly
From: Jay Sweeney, Chief Financial and Administrative Officer
Date: March 17, 2015
Re: Electricity Rate Increase and Alternative for Potential Subsidization

Mayor McConnell and Assembly Members,

Current Issue and Background

Staff is recommending an electric rate increase, effective with the commencement of the next electric billing cycle (Cycle 1).

A mild winter with warmer than normal temperatures has caused electricity consumption to be both well behind planned consumption for FY15, and, lower than FY14. As of February 28, 2015, electricity consumption has declined from FY14 by 1,185,600 kWh, a (1.62%) decrease. Electricity sales revenue has also declined from FY14 by (\$17,059). Compared to budget plan for the year, electricity consumption is (2,827,950 kWh) below plan and electricity sales revenue is (\$1,456,315) below plan.

While electricity consumption and sales have decreased, debt service related to the Blue Lake Hydroelectric Expansion project increased this year, as a result of the 4th issuance of revenue bonds last November. \$342,372 in additional debt service in FY15 is associated with this bond, which rises to \$816,250 in FY16.

Covenants agreed to by the Municipality in the bond issuance ordinance commit the Municipality to generate cash flow from operations equal to 125% of the annual debt service for revenue bonds. Thus, the additional debt service for the 4th bonding equates to a need for additional revenue of 1.25 x \$816,250, or \$1,020,312.50 in additional cash flow.

In preparing the FY15 budget, the Municipality made an assumption that electricity consumption would grow by 2.5%, from 109,133,150 kWh to 112,000,000 kWh. Electricity consumption of 112,000,000 was historically achieved in both FY12 and FY13, thus a return to historical consumption levels was viewed as a realistic assumption. If historical electricity consumption was obtained in FY15, combined with previous rate increases and a modest withdrawal from the Rate Stabilization Fund, the 125% coverage ratio was achievable.

Unfortunately, electricity consumption has not returned to normal levels and, instead, has declined from FY14, thus creating a revenue shortfall which threatens to cause the Municipality to not achieve the required coverage ratio. Current electricity consumption and revenue trends are such that, without a sizeable rate increase, the entire Rate Stabilization Fund of \$2,508,000 will need to be liquidated in order to achieve the required 125% coverage ratio in FY15.

Staff was very explicit in its discussions with the Assembly and the public that a 4th electric rate increase, in conjunction with the 4th bonding, was not foregone and was simply delayed. The desire was to have a moderate rate increase put in place for July 1, 2015; however, the decline in consumption has made an electric rate increase urgent, compelling a higher than anticipated rate increase and an earlier adoption.

For a historical perspective, electricity consumption, electricity sales, and the average rate per kWh for the last three fiscal years and projected for FY15 are as follows:

Fiscal Year	Electricity Sales Revenue	Electricity Consumption	Average Rate Per kWh
FY12	\$11,272,293	111,718,100 kWh	\$0.1009 / kWh
FY13	\$11,232,485	112,761,750 kWh	\$0.1002 / kWh
FY14	\$13,028,667	109,133,150 kWh	\$0.1194 / kWh
FY15 (Projected)	\$13,000,000	107,362,200 kWh	\$0.1211 / kWh

The companion historical perspective on bonded debt service and coverage ratios is as follows:

Fiscal Year	Bonded Debt Service	Coverage Ratio
FY12	\$3,467,567	1.43 Times
FY13	\$3,449,735	1.69 Times
FY14	\$5,045,158	1.34 Times
FY15 (Projected)*	\$7,733,628	0.90 Times*

*Note. Data with asterisks in the Table above do not include anticipated withdrawals from the Rate Stabilization Fund. The governing Bond Ordinance for Blue Lake Revenue Bonds allows the Finance Director to make deposits of revenues above those required to make the minimum 125% debt service coverage ratio into a Rate Stabilization Fund. We made deposits to the Rate Stabilization Fund in FY12 and FY13 equal to a total of \$2,508,000. Note that this correlates to the large coverage ratios in those fiscal years in the Table above. It is anticipated, as previously mentioned, that the entire Rate Stabilization Fund will be withdrawn in FY15 to meet the minimum coverage ratio.

Alternative For Potential Subsidization

Staff has identified an alternative that could help to ease the rate increases required to meet the minimum coverage ratio in FY16.

The governing bond ordinance allows for funds from an external source to be deposited into the Rate Stabilization Fund. If and when such funds are withdrawn from the Rate Stabilization Fund to help mitigate rate increases, the withdrawal has the effect of being classified as revenue for purposes of calculating the coverage ratio. To wit, the existing \$2,508,000 currently in the Rate Stabilization Fund is being planned for withdrawal this fiscal year (FY15) to help achieve the FY15 coverage ratio, which is always measured annually on June 30.

The alternative Staff has identified is the potential transfer of most, or all, of the remaining funds in the Southeast Alaska Economic Development Loan Fund into the Electric Fund Rate Stabilization Fund **THIS FISCAL YEAR**, so that it is available to be withdrawn from the Rate Stabilization Fund next fiscal year (FY16) and be counted as revenue towards achieving the minimum coverage ratio.

As a second part of this alternative, Staff would embark on a course of action to use the funds from the Economic Development Loan Fund to pay for the capital costs of converting Municipal buildings (especially schools) from oil heat to electric heat. In doing so, outlays leaving Sitka in the form of heating oil purchases would remain in the Municipality, and, overall electric consumption would be increased.

Staff estimates that every \$100,000 so transferred from the Economic Development Loan Fund would have the effect of lessening the required FY16 rate increase by \$0.0093/kwh. If, for example, \$2,500,000 was so transferred, it would have the effect of lessening the required rate increase by \$0.023 per kWh.

It is important to note that the effect of such a transfer from the Economic Development Loan Fund would be a **ONE TIME EFFECT** for FY16 only. A combination of increased electricity consumption and/or subsequent rate increases would still be required to achieve the coverage ratio in subsequent years.

One thing that favors Sitka is that annual debt service will gradually decline over time, not rise. Hence, the denominator in the debt service calculation will decline, making the coverage ratio easier to achieve each year and mitigating future rate increases.

The basic calculation for achieving the 1.25 debt service coverage ratio in subsequent years is as follows:

1. *Annual bonded debt service of \$7,730,000 times 1.25 = \$9,662,500 required cash flow*
2. *Electric Department earnings before interest and depreciation (EBID) plus interest income as a percentage of top-line revenue = 57.11%*
3. *\$9,662,500 require cash flow divided by 57.11 % EBID = sales of \$17,444,000*
4. *\$17,444,000 divided by 112,000,000 kWh = \$0.1556 per kWh*

But if consumption increases....

5. *\$17,444,000 divided by 113,120,000 kWh (1% consumption increase) = \$0.1542 per kWh*

Summary

Staff recommends the combination of rate increases plus transfers from the Southeast Alaska Economic Development Fund, in order to generate increased system revenue of \$2,500,000 for FY16, be adopted as soon as possible. A rate increase, plus perhaps an additional transfer from the Economic Development Loan Fund necessary to generate required income necessary to meet the required rate covenant, must also be planned for FY17 in order to stabilize rates.

An ordinance would need to be introduced promptly to change the language in Title 4 of the Sitka General Code governing the Southeast Alaska Economic Development Loan Fund to permit transfer to another fund, as opposed to loaning, as the code now reads.

Electric Rates – Additional Information

1 - Sitka Annual Gross Generation

2 - Residential Rate Comparison - Statewide

3 - Residential Rate Comparison - Regional

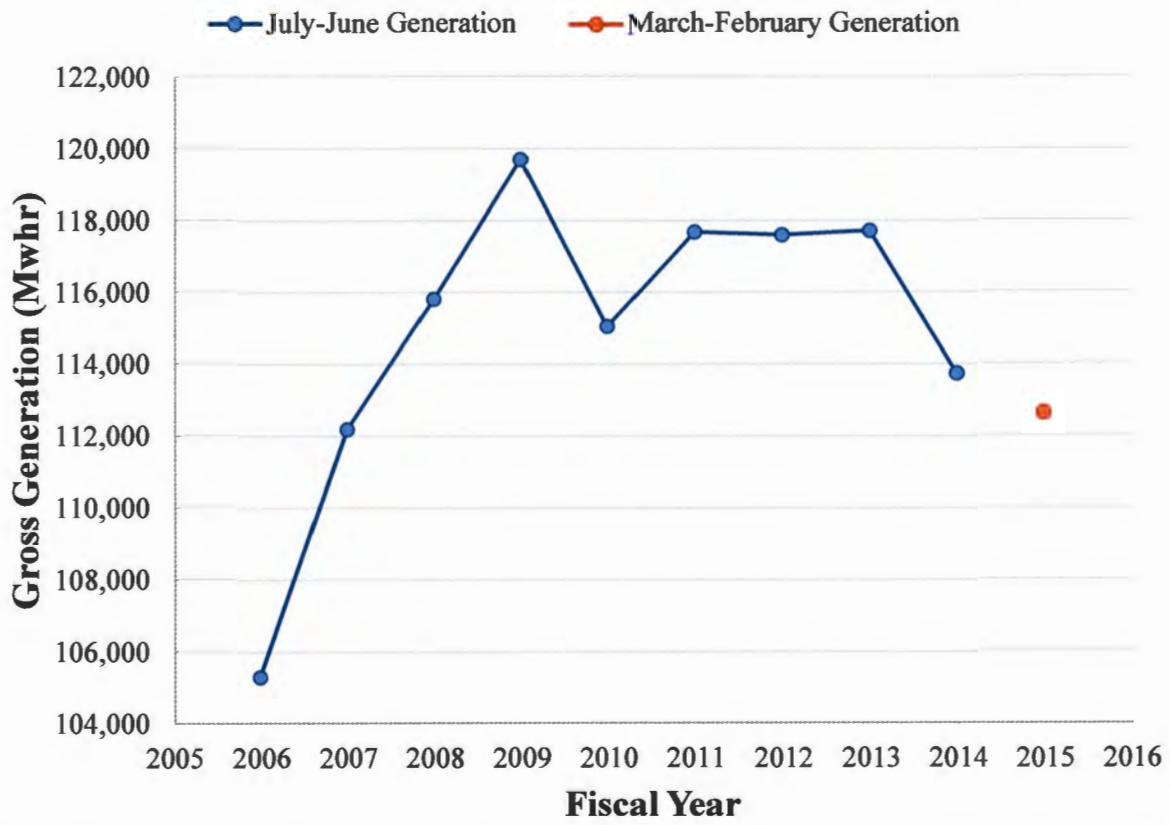
4 - Electric Rates - Alaska Statewide¹

5 - Electric Rates - Nationwide²

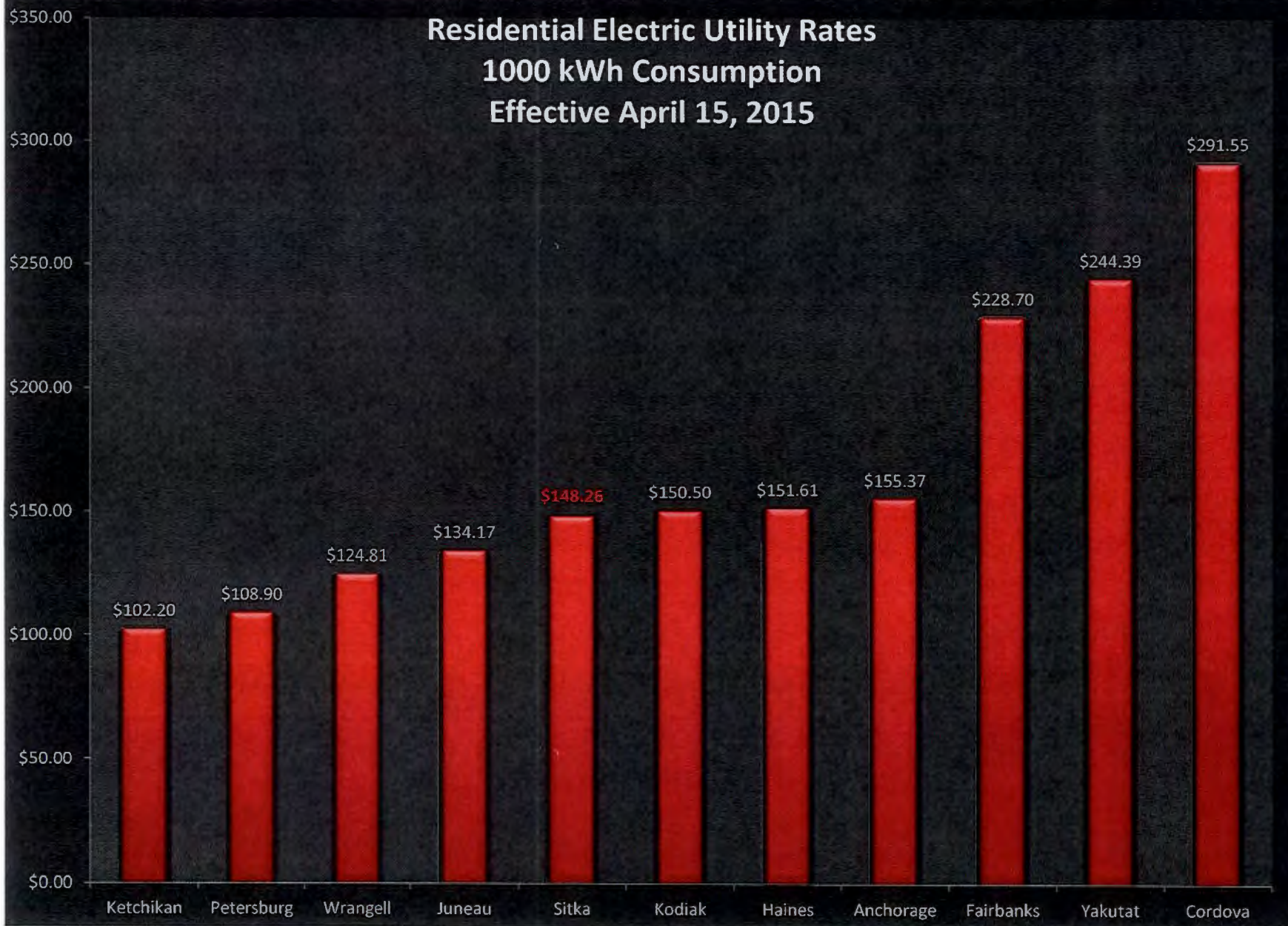
6 - Sitka Interruptible Electric Rate

^{1,2} Information is latest data compiled by the Energy Information Administration – CY2013

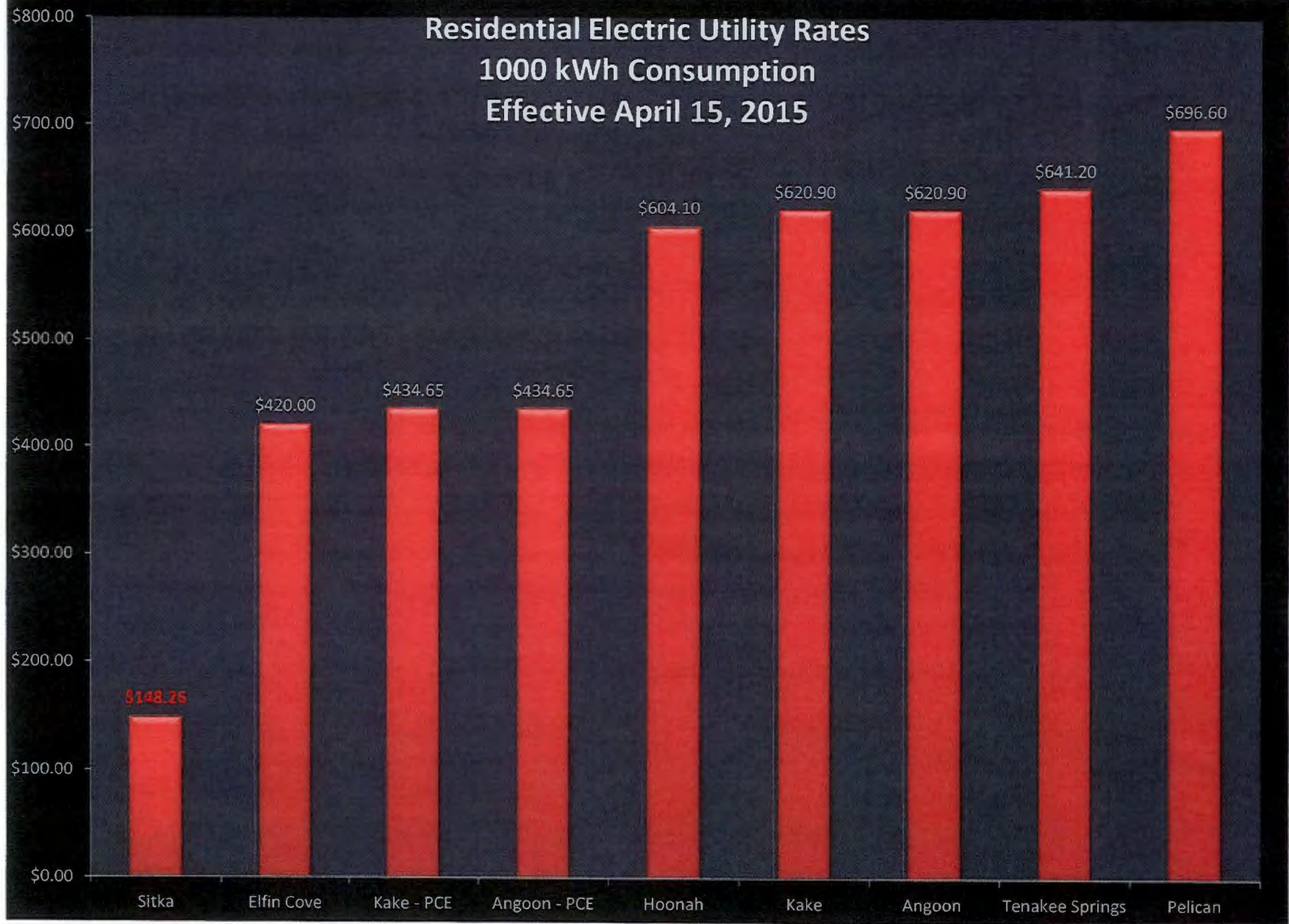
Sitka Annual Power Generation



Residential Electric Utility Rates 1000 kWh Consumption Effective April 15, 2015



Residential Electric Utility Rates 1000 kWh Consumption Effective April 15, 2015



Average Revenue per kWh, 2013
(in cents)
United States and Alaska

	<u>Residential Rev/kWh</u>	<u>Commercial Rev/kWh</u>	<u>Industrial Rev/kWh</u>	<u>Total* Rev/kWh</u>
Alaska				
Publicly Owned	13.4	11.7	19.3	13.6
Investor-Owned	17.7	19.9	9.7	23.4
Cooperative	18.4	16.4	15.8	17.7
Alaska				
<u>Publicly Owned</u>				
Anchorage Municipality of	13.2	10.4	-	10.7
Ketchikan City of	10.2	9.7	8.4	9.7
Nome Joint Utility Systems	37.7	35.4	-	36.1
North Slope Borough Power & Light	17.4	31.0	-	28.4
Petersburg City of	9.7	11.4	10.8	10.5
Seward City of	20.4	21.6	17.4	18.8
Sitka City & Borough of	10.7	11.1	11.3	10.9
Unalaska City of	47.5	42.9	39.0	40.8
Wrangell City of	10.6	10.7	-	10.7
Alaska				
<u>Investor-Owned</u>				
Alaska Electric Light & Pwr Co	12.8	10.5	9.7	11.2
Alaska Power Co	30.7	27.0	-	28.4
Aniak Light & Power Co Inc	NA	NA	NA	73.9
Bethel Utilities Corp	54.9	54.6	-	54.7
Chitina Electric Inc	-	-	66.9	59.7
G & K, Inc	NA	NA	NA	71.7
Gustavus Electric Inc	NA	NA	NA	43.9
Gwitchyaa Zhee Utility Co	NA	NA	NA	62.8
Hughes Power & Light Co	NA	NA	NA	72.0
Kuiggluum Kallugvia	NA	NA	NA	50.5
McGrath Light & Power Co	NA	NA	NA	58.4
Napakiak Ircinraq Power Co	NA	NA	NA	80.5
Pelican Utility	NA	NA	NA	32.1
Smart Prepaid Electric	NA	NA	NA	73.9
Tanana Power Co Inc	NA	NA	NA	48.9
TDX North Slope Generating Co	-	18.5	-	18.5
Alaska				
<u>Cooperative</u>				
Akiachak Native Community Electric Co.	NA	NA	NA	69.2

	Residential Rev/kWh	Commercial Rev/kWh	Industrial Rev/kWh	Total* Rev/kWh
Alaska Village Elec Coop, Inc	61.0	53.4	-	56.6
Barrow Utils & Elec Coop, Inc	12.1	10.6	-	10.9
Chugach Electric Assn Inc	14.8	12.2	10.9	13.4
Copper Valley Elec Assn, Inc	28.2	24.4	-	25.2
Cordova Electric Coop, Inc	41.2	32.6	22.9	30.7
Golden Valley Electric Assn Inc	22.9	21.1	17.2	18.9
Homer Electric Assn Inc	21.0	18.3	7.9	16.7
I-N-N Electric Coop, Inc	NA	NA	NA	36.5
Kodiak Electric Assn Inc	17.9	17.4	16.3	16.8
Kotzebue Electric Assn Inc	41.1	38.8	-	39.6
Matanuska Electric Assn Inc	15.1	12.6	-	14.2
Middle Kuskokwim Elec Coop Inc	NA	NA	NA	90.0
Naknek Electric Assn, Inc	NA	NA	NA	52.2
Nelson Lagoon Elec Coop, Inc	NA	NA	NA	73.2
Nushagak Electric Coop, Inc	NA	NA	NA	44.1
Tuntutuliak Comm Services Assn	NA	NA	NA	51.3
Unalakleet Valley Elec Coop	NA	NA	NA	40.9

Alaska	Total
<u>Publicly Owned - Small Utilities</u>	<u>Rev/kWh</u>
Akutan City of	31.7
Atka, City of	39.5
Atmautluak Tribal Utilities	62.2
Birch Creek Village Elec Util	60.0
Chefornak City of	40.0
Chignik City of	50.8
EDF Industrial Power Services (NY), LLC	86.3
Elfin Cove City of	69.2
Galena Electric Utility	50.8
Igiugig Electric Company	77.3
Inside Passage Elec Coop, Inc	59.7
Ipnatchiaq Electric Company	120.4
King Cove City of	28.1
Kokhanok Village Council	43.3
Kwig Power Company	61.0
Larsen Bay City of	38.0
Manokotak City of	41.6
Metlakatla Power & Light	10.1
Native Village of Perryville	94.8
Ouzinkie City of	37.2
Pedro Bay Village Council	75.9
Saint Paul City of	55.8
Tatitlek Electric Utility	30.5
TDX Power	85.1
Tenakee Springs City of	60.6
White Mountain City of	62.0
Yakutat Power, Inc	49.5

Source: U.S. Department of Energy, Energy Information Administration, Form EIA-861, 2013 data.

Full Service Sales vs. Unbundled (retail choice) Sales, 2013

		<u>Residential</u> <u>Rev/kWh</u>	<u>Commercial</u> <u>Rev/kWh</u>	<u>Industrial</u> <u>Rev/kWh</u>	<u>Total</u> <u>Rev/kWh</u>
All U.S. Customers					
	Full Service Sales	12.0	10.1	6.7	10.0
	Unbundled Sales	13.5	11.1	7.5	10.3
	Total: All Customers	12.1	10.3	6.9	10.1
<u>By State</u>					
California	Full Service Sales	15.3	13.6	10.7	13.8
	Unbundled Sales	20.1	11.7	9.6	11.0
	Total	15.3	13.4	10.5	13.5
Connecticut	Full Service Sales	17.1	14.5	10.1	15.8
	Unbundled Sales	17.7	14.7	13.5	15.4
	Total	17.3	14.7	12.6	15.6
Delaware	Full Service Sales	13.6	12.3	9.9	12.8
	Unbundled Sales	13.1	8.7	7.4	8.3
	Total	13.6	10.1	8.4	11.1
Illinois	Full Service Sales	11.7	9.4	5.8	10.4
	Unbundled Sales	10.0	7.2	5.8	6.8
	Total	11.4	8.0	5.8	8.4
Maine	Full Service Sales	13.8	12.4	10.9	12.8
	Unbundled Sales	14.7	11.5	7.9	11.8
	Total	14.7	11.5	8.0	11.8
Maryland	Full Service Sales	12.8	10.7	8.4	12.2
	Unbundled Sales	13.1	10.3	8.0	10.5
	Total	12.8	10.4	8.1	11.3
Massachusetts	Full Service Sales	14.8	14.1	11.1	14.0
	Unbundled Sales	15.9	13.6	13.1	13.5
	Total	14.9	13.8	12.6	13.8
Michigan	Full Service Sales	14.1	11.3	7.8	11.4
	Unbundled Sales	14.1	7.7	6.5	7.1
	Total	14.1	10.9	7.6	11.0
Montana	Full Service Sales	10.1	9.2	7.0	9.3
	Unbundled Sales	n/a	5.8	3.9	4.0
	Total	10.1	9.1	5.1	8.2
Nevada	Full Service Sales	11.8	8.9	6.7	9.1
	Unbundled Sales		6.8	4.6	5.2
	Total	11.8	8.8	6.5	8.9
New Hampshire	Full Service Sales	16.1	15.0	16.2	15.8
	Unbundled Sales	14.3	11.9	10.8	11.5
	Total	16.1	13.4	11.8	14.2

New Jersey	Full Service Sales	15.9	13.6	8.5	14.9
	Unbundled Sales	15.3	12.4	11.0	12.5
	Total	15.8	12.8	10.5	13.7
New York	Full Service Sales	17.3	16.2	7.7	16.3
	Unbundled Sales	18.8	14.5	6.3	14.0
	Total	17.6	15.1	6.7	15.1
Ohio	Full Service Sales	12.0	10.7	6.4	10.0
	Unbundled Sales	11.3	8.8	6.1	8.3
	Total	11.8	9.5	6.2	9.1
Oregon	Full Service Sales	9.8	8.3	5.6	8.3
	Unbundled Sales	n/a	7.9	5.1	6.1
	Total	9.8	8.4	5.7	8.3
Pennsylvania	Full Service Sales	12.7	11.0	7.6	12.0
	Unbundled Sales	12.8	8.9	7.2	8.8
	Total	12.7	9.4	7.2	9.9
Rhode Island	Full Service Sales	14.4	12.4	11.7	13.6
	Unbundled Sales	14.0	11.4	10.4	11.2
	Total	14.4	11.9	10.7	12.7
Texas *	(see note at bottom)				
Washington	Full Service Sales	8.5	7.7	4.1	7.0
	Unbundled Sales	n/a	4.5	4.2	4.2
	Total	8.5	7.7	4.1	6.9
Washington, DC	Full Service Sales	12.2	12.5		12.3
	Unbundled Sales	12.5	12.0	5.5	11.7
	Total	12.3	12.0	5.5	11.9

*** Note:** While Texas is a retail choice state, total sales are reported by retail electric providers, who do not differentiate between Full Service and Unbundled Sales.

**City and Borough of Sitka
Interruptible Power Rates**

Maximum charge is .11

Two month look back on cost

Billing	Cost of #2			Date Rate
Month	2 mnths prior	Multiplier	Kw rate	Changed
Jul-14	3.4618	0.0317	0.1097	
Aug-14	3.4799	0.0317	0.1103	
Sep-14	3.4466	0.0317	0.1093	
Oct-14	3.3915	0.0317	0.1075	
Nov-14	3.4328	0.0317	0.1088	
Dec-14	3.3972	0.0317	0.1077	
Jan-15	3.3352	0.0317	0.1057	1/16/2015
Feb-15	2.8709	0.0317	0.0910	
Mar-15	january	0.0317	#VALUE!	
Apr-15	february	0.0317	#VALUE!	
May-15	march	0.0317	#VALUE!	
Jun-15	april	0.0317	#VALUE!	
Jul-15	may	0.0317	#VALUE!	
Aug-15	june	0.0317	#VALUE!	
Sep-15	july	0.0317	#VALUE!	
Oct-15	august	0.0317	#VALUE!	
Nov-15	september	0.0317	#VALUE!	
Dec-15	october	0.0317	#VALUE!	
Jan-16	november	0.0317	#VALUE!	
Feb-16	december	0.0317	#VALUE!	
Mar-16	january	0.0317	#VALUE!	
Apr-16	february	0.0317	#VALUE!	
May-16	march	0.0317	#VALUE!	
Jun-16	april	0.0317	#VALUE!	
Jul-16	may	0.0317	#VALUE!	
Aug-16	june	0.0317	#VALUE!	
Sep-16	july	0.0317	#VALUE!	
Oct-16	august	0.0317	#VALUE!	
Nov-16	september	0.0317	#VALUE!	

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2015-17

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SUBSECTION 15.01.020 OF THE SITKA GENERAL CODE ELECTRICAL RATES BY INCREASING ELECTRIC RATES TO FUND APPROVED ELECTRICAL UTILITY CAPITAL PROJECTS INCLUDING THE BLUE LAKE HYDROELECTRIC EXPANSION PROJECT AND ESTABLISHING AN ENERGY ASSISTANCE FUND

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code ("SGC").

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstance shall not be affected.

3. PURPOSE. This ordinance will increase the electrical rates for certain consumer classes at SGC 15.01.020 and provide sufficient revenues to meet all fiscal requirements to complete approved capital projects, including the Blue Lake Hydroelectric Expansion Project. The ability to meet financial margins and revenue bond covenants require electric rate increases.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that SGC 15.01.020 is amended as follows (new language underlined; deleted language stricken):

Chapter 15.01
ELECTRIC UTILITY POLICIES

Section
15.01.020 Electrical rates.

B. Residential Services. (v3)
2. Energy Charges.

Table with 4 columns: kWh range, rate per kWh, kWh range, rate per kWh. Includes Customer Charge is \$19.50 per month.

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C. General Service – Small (v4)

2. Energy Charges.

First 500 kWh	\$0.1771 per kWh
501 kWh to 10,000 kWh	\$0.1133 <u>\$0.1246</u> per kWh
10,001 kWh to 100,000 kWh	\$0.1133 <u>\$0.1218</u> per kWh
Over 100,001 kWh	\$0.1133 <u>\$0.1190</u> per kWh
Customer charge is \$39.00 per month	

3. Demand Charges.

First 25 kW	No Charge
Over 25 kW	\$5.60 per kW

D. General Service – Large (v4)

2. Energy Charges.

First 500 kWh	\$0.1771 per kWh
501 kWh to 10,000 kWh	\$0.1128 <u>\$0.1297</u> per kWh
10,001 kWh to 100,000 kWh	\$0.1128 <u>\$0.1263</u> per kWh
Over 100,001 kWh	\$0.1128 <u>\$0.1241</u> per kWh
Customer charge is \$60.00 per month	

3. Demand Charges.

First 25 kW	No Charge
Over 25 kW	\$5.60 per kW

E. General Service – Public Authority (v3)

2. Energy Charges.

First 500 kWh	\$0.1771 <u>\$0.2037</u> per kWh
501 kWh to 10,000 kWh	\$0.1133 <u>\$0.1303</u> per kWh
10,001 kWh to 100,000 kWh	\$0.1133 <u>\$0.1303</u> per kWh
Over 100,001 kWh	\$0.1133 <u>\$0.1303</u> per kWh
Customer charge is \$45.00 per month	

3. Demand Charges.

First 25 kW	No Charge
Over 25 kW	\$5.60 per kW

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* * *

M. Energy Assistance Fund. An energy assistance fund is hereby established to provide an opportunity for City and Borough of Sitka electric customers to make a voluntary monthly contribution to a fund that will provide limited financial assistance to customers. The intent of the program is to help provide emergency financial assistance to customers to pay electric utility bills. The program will be administered by the Salvation Army.

5. **EFFECTIVE DATE.** This ordinance shall become effective on day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 14th day of April, 2015.

Matthew Hunter, Deputy Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk



Legislation Details

File #: 15-032 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/17/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Approve an Operating and Terminal Building Sublease Agreement between City and Borough of Sitka and Delta Airlines subject to Department of Transportation and Public Facilities approval

Sponsors:

Indexes:

Code sections:

Attachments: [Delta Airlines Sublease reduced size](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

POSSIBLE MOTION

I MOVE TO APPROVE a sublease agreement between CBS and Delta Airlines, subject to Department of Transportation and Public Facilities approval and receipt of a current insurance policy to be in compliance with State of Alaska



City and Borough of Sitka

PUBLIC WORKS

100 LINCOLN STREET • SITKA, ALASKA 99835
PHONE (907) 747-1804 • FAX (907) 747-3158

To: Mayor McConnell and Assembly Members
Mark Gorman, Municipal Administrator

From: Gary E. Baugher Jr., Maint. & Operations Supt. *GEB*

cc: Michael Harmon, Public Works Director *mtb*
Jay Sweeney, Finance Director
Robin Koutchak, Municipal Attorney

Date: March 16, 2015

Subject: Approval of Delta Airline Lease

Background

The City and Borough of Sitka owns the airport terminal building, which is built on land leased from the State of Alaska. The City and Borough of Sitka has a 30-year lease agreement with the State of Alaska.

Delta informed the City and Borough of Sitka of its intent to bring Delta Air Lines into Sitka starting May 15, 2015. It will consist of one flight that will arrive in Sitka at 6:45 pm, overnight, and then leave at 7:00 am the next morning. Delta is planning on providing this service to Sitka from May 15, 2015 to September 15, 2015.

Under the Federal Aviation Act the owner of an airport and/or terminal building is required to accommodate the incoming airline to the best of their ability.

Analysis

The new sublease term is for five (5) years and commences on April 1, 2015 to March 31, 2020, unless sooner terminated as provided herein and hereinafter be referred to as the term lease. Delta Air lines will be paying for annual use of the airport office spaces.

Fiscal Note

The terminal building sublease rate shall be \$4,767.84 per month computed at the rate of \$2.80 per square foot per month, plus the City and Borough of Sitka Sales Tax. This price is consistent across Southeast Alaska.

The sublease rate will be adjusted based on the percentage difference between "All Items" figure for Anchorage, Alaska in the "Consumer Price Index for All Urban Consumers", (CPI). The adjustment shall occur annually on March 1, and the tenant is required to make such adjustments on its own each year.

Recommendation:

Approve the sublease agreement between CBS and Delta Air lines. Subject to DOT&PF approval. Delta Air lines will need to provide a current insurance policy to meet the requirements from the State of Alaska.

Airline Operating Agreement
with

Delta Air Lines
and Terminal Building Sublease

CBS, Alaska

Table of Contents

Section 1: Leased Premises.	1
Section 2: Condition of Premises.	2
Section 3: Use.....	2
Section 4: Sublessee Use Areas.	2
Section 5: Services Commitment.	5
Section 6: Lease Term.....	5
Section 7: Rent and Fees.....	6
Section 8: Rent and Fee Adjustments.	6
Section 9: Passenger Facility Charges.....	6
Section 10: Rent and Fee Payment.	6
Section 11: Lease Security.	6
Section 12: Subject to Master Lease.....	8
Section 13: Records and Reporting by SUBLESSEE.....	8
Section 14: Improvements.....	8
Section 15: Ownership of Improvements.....	9
Section 16: Signs and Advertisements.....	10
Section 17: Radio Transmission.....	11
Section 18: Insurance.....	11
Section 19: SUBLESSEE’s Use – Insurance Increase.....	13
Section 20: Taxes.	13
Section 21: Accommodation of Other Airlines.....	13
Section 22: CBS’s Right to Require Accommodation.....	14
Section 23: Airport Changes and Improvements.....	15
Section 24: Utilities and Services.	16
Section 25: Repairs and Maintenance.....	17
Section 26: Right of CBS to Enter, Inspect and Make Repairs.	18
Section 27: Liens.....	18
Section 28: Damage or Destruction.	18
Section 29: Condemnation.	19
Section 30: Default and Termination.....	20
Section 31: Handling and Storage of Hazardous Material.	22
Section 32: Surrender of the Premises.	23

Section 33: Insolvency and Bankruptcy.	23
Section 34: Discrimination.	24
Section 35: Affirmative Action.	24
Section 36: CBS’s Reservation of Rights.	24
Section 37: Assignment and Subletting.	25
Section 38: Subordination.	26
Section 39: Indemnification.	26
Section 40: National Emergencies.	27
Section 41: Natural Disasters.	28
Section 42: Rights of CBS to Return Airport Operation to State of Alaska.	28
Section 43: Modification.	28
Section 44: Compliance with Rules and Regulations.	29
Section 45: Special Conditions.	29
Section 46: Miscellaneous.	30
Acknowledgements.	30-31
Approval and Consent of State of Alaska.	32
Exhibit A – Sublessee Use Areas	
Exhibit B – Rent and Fee Schedule	

**AIRLINE OPERATING AGREEMENT
AND
TERMINAL SUBLEASE**

This sublease (hereinafter referred to as this "Sublease") is made and entered into this ___ day of _____, by and between the CITY AND BOROUGH OF SITKA, hereinafter referred to as CBS, whose address is 100 Lincoln Street, Sitka, AK 99835, and DELTA AIR LINES, INC., hereinafter referred to as SUBLESSEE, whose address is 1030 Delta Boulevard, Atlanta, GA, 30354.

RECITALS

CBS is the lessee of the Rocky Gutierrez Airport (hereinafter referred to as "Airport") under a master lease from the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, hereinafter referred to as STATE, and CBS, as such Lessee, has the right, pursuant to the terms of such lease from the State, to operate an airport terminal building (hereinafter referred to as "Terminal Building") and other Airport facilities situated on Japonski Island, CBS Recording District, First Judicial District, Alaska.

CBS has the authority under the terms of said State lease to enter into this Sublease, subject to the consent and approval of the STATE.

The SUBLESSEE desires to lease space in and/or adjacent to the Terminal Building at the Airport subject to all the terms, covenants, conditions and provisions of this Sublease, for the following purposes:

Regular scheduled operation of a commercial airline as a scheduled air carrier certificated under 14 CFR, Part 121 for the carriage of persons, property, cargo, mail, and other related airline operations.

The SUBLESSEE has examined the premises and is fully informed of the condition thereof.

NOW, THEREFORE, for and in consideration of the terms, conditions and other provisions hereinafter set forth, the parties agree as follows:

Section 1: Leased Premises.

CBS hereby leases to the SUBLESSEE at the rental rates and subject to all the terms, covenants, conditions and provisions set forth, the

designated space and area located within and/or adjacent to the Rocky Gutierrez Airport Terminal Building located on Japonski Island, CBS Recording District, First Judicial District, Alaska, hereinafter referred to as the "Leased Premises." The Leased Premises are described and shown on the plan of the Terminal Building floor area and area adjacent to the Terminal Building attached hereto as Exhibit "A," "Sublessee Use Areas".

Section 2: Condition of Premises.

The SUBLESSEE acknowledges that it has inspected the Leased Premises and the Terminal Building and, upon execution of this Sublease, the SUBLESSEE accepts the Leased Premises in their existing condition. CBS shall not be responsible for or be called upon to make any additional repairs and/or additions to the Leased Premises, Terminal Building or the Airport, except as set forth herein or as may be agreed upon from time to time in the reasonable discretion of CBS. CBS shall, however, be obligated to maintain the structural integrity of the building and all common and joint use areas.

Section 3: Use.

- A. The SUBLESSEE covenants and agrees that during the terms of this Sublease it will not cause or permit use of the Leased Premises for any use other than the following without the prior express written consent of CBS:

Regular scheduled operation of a commercial airline as a scheduled air carrier certificated under 14 CFR, Part 121 for the carriage of persons, property, cargo, mail, and other related airline operations.

- B. The SUBLESSEE agrees that during the term of this Sublease, the SUBLESSEE shall not cause or permit any use of the Leased Premises, or any portion thereof, in any illegal manner and that the SUBLESSEE will comply with all local, State and Federal laws, ordinances, rules and regulations applicable to the Leased Premises and/or SUBLESSEE'S operations under this Sublease.
- C. The SUBLESSEE and CBS agree that they will, at all times, conduct their business and operations at the Airport in a commercially reasonable manner.

Section 4: SUBLESSEE Use Areas.

- A. The SUBLESSEE shall be granted use of the spaces depicted on Exhibit "A" as "Sublessee Use Areas" and may only use each space for the purposes designated, unless prior written approval by the Director of Public Works is obtained, which consent shall not be unreasonably withheld, conditioned or delayed.
- B. The SUBLESSEE is granted joint use of space and facilities with others of the baggage claim area, the passenger hold room and boarding gate(s)/bridge(s) areas as depicted on Exhibit "A," "Sublessee Use Areas" attached hereto. These joint use facilities are intended for the use of Part 121 scheduled air carriers and no one scheduled air carrier has preferential status over any other for access to these facilities; however, scheduled air carriers shall have priority over non-scheduled air carriers for use of these facilities.
- C. The use of the joint use and common use facilities at the Airport shall be allocated among all Part 121 scheduled air carriers operating scheduled passenger aircraft over 100,000 pounds certificated maximum gross take-off weight, according to the following procedures:
1. To the extent possible all scheduled air carriers using the joint and common use facilities shall meet and agree among themselves as to the use of the joint and common use areas to which they are entitled to access under this Sublease. If the scheduled air carriers are unable to agree to a workable use schedule, the final decision for allocating use shall be made by the Director of Public Works.
 2. The Director of Public Works will take the following factors into consideration when determining how the use of the joint and common use facilities will be allocated.
 - a. Number of years that the carrier has operated in Airport.
 - 1) Zero to five (0-5) years: ten (10) points
 - 2) More than five (5) years: twenty (20) points
 - b. The number of flights operated by the scheduled air carrier during the most recent six-month period.
 - 1) Zero to one hundred (0-100) flights: ten (10) points
 - 2) More than one hundred (100) flights: twenty (20) points
 - c. The number of passengers enplaned by the scheduled air carrier during the most recent six-month period.
 - 1) Zero to five thousand (0-5,000) passengers: ten (10) points

- 2) More than five thousand (5,000) passengers: twenty (20) points

Each of the above equally weighted items will be rated for each carrier, using flight and passenger statistics computed from the most recent full six-month period in which all affected air carriers have operated. The rating factors will be prioritized again semi-annually thereafter on each June 30 and December 31 using statistics for the last six months.

The three factors will then be totaled and the carrier having the highest total score will be granted priority scheduling for the joint use facilities for the next six-month period.

- D. CBS reserves the right to authorize non-scheduled aircraft to use CBS's joint use facilities whenever they are not required for scheduled air carrier's use provided that CBS requires the non-scheduled aircraft to push back and clear the boarding bridge at least 30 minutes prior to the published arrival time for a Scheduled Air Carrier's aircraft configured to use the boarding bridge.
- E. Regardless of published schedules for scheduled air carriers, CBS shall have the right to refuse access to CBS's boarding areas or other joint use facilities by the SUBLESSEE if the SUBLESSEE has defaulted, beyond any relevant notice and cure period, on all rents or fees payable hereunder to CBS for the SUBLESSEE's use of the Airport, Terminal Building or Airport facilities.
- F. The SUBLESSEE is granted nonexclusive use, in common with others, of those areas of the Airport and Terminal Building considered common areas. This use is subject to the terms and conditions of this Sublease and to reasonable rules and regulations that may exist regarding the use of said "Common Areas." These common use areas are generally defined, but not limited to, landing areas, taxiways, aircraft apron, vehicle parking areas and the general public access and use areas of the terminal building, including, without limitation, access ways, ingress and egress points, escalators, restrooms, elevators, stairs and similar support facilities.
- G. The SUBLESSEE is granted nonexclusive use of the Apron Area at the aircraft parking positions designated for Air Carriers. The SUBLESSEE may use the parking positions to stage a reasonable amount of service equipment required for its operations, subject to the State Airport Manager's prior approval; provided, however, that the Airport Manager hereby approves the parking positions for "turn-

key” maintenance and the stocking and equipping of airplanes for commercial use.

- H. CBS grants the right of adequate ingress to and egress from the Airport and the Leased Premises to the SUBLESSEE and its officers, employees, agents, passengers, contractors, invitees, suppliers, customers and furnishers of services, subject to the terms hereof.
- I. CBS in its sole discretion shall have the right to close, relocate, reconstruct, or modify any access to space provided for the SUBLESSEE’s use after reasonable notice, so long as adequate substitute access is simultaneously provided. CBS shall give its best efforts to coordinate with the SUBLESSEE regarding the operational impact of any such modifications. The SUBLESSEE’s obligation to perform under this Sublease shall not be altered or affected by any such change in access described in this section so long as adequate substitute access is simultaneously provided.
- J. CBS shall not be responsible for damage to or theft of any vehicles or their contents belonging to SUBLESSEE, or for any claims by SUBLESSEE for any such damage or loss incurred by SUBLESSEE’s clients, customers, employees, invitees, agents, contractors, or representatives unless such damage or theft is caused by its negligence or willful misconduct.

Section 5: Services Commitment.

SUBLESSEE acknowledges that, in executing this Sublease, the SUBLESSEE agrees to provide and shall provide regular, scheduled commercial passenger air transport service at the Airport. Subject to applicable notice and cure, failure of the SUBLESSEE to provide such regular commercial passenger air transport service will be considered a material breach of and default under this Sublease, unless caused by labor strike, calamity, force majeure or other event beyond SUBLESSEE’S reasonable control. Notwithstanding the foregoing, CBS hereby acknowledges and agrees that SUBLESSEE may elect, in its sole and absolute discretion, not to operate from the Leased Premises during the period from September 8th to May 14th of each calendar year, or such other period as SUBLESSEE determines in its reasonable discretion.

Section 6: Lease Term.

The term of this Sublease shall be the period commencing April 1, 2015, and expiring at midnight on March 31, 2020, (unless sooner terminated as provided herein) and shall hereinafter be referred to as the Lease Term.

Section 7: Rent and Fees.

For use of the Leased Premises and privileges granted by this Sublease, the SUBLESSEE shall pay CBS, as minimum monthly rent, in advance, the rent as computed, determined, and calculated in Exhibit "B," "Rent and Fee Schedule," attached hereto and which shall be due on the fifth (5th) day of each month for the immediately preceding month.

Section 8: Rent and Fee Adjustments.

The Lease Rate shall be adjusted on June 30 of each year, beginning June 30, 2016. The adjustment shall be based upon the change in the previous December's Consumer Price Index (CPI) Urban Wage Earners and Clerical Workers, Anchorage.

Section 9: Passenger Facility Charges.

CBS reserves the right to impose, use and collect Passenger Facility Charges, "PFCs", subject to the terms and conditions of 14 CFR 158 - "Passenger Facility Charges" as it may be amended or replaced from time to time. SUBLESSEE acknowledges that its PFC collections: (i) are held in trust for the benefit of Airport; and (ii) are to be remitted to CBS in a timely manner.

Section 10: Rent and Fee Payment.

Rent and fees shall be paid by the SUBLESSEE to CBS in legal tender of the United States, by check, bank draft, ACH, wire or like instrument payable to the order of the City and Borough of CBS. Any amounts under this Sublease, which are not paid within ten (10) business days after the due date, shall accrue interest at the lesser of four percent (4%) and the maximum rate allowed by law.

Section 11: Lease Security

- A. The SUBLESSEE shall, upon the execution of this Sublease, furnish a corporate surety bond issued by a corporate surety authorized to conduct business in the State of Alaska an amount equal to the combined fees and rentals anticipated to be paid by the SUBLESSEE in a three-month period, to ensure the faithful performance by the

SUBLESSEE of all the terms, covenants, and conditions of this Sublease, including, but not limited to, the payment of all rent and fees and the described use of the Leased Premises. CBS shall be the named beneficiary under the bond, and the form and terms of the bond and surety shall be subject to the reasonable approval of CBS. The SUBLESSEE shall keep such bond in full force and effect at all times during the term of this Sublease and shall provide CBS with information requested by CBS relating to the status or coverage thereunder. The SUBLESSEE may deposit cash with CBS in said amount in lieu of a bond as fee security. No interest shall accrue or be paid by CBS on such cash deposit provided that such deposit shall be held in an FDIC-insured account.

- B. In the event CBS shall, during the term hereof, for whatsoever commercially reasonable reason deem it advisable that another surety or sureties be substituted in lieu of the original surety or sureties, the SUBLESSEE, whenever so required by CBS, shall furnish a new bond with such surety or sureties as approved by CBS in lieu of the bond originally furnished. Any and all such bonds must contain a provision or endorsement requiring that the surety, before canceling the bond for any reason whatsoever, give to CBS, at the Office of the Director of Public Works, not less than thirty (30) days advance written notice thereof. The amount of the bond shall, upon demand of CBS, be replenished in the event any portion is applied or withdrawn by CBS to satisfy the obligations of the SUBLESSEE provided for herein.
- C. The surety bond or cash deposit required under Section 11.A. above may be waived in writing and at the sole discretion of CBS if the SUBLESSEE has previously demonstrated faithful performance of this Sublease or another permit with CBS for a period of not less than eighteen (18) consecutive calendar months while providing regularly scheduled airline passenger service to and from the Airport during that same time.
- D. If, after a waiver of the surety bond under Section 11.C. above has been granted in writing by CBS, the SUBLESSEE commits an event of default, beyond any applicable notice and cure period or material breach of this Sublease that is not cured, fails to provide information required by this Sublease beyond any notice and cure period, or fails to pay rents, fees, or charges beyond any notice and cure period, CBS may impose or reimpose the surety bond requirements of Section 11.A., above. In such event, the SUBLESSEE shall, within forty-five (45) days after receipt of such written notice, provide CBS with the required surety bond or cash deposit.

- E. Subject to any applicable notice and cure period and the terms hereof, the failure of the SUBLESSEE to furnish to CBS, to maintain at all times, or to adjust the amount of the surety bond or cash deposit as required herein shall constitute a material breach of and default under this Sublease.

Section 12: Subject to Master Lease.

The SUBLESSEE acknowledges that CBS operates the Airport under a prime lease with the State of Alaska Department of Transportation and Public Facilities ADA-50103. The SUBLESSEE acknowledges that this Sublease is subject to the terms, conditions, provision and covenants of that lease and agrees to abide by its terms, conditions and provisions, as well as those set forth herein.

Section 13: Records and Reporting by SUBLESSEE.

- A. The SUBLESSEE shall provide CBS, within thirty (30) days after the end of each month during which SUBLESSEE is operating commercial flights from the Airport and on forms supplied by CBS, the following information concerning the SUBLESSEE's operations at the Airport:
 - 1. Total number of aircraft landings by the SUBLESSEE at the Airport;
 - 2. Certificated maximum gross take-off weight of each of the SUBLESSEE's aircraft operated at the Airport;
 - 3. Total number of enplaned and deplaned passengers of the SUBLESSEE at the Airport; and
 - 4. Other statistical information that may be required by CBS to compute the fees resulting from the SUBLESSEE's operation at the Airport.
- B. Subject to the terms hereof and any applicable notice and cure periods, failure by the SUBLESSEE to provide such information in a complete and timely manner will constitute a material breach of and default under this Sublease.

Section 14: Improvements.

- A. Before beginning construction of any improvement or alteration to the Leased Premises, the SUBLESSEE shall first submit to the Director of Public Works for his/her review and preliminary approval, drawings and other available information of sufficient detail and scope to allow

for a realistic assessment of the impact to the Airport resulting from such proposed construction.

- B. Contingent upon the submittal to the Director of Public Works of written proof of approval from all appropriate governmental agencies, CBS will perform a final review and will approve or disapprove the proposed construction in writing within fifteen (15) working days after receipt of such submittals and any additional information that may be requested by CBS. CBS may require alterations to the proposed construction if it deems the project will have a substantial negative impact on the operation of the terminal building or its facilities.
- C. Construction by the SUBLESSEE or its contractors must be performed in a safe, neat manner and meet the following criteria:
 - 1. It must not unreasonably interfere with the activities of other tenants;
 - 2. It must be compatible with the architecture of the Terminal Building as determined by the Director of Public Works and/or his/her designee;
 - 3. It must be performed at no cost to CBS unless otherwise mutually agreed in writing by the parties; and
 - 4. It must comply with all applicable federal, state and local building codes and requirements.
- D. Within thirty (30) days after completion of the construction of any alteration or improvement, the SUBLESSEE shall deliver to CBS three (3) sets of as-built drawings showing the location and dimensions of the alteration or improvement, including any structural, mechanical, and electrical systems.

Section 15: Ownership of Improvements.

- A. Improvements, structures, or alterations done by the SUBLESSEE shall at once become part of the realty, building or land upon or within which they are constructed and shall become the property of CBS. They shall be surrendered with the Leased Premises at expiration of the Lease Term or termination of this Sublease, whichever first occurs.
 - 1. Improvements, structures or alterations shall include, but not be limited to, interior walls, ceilings, carpeting, finished flooring,

electrical wiring, air conditioning ducts and equipment, interior decoration or finishing.

2. Upon expiration or termination of this Sublease, CBS may require the SUBLESSEE to remove, at the SUBLESSEE's sole cost and expense, such improvements, structures, or alterations that have been constructed on the Leased Premises. Any damages caused by such removal shall be immediately repaired by the SUBLESSEE at its sole cost and to the reasonable satisfaction of the Director of Public Works.
- B. All removable furniture, furnishings, fixtures, or equipment remains vested with the SUBLESSEE at all times during the Lease Term. If not removed within thirty (30) days after the expiration or termination of this Sublease, all such items shall, at the option of CBS and at the sole cost of the SUBLESSEE, be removed and placed in storage. CBS shall not be held liable for damage to SUBLESSEE's personal property, fixtures, or any other improvements so removed and stored by CBS or its contractor. If such personal property, fixtures, or other improvements are not claimed by the SUBLESSEE within sixty (60) days of such removal by CBS or its contractor, they shall be deemed abandoned to the sole and exclusive ownership of CBS. The SUBLESSEE hereby waives any right or claim to any such deemed abandoned property.

Section 16: Signs and Advertisements.

- A. CBS shall install all signs reasonably necessary or required for the direction of pedestrian and vehicular traffic and all directional signs in the public areas of the passenger terminal. The SUBLESSEE shall not place or permit to be placed any sign, light, notice, or other display on, within or adjacent to the Leased Premises or elsewhere at the Airport without the prior written consent of the Director of Public Works, which consent shall not be unreasonably withheld, conditioned or delayed. The SUBLESSEE shall not make any change after such consent without further approval of the Director of Public Works. The SUBLESSEE shall maintain all approved signs or other items as referenced above in a neat and attractive condition and appearance.
- B. CBS may require, as a condition of approval, that the SUBLESSEE submit to the Director of Public Works for his approval in writing, drawings, sketches, design dimensions and character of such signs or other items referred to in this section.

Section 17: Radio Transmission.

The SUBLESSEE shall not install or use any radio transmitting equipment or other device that may cause interference with the radio communication system or other radio equipment at the Airport without the prior written approval of the State Airport Manager. The SUBLESSEE, at CBS's request, agrees to stop using any machine or device that interferes with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

Section 18: Insurance.

A. CBS's Insurance.

CBS will maintain comprehensive general liability and property insurance for the Airport Terminal Building, and other facilities at the Airport during the Lease Term. The insurance policy shall provide that any proceeds shall be made payable to or for the benefit of CBS. CBS shall pay the premiums for such insurance; however, the SUBLESSEE shall pay any increase in the cost of CBS's insurance in accordance with Section 19 herein.

B. SUBLESSEE's Insurance.

The SUBLESSEE shall carry and maintain, during the entire Lease Term, at the SUBLESSEE's sole cost and expense, the following types of insurance in the amounts specified below:

1. Liability Insurance.

Commercial General Liability insurance with limits of less than One Hundred Million Dollars (\$100,000,000) per occurrence, combined single limit insuring against any and all liability of the SUBLESSEE with respect to the Premises or arising out of the maintenance, use or occupancy thereof. The policies shall contain a Cross-Liability endorsement, or coverage. Coverage can be written on an aviation form if such coverage is substantially similar to the standard Commercial General Liability form.

2. Property Insurance.

The SUBLESSEE, at its cost, shall maintain on all of its personal property, fixtures, improvements, and alterations, in, on, or about the Premises, a policy of Property Insurance with

coverage written under the Special Causes of Loss form, including Theft (also known as "All Risk" Property Insurance). The proceeds of any such policy shall be used by the SUBLESSEE for the replacement of personal property or the restoration of SUBLESSEE's improvements or alterations.

3. Automobile Liability.

The SUBLESSEE, at its cost, shall maintain Business Auto Liability Insurance covering all of the SUBLESSEE's owned, non-owned, and hired vehicles used in connection with the Premises. The coverage limit under this policy shall be no less than One Million Dollars (\$1,000,000) per claim.

4. Worker's Compensation.

The SUBLESSEE shall maintain Worker's Compensation insurance in accordance with all applicable laws.

C. The SUBLESSEE's obligation to insure under this section may be satisfied by appropriate amendment, rider, or endorsement on any blanket policy or policies carried by the SUBLESSEE.

D. The SUBLESSEE shall provide CBS with proof of insurance coverage in the form of a valid insurance policy or a certificate of insurance coverage and any endorsements or changes referenced on the policy or certificate. All insurance required by this section must comply with all of the following:

1. Name CBS as an additional insured on all policies required under B.1. and B.3. of this section;
2. Include a waiver of subrogation against CBS in the policies required under B.4. of this section; and
3. Provide that the SUBLESSEE and CBS be notified at least thirty (30) days prior to any termination, cancellation, or material changes in the insurance coverage.

E. The procuring of the policy or policies of insurance required by this Sublease will not limit the SUBLESSEE's liability hereunder or fulfill the indemnification provision and requirements and other obligations of this Sublease. Notwithstanding said policy or policies of insurance, the SUBLESSEE shall be obligated for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Sublease or with the use or occupancy of the Premises.

- F. Each policy or certificate of insurance shall be deposited with CBS in a timely fashion without any lapse in coverage. CBS shall have the right to inspect SUBLESSEE's records at reasonable times to confirm that the required insurance coverage remains in force.
- G. Waiver of Subrogation.

The SUBLESSEE and CBS agree to waive their respective rights of recovery or claim against the other for any loss or damage to the Premises, the Terminal Building, or their contents, (excluding aircraft) resulting from fire or other insurable property hazards caused by the other. Notwithstanding Section 39, any fire or property insurance policies carried by either party will include a waiver of subrogation clause waiving any rights of subrogation clause against the other party to this agreement.

Section 19: SUBLESSEE's Use – Insurance Increase.

The SUBLESSEE may not use, nor authorize any of its employees, agents, contractors, representatives or other person who is subject to their direction or control, to use the Airport in any manner that will increase CBS's insurance rates or cause cancellation of any of the CBS's insurance policies. If the rate of any insurance carried by CBS is increased solely as a result of use or actions of the SUBLESSEE or its agents, the SUBLESSEE shall pay to CBS within thirty (30) days before the date CBS is obligated to pay an increased premium on the insurance, or within sixty (60) days after CBS delivers to the SUBLESSEE a certified statement from the CBS's insurance carrier stating that the rate increase was caused solely by the occupancy or activity of the SUBLESSEE or its agents on or near the Leased Premises or on the Airport, whichever is earlier. The payment shall equal the difference between the original premium and the increased premium.

Section 20: Taxes.

The SUBLESSEE shall timely pay all taxes, assessments, license fees and other charges that are imposed, levied, or assessed by the United States, the State of Alaska, CBS, city or other governmental body or agency in connection with this Sublease. This is subject, however, to the right of the SUBLESSEE to protest the same in the manner provided by law.

Section 21: Accommodation of Other Airlines.

- A. If an airline initiates or expands regularly scheduled air transportation service at the Airport and needs terminal space and facilities, CBS will require the airline to use its best efforts to make suitable arrangements for the airline's operations at the Airport by:
 - 1. Attempting to secure existing available space or facilities from CBS, or
 - 2. Attempting to obtain the use of facilities from other air carriers using the terminal.
- B. CBS will use its best efforts to accommodate the airline by:
 - 1. Attempting to accommodate the airline in existing available space or facilities for direct lease or use; or, if none is available, by
 - 2. Reviewing the feasibility of immediate construction of new space or facilities for the airline's lease or use.
- C. Upon written request from CBS, SUBLESSEE will use its best efforts to make suitable arrangements either to handle the operations of or to share its lease area with the new airline.
- D. If the efforts of the SUBLESSEE, CBS, and other air carriers do not satisfy the new airline's reasonable space requirements, CBS will, in writing, notify all of the air carriers at the Airport that all the requirements of Section 21.A, 21.B. and 21.C. have been undertaken and have failed to satisfy the requesting airline's reasonable space requirements.

Section 22: CBS's Right to Require Accommodation.

- A. If the events specified in Section 21 have occurred and sixty (60) days have elapsed since CBS has given notice and if the new airline is still unable to meet its reasonable requirements for space and facilities, CBS may require that the SUBLESSEE provide space or facilities to the airline pursuant to a sublease, assignment, use agreement, ground handling agreement, or any combination of such. The type of agreement will be discretionary with the SUBLESSEE.
- B. If the air carrier can show evidence to the satisfaction of the Director of Public Works that the proposed accommodation unreasonably interferes or is incompatible with the SUBLESSEE's use of its space and facilities for handling its own scheduled passenger and cargo operations (including the passenger flight activities of any operation

for which the SUBLESSEE is providing contract services pursuant to a written agreement), then the SUBLESSEE is under no obligation to provide accommodation.

- C. If in the determination of the Director of Public Works, the proposed accommodation does not unreasonably interfere or is not otherwise incompatible with the SUBLESSEE's use of the space and facilities for handling its scheduled passenger and cargo operations, the SUBLESSEE shall accommodate the new airline. The SUBLESSEE may charge the new airline for the SUBLESSEE's operating and capital costs related to the space and facilities and an administrative fee that does not exceed 15 percent of the SUBLESSEE's operating costs for the accommodation space. The SUBLESSEE may appeal the Director of Public Works' decision by presenting evidence to the CBS Municipal Administrator. The CBS Municipal Administrator shall review such evidence and determine whether accommodation must be made by the SUBLESSEE.
- D. If an airline requests or requires accommodation which necessitates relocation of any of the SUBLESSEE's lease area, CBS will require the new airline to pay the costs of relocation and reconstruction of the SUBLESSEE's improvements, including costs of SUBLESSEE's move and of furnishing substantially similar facilities.

Section 23: Airport Changes and Improvements.

- A. CBS hereby reserves the right and option to rebuild, remodel or otherwise effect changes in the Leased Premises and other portions of the Terminal Building and Airport as may, in CBS's sole but reasonable discretion, be necessary or advisable. CBS may, upon thirty (30) days advance written notice to the SUBLESSEE, relocate or modify all or portions of the Leased Premises (including joint use and/or SUBLESSEE use areas). CBS will provide opportunity for SUBLESSEE's comment in advance of any proposed changes to the Leased Premises.
- B. If the SUBLESSEE's Leased Premises are modified or relocated by CBS, CBS will:
 - 1. Adjust the rent or other charges allocable to that area equitably during any period that the SUBLESSEE will not have full use and benefit of the old or new areas as a direct result of the move;

2. Reimburse the SUBLESSEE for its actual verified out-of-pocket expenses at the Airport as a direct result of relocating the SUBLESSEE;
 3. Reimburse the SUBLESSEE for the unamortized portion of any properly installed tenant improvements that cannot be used at the new location, subject to the SUBLESSEE providing evidence as to the original investment and amortizations of such improvements;
 4. Provide the SUBLESSEE with substantially similar space so that the SUBLESSEE's operations are not unreasonably disrupted;
 5. Construct the demising walls and interior improvements to the SUBLESSEE's new area, including wall coverings, floors, ceilings, lighting, plumbing, electrical, heating units, air ventilation, and fixtures of similar type and quality to those on the Leased Premises being relocated; and
 6. Refinish the remainder of the Leased Premises, if any, for the functions authorized by this Sublease.
- C. In the event of relocation, this Sublease will be modified to include the SUBLESSEE's new assigned space.
- D. In the event the SUBLESSEE reasonably believes that the move will have a substantially adverse effect on its activities or business conducted in the area involved, the SUBLESSEE may terminate this Sublease as it applies to said area by giving written notice to CBS not later than twenty (20) days after CBS has notified SUBLESSEE with notice of the move or relocation. In the event of such termination, CBS shall incur no liability of any nature to the SUBLESSEE.
- E. It is further agreed that CBS, in its sole but reasonable discretion may abandon properties, facilities or services which are no longer reasonably justified or required for proper and adequate operation of the Airport.
- F. In the event that the actions taken by CBS are a result of events, damage or destruction within the provisions of Section 28 herein, the provisions of that section shall control.

Section 24: Utilities and Services.

- A. The parties agree that each shall, during the term of this Sublease, furnish, maintain, and timely pay, the utilities and other services indicated and specified as the obligation of each party listed on Exhibit "C", "Utilities and Services."
- B. CBS shall provide all utilities and janitorial services to the joint use and common use areas.
- C. If the SUBLESSEE's utility or service requirements increase during the Lease Term, the SUBLESSEE shall pay the increased cost of such utilities or services. If CBS is required to construct any new or additional utility installations, including without limitation, wiring, plumbing, conduits, and mains, resulting from the SUBLESSEE's changed or increased utility or service requirements, the SUBLESSEE shall pay to CBS the total cost of these items.
- D. CBS will not be held liable for any loss or damages sustained by the SUBLESSEE for any failure, defect, deficiency or impairment of any water supply, drainage, sewer, electrical supply, or other utility system serving the Leased Premises or the Airport unless caused by CBS's gross negligence or willful misconduct.

Section 25: Repairs and Maintenance.

- A. CBS shall assume the responsibility, cost, and expense for all repair and maintenance whatsoever of the public areas of the Terminal Building that are not otherwise identified as Joint Use Areas or SUBLESSEE use areas. Additionally, CBS shall repair and maintain all general building systems associated with the Airport Terminal Building including electrical systems, mechanical systems, structural systems, and roof systems, unless such repairs and maintenance are caused solely by the negligence or willful misconduct of SUBLESSEE, its employees and agents or as a result of any alteration or improvement made by SUBLESSEE or by others for the benefit of the SUBLESSEE. SUBLESSEE shall promptly reimburse CBS for the cost of such repair and maintenance services.
- B. SUBLESSEE acknowledges that it accepts the SUBLESSEE Use Areas and Joint Use Areas for its use in conjunction with its provision of air carrier service. Subject to Sections 24 and 25.A., SUBLESSEE shall repair and maintain its areas of use at its sole expense. Subject to Sections 24 and 25.A. CBS shall not have any obligation to repair, maintain, or restore, during the term of this Sublease, any Improvements of the Sublessee, its successors and assigns. Sublessee shall maintain any Improvements in a good workmanlike manner, whether such repair or maintenance thereof be

ordinary or extraordinary, or otherwise. For the purposes of this Sublease, Improvements shall be defined to mean all major repairs, construction, alterations, modifications, additions or replacements by Lessee, except as provided in item 1 above. SUBLESSEE shall be responsible for all repairs and maintenance responsibilities associated with jet ways and baggage conveyors, except those baggage conveyors that are owned, operated and maintained by TSA. SUBLESSEE, without limiting the generality hereof, shall: (i) keep at all times, in a clean and orderly condition and appearance, its exclusive use area in the terminal and all of the SUBLESSEE's fixtures, equipment and personal property which are located on any part of the Terminal Building, and (ii) repair any damage to paving or other surface of the aircraft parking apron caused by SUBLESSEE's operations.

Section 26: Right of CBS to Enter, Inspect and Make Repairs.

- A. CBS, or its authorized representatives, shall have the right of ingress to and egress from the Leased Premises and the right to enter any part of the Leased Premises at such times as may be reasonable, and with as little interruption to the SUBLESSEE's operations as is practical, for the following purposes:
1. To perform inspections to verify that the SUBLESSEE has complied with and is complying with the terms and conditions of this Sublease;
 2. To perform maintenance, make repairs, structural additions and/or alterations that CBS has the right or obligation to do hereunder.
- B. Except in the case of an emergency, reasonable notice will be given and CBS will coordinate with the SUBLESSEE in order to minimize interference with the SUBLESSEE's activities.

Section 27: Liens.

The SUBLESSEE shall keep the Leased Premises free of all liens, pay all costs for labor and materials arising out of any construction or improvements by the SUBLESSEE on the Premises, and hold CBS harmless from liability for any liens, including costs and attorney fees; however, CBS shall give the SUBLESSEE a reasonable opportunity to cure or bond a lien when it is contested in good faith.

Section 28: Damage or Destruction.

- A. In the event the Leased Premises, Terminal Building, structures, or the Airport, or any portion of them are damaged by fires, flood or other casualty, causing the Leased Premises to be unusable or inaccessible, CBS shall notify the SUBLESSEE within ninety (90) days of the date that the damage occurred and whether the damaged space is to be repaired. If, in CBS's determination, the damaged space is to be repaired, CBS shall repair the damage with due diligence and shall abate the rent in proportion to the amount of the Leased Premises that is damaged or unusable. CBS will do its best to provide the SUBLESSEE with any available temporary space at a rent deemed reasonable by CBS until the repairs are completed.
- B. If the cost of the restoration exceeds the amount of the proceeds received by CBS from the insurance required under Section 18, CBS may elect to terminate this Sublease, as to the space damaged or destroyed, by giving notice to SUBLESSEE within thirty (30) days after determining that the restoration costs will exceed the insurance proceeds. The SUBLESSEE may elect to pay CBS the difference between the amount of the insurance proceeds and the cost of restoration, in which event CBS shall restore the Leased Premises. Written notice must be received by CBS within thirty (30) days if SUBLESSEE elects to pay the difference.
- C. If the Leased Premises or the building and other improvements in which the Leased Premises are located are totally or partially destroyed from a risk not covered by the insurance described by Section 18, rendering the Leased Premises or the building and other improvements in which the Leased Premises are located totally or partially unusable, CBS shall have the right to terminate this Sublease by the giving of thirty (30) days prior written notice.
- D. If CBS elects to restore the Leased Premises as provided in Paragraph 28A above, CBS shall not be required to restore any of the SUBLESSEE's trade fixtures, improvements and/or personal property. Such excluded items are the sole responsibility of the SUBLESSEE to restore.

Section 29: Condemnation.

A. Entire Taking.

In the event that the entire Leased Premises are condemned by any proper authority, including a taking by inverse condemnation, this Sublease shall terminate as of the date of such taking and the entire award shall be paid to CBS. The SUBLESSEE shall be paid an amount equal to that part, if any, of the award which has been

expressly computed and made for tenant improvements and fixtures installed on the Leased Premises which the SUBLESSEE is expressly entitled to remove upon the termination of this Sublease. The SUBLESSEE shall not be compensated for consequential or severance damages including business damage, claims for lost profits, or leasehold advantage.

B. Partial Taking.

In the event that only a part of the Leased Premises are condemned by any proper authority, including a taking by inverse condemnation, this Sublease shall automatically terminate as the part taken. The rent provided herein shall be adjusted for the remainder of the Leased Premises. The rent shall be apportioned by negotiation. Further, the SUBLESSEE shall be paid an amount equal to that part, if any, of the award which has been expressly computed and made for tenant improvements and fixtures installed on the Leased Premises which the SUBLESSEE is expressly entitled to remove upon the termination of this Sublease. Notwithstanding the foregoing, if SUBLESSEE reasonably determines that the portion of the Leased Premises taken renders the remaining Leased Premises unusable for its intended purpose, then SUBLESSEE may terminate this Sublease upon thirty (30) days' prior written notice to CBS.

Section 30: Default and Termination.

A. Default.

Should default be made by the SUBLESSEE, and continue for thirty (30) days after written notice from CBS of the following (or such longer period as may be reasonably necessary to effect a cure provided that SUBLESSEE commences a cure during the thirty (30) day period and diligently pursues the same):

1. Failure to pay any rent or fee, including interest and/or assessed late penalty fees; or
2. Failure to immediately cure a default in performance of any obligation under this Sublease within thirty (30) days after written notice from CBS specifying and identifying such default in the performance of any of the other terms, covenants, conditions or provisions on the part of the SUBLESSEE to be kept or performed; then

CBS, at its own option, may terminate this Sublease forthwith by written notice to the SUBLESSEE and take such action or pursue such remedy as may be permitted by law.

B. Termination by SUBLESSEE.

The SUBLESSEE may terminate this Sublease if:

1. The SUBLESSEE is prohibited by lawful authority from using the Airport because of any deficiency or unsafe operating condition at the Airport for a period exceeding sixty (60) days. The SUBLESSEE may terminate this Sublease after the sixty (60) days by giving CBS thirty (30) days advance written notice.
2. CBS does not perform any material covenant in this Sublease for a period of sixty (60) days after written notice of default to CBS by the SUBLESSEE. CBS will be deemed to have cured the default if CBS commences to cure the default within the sixty (60) day period and diligently continues the cure to completion.

C. Termination by CBS.

Time being of the essence, CBS may terminate this Sublease immediately and exercise all rights of entry and reentry upon the Leased Premises upon the occurrence of any of the following:

1. The SUBLESSEE fails to provide regular scheduled passenger air transportation to and from the Airport as described in Section 5 of this Sublease within fifteen (15) days after SUBLESSEE'S receipt of written notice of default from CBS.
2. The SUBLESSEE or its creditors file a request for the SUBLESSEE'S relief under any state or federal insolvency, bankruptcy, reorganization, relief of debtors, or receivership statute.
3. The material restriction of CBS'S operation of the Airport Terminal Building by action of the Federal Government, or any department or agency thereof, or by the State of Delta or any agency thereof, for a period of not less than sixty (60) days.
4. A custodian, trustee, receiver, or agent, or any similar person is appointed or authorized to take charge of substantial part of the SUBLESSEE'S operations at the Airport.

- D. Termination by SUBLESSEE. On March 31 of each calendar year during the Lease Term, SUBLESSEE shall have the right to terminate this Sublease by providing written notice to CBS at least sixty (60) days prior to such termination.

Section 31: Handling and Storage of Hazardous Material.

- A. If the SUBLESSEE's employees or contractors handle fuel or any other hazardous materials on the Airport, the SUBLESSEE agrees to have properly trained personnel and adequate procedures for safely storing, dispensing, and otherwise handling fuel or hazardous materials in accordance with the Uniform Fire Code and all applicable federal, state, and local laws.
- B. If the SUBLESSEE'S employees or contractors handle fuel or any other hazardous material on the Airport, the SUBLESSEE shall develop, maintain and provide copies to the State Airport Manager and the Director of Public Works of a hazardous materials spill response plan describing the procedures and training for the SUBLESSEE's employees, agents and contractors who handle hazardous materials at the Airport. The plan must include procedures that the SUBLESSEE's employees, agents and contractors will use in the event of an accidental release of hazardous materials at the Airport. At a minimum, the plan should include a contact list of phone numbers for SUBLESSEE's key company personnel and agency personnel, an inventory list of available response equipment and supplies on hand to be used to control and clean up an accidental release, an inventory of protective clothing and devices for the safety personnel responding to a hazardous material release, the training each employee, agent and/or contractor has received before being allowed to handle hazardous materials at the Airport and how the contaminated cleanup materials are to be disposed of after a release response by the SUBLESSEE.
- C. If the SUBLESSEE'S employees or contractors handle fuel or any other hazardous material at the Airport, the SUBLESSEE shall ensure that its fueling personnel or agents have sufficient hazardous material release control and cleanup supplies, and training to control and clean up accidental releases that occur as a result of SUBLESSEE's tenancy and operations at the Airport.
- D. In the event of a release to the environment of fuel or other hazardous materials at the Airport resulting from the SUBLESSEE's activities related to the Leased Premises, the SUBLESSEE shall immediately notify the State Airport Manager, CBS, the State Department of

Environmental Conservation, U.S. Coast Guard, if required, and any other agency requiring notification. In the event of a release to the environment of hazardous materials resulting from the SUBLESSEE's activities at the Airport, the SUBLESSEE or its agent or contractor shall act promptly to contain the release, absorb spilled hazardous material, clean up the affected area, repair any damages and restore the affected area to a condition satisfactory to the State Airport Manager and otherwise comply with applicable federal, state, and local laws. The SUBLESSEE shall dispose of all contaminated control and cleanup materials in accordance with all applicable rules and regulations.

- E. The SUBLESSEE agrees to hold CBS harmless for any damage resulting from pollutants released to the environment resulting from the handling of hazardous materials at the Airport by the SUBLESSEE's employees, agents, and/or contractors. The SUBLESSEE further agrees that it is responsible for all costs for control and cleanup of any release to the environment of any hazardous materials on or near the Airport resulting from the SUBLESSEE's occupancy and activities.
- F. Unless specifically authorized by separate agreement, this Sublease or amendment hereto, the sale of aviation fuel or lubricating oil at the Airport by the SUBLESSEE is prohibited.

Section 32: Surrender of the Premises.

- A. Upon expiration or termination of this Sublease, the SUBLESSEE agrees to peaceably surrender the Leased Premises and return possession to CBS. The Leased Premises must be left in a clean, neat and presentable condition and in good repair satisfactory to CBS.
- B. Upon expiration or termination of this Sublease, and in any event not later than thirty (30) days after relinquishment of possession, or demand for removal by CBS, the SUBLESSEE shall promptly remove all of the SUBLESSEE's personal property from the Leased Premises and any fixtures or other improvements or alterations placed in or on the Leased Premises by the SUBLESSEE for which the SUBLESSEE is entitled or required to remove. The SUBLESSEE shall repair any damage caused by such removal at its sole expense and to the satisfaction of CBS.

Section 33: Insolvency and Bankruptcy.

In the event the SUBLESSEE files a voluntary petition in bankruptcy or institutes any proceedings of any kind or character under any bankruptcy or insolvency law CBS may, at its option, without notice or demand upon the SUBLESSEE, immediately cancel and terminate this Sublease. In the event of termination, CBS shall have the right to repossess the Leased Premises as well as the right to sue for and recover all rents and other sums accrued up to the time of such termination, including damages arising out of any breach on the part of the SUBLESSEE. CBS shall also have the right, without resuming possession of the Leased Premises or terminating this Sublease, to sue for and recover all rents and other sums, including damages, at any time and from time to time accruing hereunder and to exercise such other rights as may be provided by law.

Section 34: Discrimination.

The SUBLESSEE covenants and agrees that discrimination on the grounds of race, color, religion, national origin, ancestry, age, sex, or disability will not be permitted against any patron, employee, applicant for employment, or other person or group of persons in any manner prohibited by federal or state law. The SUBLESSEE recognizes the right of CBS to take any action necessary to enforce this provision, including actions required pursuant to any federal or state law.

Section 35: Affirmative Action.

The SUBLESSEE agrees that it will undertake any affirmative action program required by 14 CFR Part 152, Subpart E, to ensure that no person will be excluded from participation in any employment activities covered by 14 CFR Part 152, Subpart E on the grounds of race, creed, color, national origin, or sex. The SUBLESSEE agrees that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by said subpart. The SUBLESSEE further agrees that it will require that its covered sub organizations provide assurance to CBS to the same effect that this will also undertake affirmative action programs and require assurances from their sub organizations, as required by 14 CFR Part 152, Subpart E.

Section 36: CBS's Reservation of Rights.

The rights and privileges granted to the SUBLESSEE in this Sublease are the only rights and privileges herein granted to the SUBLESSEE; and the SUBLESSEE has no easements, rights or privileges,

expressed or implied, other than those specifically herein granted by CBS.

Section 37: Assignment and Subletting.

- A. The SUBLESSEE shall not assign or sublet the Leased Premises or any part thereof without the prior written consent of CBS, which shall not be unreasonably withheld, conditioned, or delayed. Any such attempted assignment or subletting without the prior written consent of CBS shall be void and of no force or effect and may, at the option of CBS, be deemed a material breach and a basis for termination of this Sublease.

- B. CBS, at its discretion, may consent to a sublease if:
 - 1. In CBS's reasonable opinion the proposed sublease or assignment is in the best interest of the Airport's operation;
 - 2. The SUBLESSEE subleases the space for an amount not exceeding the rent CBS, charges for that space plus SUBLESSEE's maintenance and operation costs, an allowance for straight-line amortization of SUBLESSEE's improvements, and a fifteen percent (15%) administrative charge;
 - 3. The term of any sublease does not extend beyond the expiration of the term of this agreement; and
 - 4. CBS has no comparable vacant space available for lease.

- C. CBS may approve an assignment of this Sublease if all of the following conditions are met:
 - 1. In CBS's reasonable opinion the proposed assignment is in the best interest of the Airport's operation;
 - 2. The SUBLESSEE assigns the sublease to an airline qualified under Federal and State regulations to execute the agreement and capable of complying with all the requirements of this Sublease; and
 - 3. The SUBLESSEE assigns this Sublease for an amount not exceeding the rent CBS charges for that space plus the cost of the SUBLESSEE's improvements and personal property transferred as part of the assignment.

- D. Consent given on one occasion shall not be construed as, or constitute a waiver of the requirement of consent as to any subsequent or further assignment or subletting. In the event of assignment or subletting, the SUBLESSEE shall remain liable and responsible for performance of all the terms, covenants, conditions and provisions provided for in the sublease, including payment of rent and other charges herein provided and the assignee shall be required to enter into an agreement to perform all of the terms and conditions of this Sublease.
- E. The SUBLESSEE shall be entitled to assign this Sublease to an organized or incorporated business entity that the SUBLESSEE owns, controls and manages not less than seventy-five percent (75%) of the voting and ownership interest. The merger of SUBLESSEE with any other entity or the transfer of any controlling ownership interest in SUBLESSEE or the assignment or transfer of a substantial portion of the assets of SUBLESSEE, whether or not located on the Leased Premises shall not constitute a sublease or assignment to which the consent requirements of this Section are applicable.

Section 38: Subordination.

This Sublease is a subordinate in all respects to all present or hereafter issued general obligation, revenue, or other bonds, securities, or encumbrances issued in regard to the Rocky Gutierrez Airport Terminal. Subject to the SUBLESSEE further agrees that this Sublease and all rights hereunder, shall be subject and subordinate to all prior exceptions, reservations, leases, licenses, easements, restrictions, and rights-of-way of record not existing in, onto, over or affecting the Leased Premises. The SUBLESSEE agrees not to violate any such exceptions, reservations, leases, licenses, easements, restrictions, or rights-of-way. This sublease is subject to all requirements and conditions of CBS's prime lease with the State of Alaska, Department of Transportation ADA-50103.

Section 39: Indemnification.

- A. CBS shall not in any way be liable for any cost, liability, damage or injury including cost of suit and expenses of legal services, claimed or recovered by any person whomsoever as a result of any operations, works, acts or omissions performed by SUBLESSEE or SUBLESSEE's agents, employees, guests or invitees.
- B. SUBLESSEE agrees to appear, defend and indemnify and save and hold harmless CBS and CBS's officers, agents and employees from any and all costs, liability, damage and expense (including costs of

suit and expenses of legal services) claimed or recovered by any person, firm or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including CBS property, directly or indirectly arising from, or resulting from, any operations, works, acts or omissions of SUBLESSEE or SUBLESSEE's agents, employees, guests, invitees or contractors. The foregoing provisions concerning indemnification shall not be construed to indemnify CBS or its officers, employees, or agents for damage arising out of or resulting from the negligence or willful misconduct of CBS or CBS's officers, employees or agents. Upon filing with CBS by anyone of a claim for damages arising out of incidents for which SUBLESSEE herein agrees to indemnify and hold CBS harmless, CBS shall notify SUBLESSEE of such claim and in the event that SUBLESSEE does not settle or compromise such claim, then SUBLESSEE shall undertake the legal defense of such claim both on behalf of SUBLESSEE and on behalf of CBS. It is specifically agreed, however, that CBS at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against CBS for any cause for which SUBLESSEE is liable hereunder shall be conclusive against SUBLESSEE as to liability and amount upon the expiration of the time for appeal of such judgment. With respect to sublease operation hereunder, Sublessee agrees to provide the State of Alaska with the same level of indemnity as if the Sublessee were a direct Lessee under the prime lease ADA 50103.

- C. SUBLESSEE shall give CBS prompt notice of any suit, claim, action, or other matter to which Paragraph A above may apply, together with a copy of any letter by an attorney on behalf of any complainant, any complaint filed in court, and any notice or complaint by any regulatory agency. SUBLESSEE shall also use counsel acceptable to CBS in carrying out its defense obligations under this paragraph, and CBS shall also have the right, at its option and cost, to participate cooperatively in the defense of and settlement negotiations regarding any such matter, without relieving SUBLESSEE of any of its obligations under this provision. These indemnity obligations are in addition to, and not limited by, SUBLESSEE's obligation to provide insurance, and shall survive the expiration or earlier termination of this Sublease.

Section 40: National Emergencies.

In case of any national emergency declared by the federal government, neither the SUBLESSEE nor CBS may be held liable for any inability to perform any part of this Sublease resulting from the national emergency.

Section 41: Natural Disasters.

In the event any cause, which is not due to the fault or negligence of either SUBLESSEE or CBS renders the Leased Premises unusable and makes the performance of this Sublease impossible, this Sublease may be terminated by either party upon written notice to the other party. Causes include, but are not restricted to, acts of God or the public enemy, acts of the United States, fires, floods, epidemics or quarantine restrictions.

Section 42: Rights of CBS to Return Airport Operation to State of Alaska.

The SUBLESSEE expressly acknowledges that it has been informed by CBS that CBS operates the Airport Terminal pursuant to a lease with the State of Alaska. The SUBLESSEE further acknowledges and agrees that CBS in its sole discretion has the right to, and may, at any time, without liability, discuss, negotiate or arrange with the State for the termination of CBS's lease with the STATE and/or for the return of all or any portion of the Airport, or the operation thereof, and/or the Leased Premises to the State of Alaska. Such actions, whether or not such affects the SUBLESSEE, or results in the termination or modification of this Sublease, shall not constitute or be deemed to be a constructive or actual eviction of the SUBLESSEE or a breach of any express or implied covenant of quiet enjoyment or other obligation owed by CBS to the SUBLESSEE. CBS shall have the right to take such termination or other action regarding the lease with the STATE without liability or damages of any form or nature to the SUBLESSEE. If the Leased Premises are returned to the STATE, the SUBLESSEE may terminate this agreement upon the giving of at least sixty (60) days prior written notice of CBS. CBS shall provide SUBLESSEE with at least sixty (60) days' prior written notice of any such action that will result in a termination of this Sublease.

Section 43: Modification.

CBS may modify this Sublease to meet the revised requirements of federal or state grants, laws, or regulations, or to conform to the requirements of any revenue or general obligation bond covenant to which CBS is a party; provided that, a modification may not act to reduce the rights or privileges granted the SUBLESSEE by this Sublease nor act to cause the SUBLESSEE financial loss. CBS will make every reasonable effort to notify SUBLESSEE prior to any such modification to the sublease.

Any modification, amendment, or change to this Sublease is not effective unless the Administrator of the City and Borough of CBS and SUBLESSEE have affixed a notarized signature to the modification, agreement or change.

Section 44: Compliance with Rules and Regulations.

- A. CBS reserves the right to adopt, amend and enforce reasonable rules and regulations governing the Leased Premises, joint use areas and the common areas and facilities used by the SUBLESSEE in connection therewith. The SUBLESSEE shall observe, obey, and abide by all such rules and regulations heretofore or hereafter adopted or amended by CBS, provided, however, that notice of such change(s) to the rules and regulations shall be presented to the SUBLESSEE not less than thirty (30) days in advance of the proposed change(s) except where those change(s) must be quickly implemented in order to address emergency or safety related problems that may occur.
- B. In addition, the SUBLESSEE shall observe, obey and comply with all applicable rules, regulations, laws, ordinances, statues, or orders of any governmental authority, Federal, State, or local, lawfully exercising authority over the Airport, or the SUBLESSEE's conduct of its air transportation or other business or activity at the Airport.
- C. CBS shall not be liable to the SUBLESSEE for a diminution or deprivation of possession, or of its rights hereunder, because of the CBS's exercise of any such right or authority as provided in this section. Nor shall SUBLESSEE be entitled to terminate the whole or any portion of the leasehold herein created, by reason of the exercise of such right or authority, unless the exercise thereof shall so interfere with SUBLESSEE's use and occupancy of the leasehold therein created as to constitute a termination in whole or in part of this Sublease by operation of law in accordance with the laws of the State of Alaska or as to unreasonably interfere with SUBLESSEE'S operations hereunder.
- D. Except as expressly set forth herein, CBS makes no specific warranties, express or implied, concerning the suitability of the Leased Premises for any use, including those uses authorized by this SUBLESSEE. The SUBLESSEE takes the Leased Premises subject to any and all of the covenants, terms, and conditions affecting CBS's title to the Leased Premises.

Section 45: Special Conditions.

- A. The SUBLESSEE agrees to assume full control and sole responsibility for its activities and personnel on the Leased Premises, in the Terminal Building and on the Airport. The SUBLESSEE further agrees to coordinate its activities on the Airport with State Airport Manager, if required hereunder, and to abide by all reasonable decisions and directions of said Manager regarding the use of the Airport by the SUBLESSEE and its personnel. This includes compliance with airport security procedures, security access requirements and other such operational procedures.
- B. The SUBLESSEE shall ensure that any of its employees, agents and/or contractors who operate ground vehicles or equipment that require State of Alaska Commercial Driver's License (CDL), have a current CDL on their person while operating such vehicles or equipment on any portion of the Airport.
- C. The SUBLESSEE agrees that the State of Alaska has the sole right to adjust Airport hours of operation. The SUBLESSEE agrees that requests from the SUBLESSEE for Airport services beyond normal Airport hours of operation will be handled on a case-by-case basis and special charges and fees may be assessed by CBS and/or State of Alaska for such additional services rendered by CBS to the SUBLESSEE's customers, employees, guests, invitees, contractors or agents. Notwithstanding the foregoing, CBS will provide Sublessee with thirty (30) days' advance notice of any changes in the Airport's hours of operation so that Sublessee has sufficient time to adjust its operations, if necessary.

Section 46: Miscellaneous.

A. Relationship of Parties.

Nothing herein shall be deemed or construed by the parties, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties. Also, it being understood and agreed that neither method of computation of rent nor any other provision contained herein, nor any acts or the parties hereto, shall be deemed to create any relationship between the parties other than the relationship of lessee and SUBLESSEE.

B. Terminology.

Whenever the singular number is used, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders.

C. Non-waiver.

The failure of CBS to insist in any one or more instances upon the strict performance by the SUBLESSEE of any provision or covenant in this Sublease may not be considered as a waiver or relinquishment for the future, but the provision or covenant will continue in full force. The waiver by CBS of any provision or covenant in this Sublease cannot be enforced or be relied upon unless the waiver is in writing authorized by and signed on behalf of CBS. No waiver of default of any part of this Sublease by either party may operate as a waiver of any subsequent default of any part of this Sublease that is to be performed by other party. Consent or notice by either party may not be construed as consent or notice in the future.

D. Law Applicable.

The laws of the State of Alaska shall govern the construction, validity, performance and enforcement of this Sublease. Any legal action involving this Sublease must be filed in court in the City of Sitka or any federal matters are to be filed in U.S. District Court in Juneau, Alaska.

E. Paragraph Headings.

The headings of the several sections and subsections contained in this Sublease are for convenience only and do not define, limit or construe the contents of such sections and subsections.

F. Successors and Assigns.

Except as otherwise provided herein, the covenants, agreements and obligations herein contained shall extend to bind and insure to the benefit not only of the parties hereto but their respective personal representatives, heirs, successors and assigns.

G. Compliance with Laws and Regulations.

The SUBLESSEE shall, at the SUBLESSEE's sole cost and expense, comply with all of the requirements of all local, State, or Federal laws, ordinances, or which may hereafter be in force, pertaining to the SUBLESSEE's use or occupancy of said Leased Premises at the Airport.

H. Notice of Claims or Damages.

SUBLESSEE shall give immediate notice to CBS, in case of fire, fuel or other hazardous material spills, or accidents in or on the Leased Premises or in or near the building of which the Leased Premises are a part, or of defects therein in any fixtures or equipment.

I. Terms Construed as Covenants and Conditions.

Every term and each provision of this Sublease performable by either party shall be construed to be both a covenant and a condition.

J. Time of the Essence.

Time is of the essence of each term, condition, covenant and provision of this Sublease.

K. Entire Agreement.

The SUBLESSEE acknowledges that it has read this entire Sublease, has fully understood the provisions thereof, was satisfied therewith, and signed the same of its own free will. The SUBLESSEE further acknowledges that any prior contracts, promises, representations, or agreements between the SUBLESSEE and CBS, relating to this Sublease of the Leased Premises, are hereby extinguished; that there are no oral or written promises, representations or agreements between the SUBLESSEE and CBS. This sublease constitutes the entire and only agreement between CBS and the SUBLESSEE relating to this Sublease of the Leased Premises.

L. Severability.

In the event any provision of this Sublease is adjudicated or held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

M. Notices.

Any notice required by this Sublease must be hand-delivered or sent by certified mail to the appropriate party at the address set forth on page one (1) of this Sublease or to any other address which the parties may subsequently designate in writing. Certified activity reports required by this Sublease may be submitted via telefax provided that the original hard copy is received in the Public Works Director's Office within three (3) days of the telefax date.

N. Remedies Cumulative.

Each of the rights and remedies of the parties hereto shall be construed as cumulative and to be in addition to any other rights or remedies that may now or hereafter be provided by law or equity.

O. Interrelations of Provisions.

The basic provisions, covenants, supplements, addenda, and drawings are essential parts of this Sublease and are intended to be cooperative, to provide for the use of the Leased Premises, and to describe the respective rights and obligations of the parties to this Sublease. In case of a discrepancy, figured dimensions govern over scaled dimensions unless obviously incorrect.

P. CBS's Right to Examine Records.

The SUBLESSEE shall allow CBS to examine all books and records of the SUBLESSEE pertaining to the business authorized in this Sublease, including federal and state income tax returns thereon at any reasonable time.

Q. Contracting on More Favorable Terms

CBS covenants and agrees that in the event it enters into any sublease, lease, contract or any other agreement with any other air carriers containing more favorable terms than this Sublease, or grants to any air carrier rights, privileges, or concessions at the Airport which are not accorded SUBLESSEE hereunder, it shall advise SUBLESSEE of such action and this Sublease shall, at SUBLESSEE'S option, be amended to incorporate such rights, terms, privileges and concessions, or any of them, as part of this Sublease.

R. Quiet Enjoyment

The SUBLESSEE is entitled to quiet enjoyment of the Leased Premises subject to the terms of this Sublease.

CITY AND BOROUGH OF CBS

By: _____
Title: _____
Date: _____

ATTEST:

By: _____
Title: _____
Date: _____

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY THAT ON THIS ____ day of _____, 2015 before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned _____ and _____ sworn, _____ personally appeared _____, to me known to be the Administrator of the City and Borough of CBS, a unified home rule municipality, the entity which executed the above and foregoing instrument; who on oath stated that they were duly authorized to execute said instrument; who acknowledged to me that they signed and sealed the same freely and voluntarily on behalf of said entity for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.

NOTARY PUBLIC FOR _____
My Commission Expires: _____

(SEAL)

SUBLESSEE

By: _____
Title: _____
Date: _____

ATTEST:

By: _____
Title: _____
Date: _____

ACKNOWLEDGEMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY THAT ON THIS ____ day of _____, 2015 before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of Delta Air Lines, Inc., a corporation formed under the law of the State of Delaware, the corporation which executed the above and foregoing instrument; who on oath stated that they were duly authorized to execute said instrument and affix the corporate seal thereto on behalf of said corporation, and that the seal affixed thereto is the corporate seal thereof, and acknowledged to me that they signed and sealed the same freely and voluntarily on behalf of said entity for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.

NOTARY PUBLIC FOR _____
My Commission Expires: _____

(SEAL)

AIRLINE OPERATING AGREEMENT

And

TERMINAL BUILDING SUBLEASE

between

State of Alaska and Delta Airlines, Inc.

APPROVAL AND CONSENT OF STATE OF ALASKA

Pursuant to Aviation Lease No. ADA-50103, the State of Alaska hereby approves of and consents to the foregoing Sublease, and the terms and conditions thereof, and further agrees that in the event the State of Alaska takes over or otherwise assumes operation of the Airport Terminal Building during the term of this Sublease, the SUBLESSEE shall be entitled to conduct the permitted use and activities pursuant and subject to all of the terms and conditions of this Sublease for the remainder of the Sublease Term, provided, however that the State of Alaska shall, in such event, be substituted in the place and stead of the CITY AND BOROUGH OF CBS, including the right to enforce all of the terms and conditions in this Sublease in the same manner, and to the same extent as could have CBS.

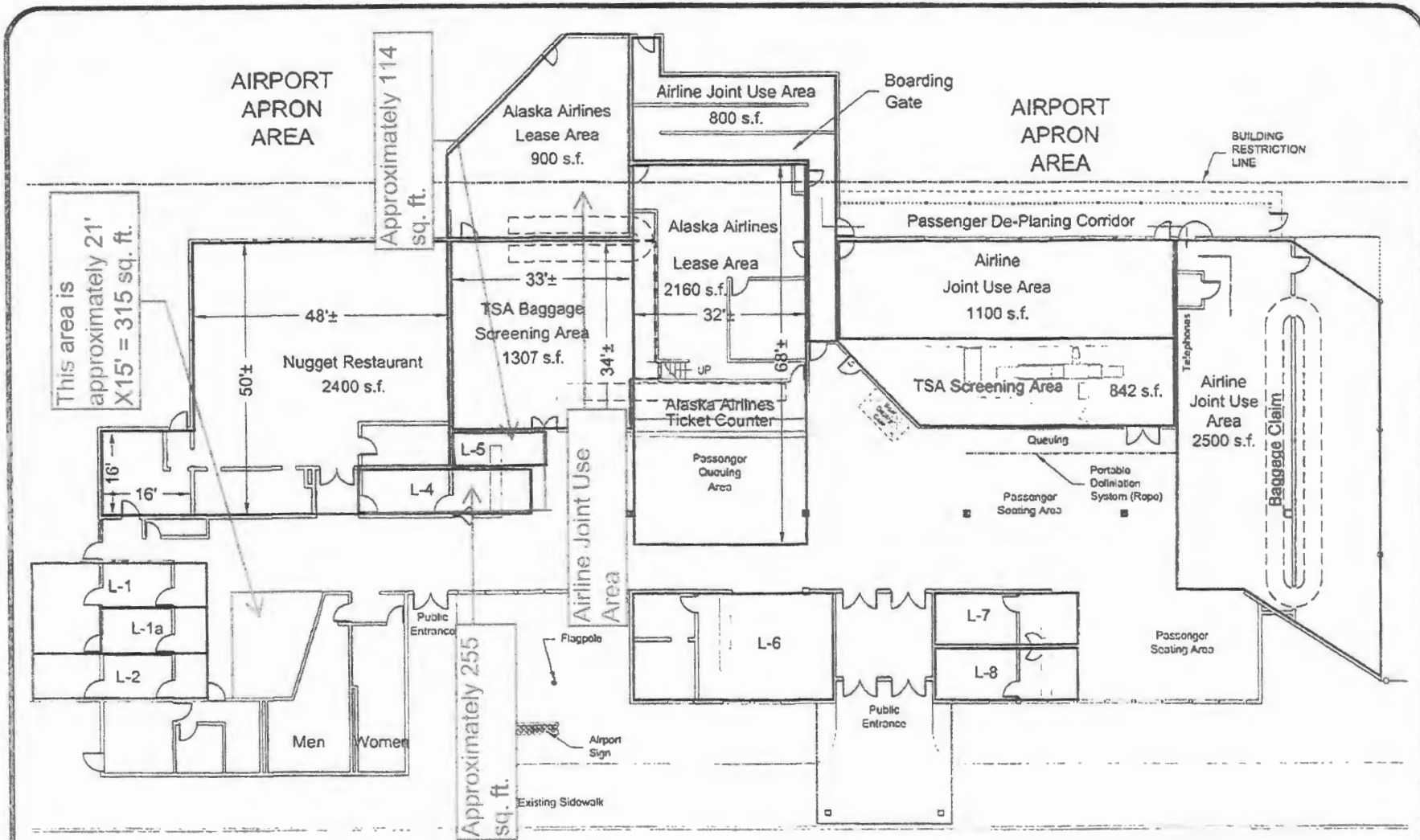
DATED this ____ day of _____, 2015.

State of Alaska
By and through the Department
of Transportation and Public
Facilities

By: _____

Name

Title



- L-1 Counter, Office & Outside Storage Space 356 s.f.
- L-1a Counter, Office & Outside Storage Space 150 s.f.
- L-2 Counter, Office & Outside Storage Space 202 s.f.

EXHIBIT A

- L-4 Counter & Office Space 255 s.f.
- L-5 Counter Space 114 s.f.
- L-6 Counter, Office & Storage Space 798 s.f.
- L-7 Counter & Office Space 243 s.f.
- L-8 Counter & Office Space 249 s.f.



City and Borough of Sitka

DEPARTMENT OF PUBLIC WORKS

100 LINCOLN STREET • SITKA, ALASKA 99835

TEL (907) 747-1804 FAX (907) 747-3158

**SITKA-R.G. AIRPORT
SUBLESSEE
USE AREAS**

DRAWN: PAR/TAD	SCALE: N.T.S.
CHECKED: RAR	DATE: 19 July 04
DRAWING NAME Leases Feb 04	
SHEET NO.	1 / 1

Exhibit B
Rent and Fee Schedule
Delta Air lines, Inc.

The following is the rent fee schedule charged the Sublessee in exchange for the privileges, facilities, and services granted in this agreement. This agreement will be adjusted annually based on the percentage difference between the "All Items figure for Anchorage, Alaska in the "Consumer Price Index for All Urban Consumers", beginning with the edition published the soonest after January 1.

	Square Feet	Lease Rate	Annual Amount	Monthly Amount
Sublessee Use Area				
Ticket Counter	369	\$33.60	12,398.40	1,033.20
Additional Office	315	\$33.60	<u>10,584.00</u>	<u>882</u>
Subtotal Sublessee Use Areas	684	\$33.60	22,982.40	1,915.20

SIT JOINT USE

	Square Feet	Annual Lease Rate	Annual Amount	20% Fixed Cost Annual	20% Fixed Cost Monthly	Cost Per Airline (2)	80% Pro-Rata Cost Annual	80% Pro-Rata Cost Monthly	Cost Per Airline based on % enplaned pax
Passenger Hold Room	1,100	\$33.60	\$36,960.00	\$7,392.00	\$616.00	\$308.00	\$29,568.00	\$2,464.00	
Boarding Gate	800	\$33.60	\$26,880.00	\$5,376.00	\$448.00	\$224.00	\$21,504.00	\$1,792.00	
Baggage Make up	900	\$33.60	\$30,240.00	\$6,048.00	\$504.00	\$252.00	\$24,192.00	\$2,016.00	
Baggage Claim Area	2,500	\$33.60	\$84,000.00	\$16,800.00	\$1,400.00	700	\$67,200.00	\$5,600.00	
Deplaning Corridor	360	\$33.60	\$12,096.00	\$2,419.20	\$201.60	\$100.80	\$9,676.80	\$806.40	
Total Airline Joint Use Areas	5,660	\$33.60	\$190,176.00	\$38,035.20	\$3,169.60	\$1,584.80	\$152,140.80	\$12,678.40	Calculated monthly

*Lease rate monthly \$2.80

20% shared equally between all air carriers		
Alaska Airlines		Delta Air lines

80% distributed between air carriers on total passenger enplanement		
*Alaska Airlines		*Delta Air lines

Joint Use Variable

1,584.80 **\$1,584.80**

\$11,410.56

\$1,267.84

*Alaska Airlines 90% of enplanement and Delta Airlines 10% of enplanements.

Total Lease Charges **\$4,767.84 monthly**

Common Use Area amount charged to Sublessee shall be based upon the 20/80 formula as follows:

20% of the total monthly amount shall be divided equally among all scheduled air carriers having the right to use the Joint Use Areas during the previous calendar month.

80% of the total monthly amount shall be multiplied by each scheduled air carriers percentage of the total enplaned passengers at the air terminal during the previous calendar month.

**EXHIBIT C
UTILITIES & SERVICES**

SITKA shall be responsible for the following Utilities and Services:

- Electricity (interior only)
- Water
- Heat
- Sewer
- Terminal Public Address System
- Garbage Service
- Lighting
- Janitorial

The services as described above are included as part of the rent described in Exhibit B.

The SUBLESSEE shall be responsible for the following Utilities & Services

- Telephone and communication equipment, including equipment to access Terminal Public Address System.

EXHIBIT D
INSURANCE REQUIREMENTS

A. SITKA'S INSURANCE

SITKA will maintain comprehensive general liability and property insurance for the Airport, terminal building, and other facilities at the Airport during the Lease Term. The insurance policy shall provide that any proceeds shall be made payable to or for the benefit of SITKA. SITKA shall pay the premiums for such insurance; however, the SUBLESSEE shall pay any increase in the cost of SITKA's insurance in accordance with Section H herein.

B. SUBLESSEE'S INSURANCE

The SUBLESSEE shall carry and maintain, during the entire Lease Term, at the SUBLESSEE's sole cost and expense, the following types of insurance in the amounts specified below:

1. Liability Insurance

Commercial General Liability insurance with limits of not less than Twenty-five Million Dollars (\$25,000,000.00) per occurrence combined single limit insuring against any and all liability of the SUBLESSEE with respect to the Leased Premises or arising out of the maintenance, use or occupancy thereof. The policies shall contain a Cross-Liability endorsement, or coverage. Coverage can be written on an aviation form if such coverage is substantially similar to the standard Commercial General Liability form.

2. Property Insurance

The SUBLESSEE, at its cost, shall maintain on all of its personal property, fixtures, improvements, and alterations, in, on, or about the Leased Premises, a policy of Property Insurance with coverage written under the Special Causes of Loss form, including Theft (also known as "All Risk" Property Insurance). The proceeds of any such policy shall be used by the SUBLESSEE for the replacement of personal property or the restoration of SUBLESSEE's improvements or alterations.

3. Automobile Liability

The SUBLESSEE, at its cost, shall maintain Business Auto Liability Insurance covering all of the SUBLESSEE's owned, non-owned, and hired vehicles used in connection with the Leased Premises. The coverage limit under this policy shall be no less than One Million Dollars (\$1,000,000.00) per claim.

4. Worker's Compensation

The SUBLESSEE shall maintain Worker's Compensation insurance in accordance with all applicable laws.

- C. The SUBLESSEE's obligation to insure under this section may be satisfied by appropriate amendment, rider, or endorsement on any blanket policy or policies carried by the SUBLESSEE.
- D. The SUBLESSEE shall provide SITKA with proof of insurance coverage in the form of a valid insurance policy or a certificate of insurance coverage and any endorsements or changes referenced on the policy or certificate. All insurance required by this section must comply with all of the following:
1. Name SITKA as an additional insured on all policies required under B.1. and B.3. of this section;
 2. Include a waiver of subrogation against SITKA in the policies required under B.1. and B.4. of this section; and
 3. Provide that the SUBLESSEE and SITKA be notified at least thirty (30) days prior to any termination, cancellation, or material changes in the insurance coverage. Notification need not be made for changes in the SUBLESSEE's insurance policy coverage that are deemed to have no effect on SITKA.
- E. The procuring of the policy or policies of insurance required by this sublease will not limit the SUBLESSEE's liability hereunder or fulfill the indemnification provision and requirements and other obligations of this sublease. Notwithstanding said policy or policies of insurance, the SUBLESSEE shall be obligated for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this sublease or with the use or occupancy of the Leased Premises.
- F. Each policy or certificate of insurance shall be deposited with SITKA in a timely fashion without any lapse in coverage. SITKA shall have the right to inspect SUBLESSEE's records at reasonable times to confirm that the required insurance coverage remains in force.

G. WAIVER OF SUBROGATION

The SUBLESSEE agrees to waive their respective rights of recovery or claim against the other for any loss or damage to the Leased Premises, the terminal building, or their contents (excluding aircraft) resulting from fire or other insurable property hazards caused by the other. Notwithstanding Section 14 (indemnity), any fire or property insurance policies carried by SUBLESSEE will include a waiver of subrogation clause waiving any rights of subrogation against the other party to this agreement.

- H. The SUBLESSEE may not use, nor authorize any of its employees, agents, contractors, representatives or other person who is subject to their direction or control, to use the Airport in any manner that will increase SITKA's insurance rates or cause cancellation of any of SITKA's insurance policies. If the rate of any insurance carried by SITKA is increased as a result of use or actions of the SUBLESSEE or its agents, the SUBLESSEE shall pay to SITKA within thirty (30) days before the date SITKA is obligated to pay an increased premium on the insurance, or within sixty (60) days after SITKA delivers to the SUBLESSEE a certified statement from SITKA's insurance carrier stating that the rate

increase was caused solely by the occupancy or activity of the SUBLESSEE or its agents on or near the Leased Premises or on the Airport, whichever is earlier. The payment shall equal the difference between the original premium and the increased premium.

CONSENT TO SUBLEASE

The State of Alaska, Department of Transportation and Public Facilities, Southeast Region Airport Leasing/Property Management, Lessor in Lease Agreement **ADA-50103** (Prime Lease), acknowledges a sublease dated _____, between the **City and Borough of Sitka**, the lessee under said prime lease, and _____, the Sublessee for the use of operating _____, at the **Sitka Airport**. The term of the sublease begins _____ and ends _____.

The Lessor consents to the lessee entering into said sublease provided that the Lessee shall remain responsible to the Lessor for compliance with all the terms of said Prime Lease.

This consent is given subject to the following conditions:

- 1. If there is a conflict between the above referenced Prime State Lease Agreement and the sublease or its underlying documents, the terms of the Prime State Lease govern.
- 2. The Sublessee is prohibited from subleasing without the prior written consent of both the Lessee and the Lessor. Further a Sublessee may not assign or hypothecate a subleasehold.

Dated this _____ day of _____, 20____.

STATE OF ALASKA
DEPARTMENT OF TRANSPORTATION AND
PUBLIC FACILIITIES

Chief, Juneau Office, Aviation Leasing and Airport
Land Development

STATE OF ALASKA)
) ss.
First Judicial District)

THIS IS TO CERTIFY that on the _____ day of _____, 20____ before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared _____, known to me and to me known to be the Chief, Leasing and Property Management, Southeast Region, Department of Transportation and Public Facilities, and s/he acknowledged to me that s/he executed the foregoing instrument freely and voluntarily on behalf of the State of Alaska, Department of Transportation and Public Facilities, for the uses and purposes therein set forth and that s/he is authorized by said State of Alaska to do so.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the date and year first written above.

Notary Public in and for Alaska
My Commission Expires: _____

SUBLEASE GUIDELINES FOR TENANTS

17 AAC 45.990(80): "sublease' means a transaction or agreement under which a lessee, permittee or concessionaire leases, rents or otherwise grants occupancy rights to all or a portion of a premises or improvements on a premises to another person; 'sublease' does not include the assignment of a lease, permit or concession"

17 AAC 45.270(a): "...a lessee, permittee, or concessionaire may not sublease all or a portion of a lease, permit or concession premises without the prior written consent of the department under 17 AAC 17.275. A sublease made contrary to the requirements of this section and 17 AAC 45.275 is void."

17 AAC 45.270(d): "A sublessee of a lease, permit or concession may not occupy the premises before the department consents to the sublease in writing."

A request for a consent to a sublease must be submitted in writing and must include:

A. SUBLEASE. The following items must be included in all subleases. Failure to provide these items may result in the State/Lessor withholding its consent to a sublease.

17 AAC 45.270(B)

1. The name, address, and telephone contact number (including a fax number) of the proposed sublessee and the existing lessee. The sublease should name DOT&PF as the Lessor, DOT&PF's tenant as the Lessee, and Lessee's tenant as the Sublessee. Appropriate e-mail addresses should be provided.
2. Emergency contact names and telephone numbers (including fax numbers) for both parties; one of these needs to be for a person located at or near the airport where the sublease is located. Also please include e-mail addresses, if available.
3. A description of property to be subleased (e.g.: "portion of Lot 1, Block 1, as shown on Exhibit A attached"). Attach exhibit showing the specific area being subleased (whether a portion of a building, land, or any combination thereof). If areas of the land or in the building are used in common with the Lessee or other Sublessees, the sublease must so state, and the exhibit must clearly show the common use areas.
4. A description of the proposed sublessee's intended use of the premises. Authorized uses must be specific and cannot authorize more than the original lease. If food, beverage, liquor or hotel/lodging sales will occur, the lease must contain related concession fee language or a sublease for these purposes will not receive DOT&PF's consent.
5. The expiration date of the sublease. The term of a sublease cannot extend past the original (prime) lease expiration date. The beginning date of a sublease must also be included. All renewals or extensions of subleases must be submitted for review and approval, and shall be treated the same as new sublease approvals.
6. A statement of the proposed sublease rent to be paid per month of occupancy.
7. A guarantee of indemnification by the Sublessee under which the Sublessee provides to the State the same level of indemnity that the Sublessee would provide to the State if the Sublessee were a direct Lessee under the lease.

8. A statement identifying the party/ies (Lessee or Sublessee) responsible for providing the State with proof of premises liability and/or products insurance coverage (as applicable per the lease requirements). Depending upon the subleased area, all parties (State, Lessee and Sublessee) may be required to be named as co-insured. Unless a sublease is for the entire premises, including all facilities maintenance, both the Lessee and the Sublessee will be required to maintain the insurance required by the lease, with both naming the State of Alaska as additional insured.

9. A statement acknowledging that the prime State lease governs over the sublease and that the Sublessee agrees to abide by all provisions and covenants of the State lease.

*Example: Mars Airlines, Inc., Lessee, and John Doe, dba Jupiter Air, Sublessee, enter into this sublease dated _____. This sublease is subject to all requirements and conditions of the Lessee's prime lease ADA-_____ with the State of Alaska, DOT&PF, Lessor. The Sublessee agrees to abide by all provisions and covenants of the prime lease.

10. A statement acknowledging that Sublessees are prohibited from subleasing without the prior written consent of both the Lessee and the Lessor. Further, a Sublessee may not assign or hypothecate a subleasehold.

11. A provision that no improvements, grading, fill, construction, etc. may take place until the Sublessee and Lessee have obtained the Lessor's approval.

12. Three originals of the executed sublease documents with notarized signatures of the Sublessee and the Sublessor.

13. If either party is a corporation, the corporate seal must be applied to the sublease, or a corporate resolution submitted; also a copy of the Certificate of Incorporation must be submitted. If an LLC, copies of the Certificate of Organization, Articles of Organization and Operating Agreement (if applicable) must be submitted.

B. INSURANCE. A binder for, or certificate of, insurance covering the operations and activities of the Sublessee to the same extent that the Sublessee would be required to maintain insurance if the Sublessee were a direct Lessee under the lease.

C. FEE. A non-refundable \$55 sublease processing fee, made payable to the State of Alaska.

17 AAC 45.275:

(c) The department will approve or deny a request under this section in writing. If the department denies the request, the department will state the reasons for the denial in writing. The department will make a determination on a request for consent to assignment, assignment for security purposes, or sublease within 60 days after the assignor or sublessor has submitted a complete request.

(d) An applicant may protest a denial of an assignment, assignment for security purposes, or sublease in accordance with 17 AAC 45.910.



Legislation Details

File #: 15-035 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/19/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Approve award Jarvis Bulk Fuel Tank API-653 Inspection Contract Award \$80,000 - Blue Lake Bonding

Sponsors:

Indexes:

Code sections:

Attachments: [Jarvis St Diesel fuel tank](#)
[Backup Generator Storage Tan](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve a contract in the amount of \$85,000 for required inspection of the Jarvis Street diesel fuel storage tanks.

Memo

Thru : Chris Brewton, Electric Department Director

Colleen Ingman, Acting Municipal Administrator

To: City and Borough of Sitka Assembly

From: Jay Sweeney, Chief Financial and Administrative Officer

Date: March 5, 2015

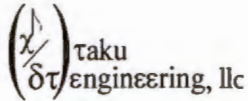
Re: Assembly Approval of Contract Items as Required By Title 3 of the Sitka General Code

Mayor McConnell and Assembly Members,

Chapter 3.16 of the Sitka General Code requires Assembly approval to award contracts in excess of \$50,000.00. Accordingly, two pending contracts for the Electric Department require Assembly approval as time frames for accomplishing them are pressing.

A contract in the amount of \$85,000 is required in order to accomplish a required inspection of the Jarvis Street diesel fuel storage tank. Funding to pay for the required cost is available in unexpended Blue Lake 4th bonding proceeds. Once the inspection has been completed, the tank will need to be refilled. Again, funding to pay for the cost of the fuel is available in Blue Lake 4th bonding proceeds. Costs associated with this inspection will be tracked/accounted for as a subproject under the Jarvis Street Diesel Project. We request Assembly approval to award the contract and arrange for the inspection.

A change order of \$370,000 to the McMillen engineering management contract is required in order to accomplish modifications to the Gary Paxton Industrial Park bulk water line. Sufficient funds exist within Blue Lake 4th bonding proceeds to pay for the cost. Costs will be accounted for as a subproject under the Blue Lake Hydroelectric Expansion Project. We request Assembly approval to issue a change order not to exceed \$370,000 to McMillen.



ENGINEERING SERVICES ESTIMATE

Client: City and Borough of Sitka
 Project: Backup Generator Diesel Storage Tank
 Location: Sitka, Alaska
 Date: February 5, 2015

Description: Perform an API 653 "Out of Service" Inspection on the City and Borough of Sitka's diesel storage tank located in Sitka, Alaska. The Taku API Inspector(s) shall provide oversight of the inspections and generate the inspection reports for the 35' diameter by 30' tall above grade storage tank. The inspection shall include MFE, UT, MT, Vacuum Box & visual inspections where appropriate. The inspection reports will include all necessary calculations, drawings, conclusions and recommendations.

This estimate is for the inspection and tank cleaning (assumed the floor is coated) only and it assumes the work can be performed in one trip (2 field days). Taku will provide ventilation, gas detection and a hole watch. The tank will be drained down to the bottom of the sump prior to the arrival of our cleaning crew. Any standby/excess time (due to weather, flight days, excessive damage, repairs, or the tank not being sufficiently empty, etc.) will be in addition to this estimate at a rate of \$1,525 per day per Taku field technician, \$1,500 per day for the NDE technicians, \$750 per day for equipment, plus expenses. **The Owner will be responsible for all aspects of draining down the tank and disposing of any hazardous materials (approximately two 55-gallon drums of rags, sorbents, etc.). This is a time and materials estimate and it does not include repair time for the tank.**

LABOR					
Task	Description	Principal Engineer	Engineer III	Engineer II	Subtotal
1.0	Preparation				
1.1	Planning/Scheduling	1 hrs.	2 hrs.		3 hrs.
	<i>Task Total</i>				<i>3 hrs.</i>
2.0	Mobilization		10 hrs.		<i>10 hrs.</i>
3.0	API 653 "Out of Service" Tank Inspections				
3.1	Tank Inspection (35' Diameter by 30' Tall)	1 hrs.	24 hrs.		25 hrs.
	<i>Task Total</i>				<i>25 hrs.</i>
4.0	Demobilization		10 hrs.		<i>10 hrs.</i>
5.0	Reporting/Documentation				
5.1	Populate NDT Data Sheets		8 hrs.		8 hrs.
5.2	Generating Tank Rollout Drawings		2 hrs.	8 hrs.	10 hrs.
5.3	Generating Draft 653 Inspection Reports	2 hrs.	24 hrs.		26 hrs.
5.4	Final Report Revisions (2)	1 hrs.	4 hrs.		5 hrs.
	<i>Task Total</i>				<i>49 hrs.</i>
6.0	Misc. Meetings & Communication	1 hrs.	2 hrs.		3 hrs.
	<i>Task Total</i>				<i>3 hrs.</i>
	Subtotal Hours:	6 hrs.	86 hrs.	8 hrs.	100 hrs.
	Subtotal Cost:	\$1,248	\$13,094	\$1,056	\$15,397
Total Labor:		\$15,397			

EXPENSES					
Item	Description	Quantity		Rate	Item Total
1	Per Diem	4	Day	\$ 55	\$ 220
2	Air Fare Anchorage to Sitka Roundtrip	1	Roundtrip	\$ 640	\$ 640
3	Lodging	3	Nights	\$ 200	\$ 600
4	Rental Car	4	Unit	\$ 155	\$ 620
5	Airport Parking/Taxis	2	Day/Unit	\$ 25	\$ 50
6	Equipment Freight Charges	1	One Way	\$ 150	\$ 150
Total Expenses:				\$2,280	

SUB-CONTRACTOR				
Item	Description	Rate	10% Markup	Item Total
1	NDT Support	\$17,966	\$1,797	\$19,762
2	Tank Cleaning	\$11,935	\$1,194	\$13,129
Total Sub-Contractor Fees:			\$32,891	

TOTAL JOB COST:	\$50,568
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January 9, 2015

Chris Brewton
Utility Director – Electric Department, City of Sitka
105 Jarvis Street
Sitka, Alaska 99835

*Delivered via email to:
chrisb@cityofsitka.com*

SUBJECT: Inspection of Power Plant Tank
EEI Proposal No. 8342

Dear Chris:

Enterprise Engineering, Inc. (EEI) is pleased to submit this proposal to provide tank cleaning and inspection services for the 210,000 gallon power plant tank.

STATEMENT OF INTENT

The scope of the project is based on information provided during our October 21, 2014 site meeting and subsequent emails. This Letter of Understanding presents our understanding of the required scope of services and our fees for providing these services. Please inform us if your understanding is other than described herein.

In general, the project will provide an API 653 Inspection of the 210,000 gallon tank at the power plant. A tank cleaning subcontractor, retained by EEI, will be responsible for cleaning and preparing the tank for the internal portion of the inspection.

SCOPE OF SERVICES

Please refer to the enclosed Attachment A for a description of the extents of the internal and external inspection.

EXCLUSIONS

1. The design of repairs to correct observed deficiencies.
2. Permit fees.

COMPENSATION

EEI proposes to undertake the cleaning and inspection work on a lump sum basis as described below. It should be noted that the tank cleaning operations will require the use of diesel powered equipment such as the vacuum truck, compressors and generators. The fee estimate includes a 16% fuel surcharge based on historical data. It may be necessary to revisit the surcharge in the event that there is a significant rise in fuel prices.

Tank Cleaning (Based on disposing of 12,000 gallons of residual fuel)	\$73,300
Mobilization, API 653 Inspection, Demobilization & Return to Service	\$21,100
Inspection Report	<u>\$ 5,100</u>
Total	\$99,500

If the City of Sitka were to provide tankage for the remaining 12,000 gallons of product, the disposal costs would be limited to sludge removal and disposal of contaminated cleaning supplies. The cleaning contractor would still pump the remaining product as directed. Offsetting the shipping and disposal costs, the fee would be revised as follows:

Tank Cleaning	\$40,300
Mobilization, API 653 Inspection, Demobilization and Return to Service	\$21,100
Inspection Report	\$ 5,100
Total	\$66,500

ADDITIONAL REIMBURSABLE SERVICES

Upon your written authorization, we would be pleased to provide services not included in the scope of services. An estimate of the time involved can be provided if requested. Additional reimbursable services will be charged on a time charge and expense basis in accordance with our standard fee schedule, or if you prefer, a lump sum proposal can be provided.

SCHEDULE

It is understood that the work must be completed February 2015. Specific dates can be worked out after receipt of a Notice to Proceed (NTP).

GENERAL CONDITIONS

We have reviewed an example of your standard contract and find the terms acceptable.

AUTHORIZATION

Please sign and return one copy of this document to Enterprise Engineering, Inc. so that we may begin work on this project. Please call if you have any questions. The opportunity to propose Consulting Engineering services is appreciated.

EEI looks forward to working with you on this project. If you have any questions please do not hesitate to call.

Sincerely,
ENTERPRISE ENGINEERING, INC.



David A. Stchyrba, P.E.
Project Engineer – Structural

Approved by:
ENTERPRISE ENGINEERING, INC.



Kevin S. Murphy, P.E.
Principal

Encl. Attachment A Scope of Services

ACCEPTED BY: _____

DATE: _____

FOR: _____

ATTACHMENT A –SCOPE OF SERVICES
CITY OF SITKA: INSPECTION & CLEANING OF POWER PLANT TANK
SITKA, ALASKA

Project Description

The city of Sitka intends to take the 210,000 gallon tank out of service for the purpose of having an internal and external API 653 inspection performed. This proposal includes both cleaning and inspection services.

API 653 OUT-OF-SERVICE INSPECTION

The out-of-service inspection will follow the latest edition of API Standard 653, *Tank Inspection, Repair, Alteration, and Reconstruction*. Reference will also be made to the guidelines contained in API Recommended Practice 575, *Inspection of Atmospheric & Low-Pressure Storage Tanks*.

API 653 Appendix C Tank Inspection Checklist

EEI will perform the activities detailed in the appropriate API 653 Appendix C Tank Inspection Checklist. The applicable items within the checklist will be incorporated into the final report.

Nondestructive Examination

Visual Inspection (VE)

EEI will visually inspect the overall tank condition. Externally, this includes plates, coating, welds, appurtenances, gauges, foundation, stairways, nozzles, grounding, anchor bolts, wind girder, external coating, etc. EEI will visually inspect the internal tank components, including the roof underside, rafters, support columns, sumps, internal coating, etc. EEI will also inspect and describe the tank's ability to remove water bottoms (i.e., pipe size and height from floor).

Ultrasonic Thickness (UT) Assessment

EEI will perform UT assessment of the tank shell, floor, roof, nozzles and reinforcing plates. UT measurements will be taken around the first course and on accessible upper course locations. All UT readings will be documented in the inspection report. Where corrosion has been noted, the report will include a determination of shell/floor/roof thickness acceptability and remaining life calculations.

Magnetic Flux Leakage (MFL) Assessment

EEI will perform MFL assessment on all accessible areas of the tank floor. Topside or underside corrosion indications will be verified by VE and/or UT assessment. In areas that are inaccessible by scanning, a sufficient number of UT readings shall be taken to help quantify the floor underside condition. All MFL readings will be documented in the inspection report, including a determination of floor thickness acceptability and remaining life calculation, as applicable.

Vacuum Box Testing (VB) Assessment

For uncoated tank floors and shells, VB assessment will be performed on all floor welds and internal shell-to-floor welds. The VB results will be documented in the inspection report.

Tank Appurtenances

EEI will examine the tank nozzles, manways, and other appurtenances for adequacy and compliance with applicable standards, including such details as wall thickness, reinforcement, weld spacing, and corrosion allowance. Tank accessories such as relief valves and level gauges shall be examined for general condition. Shell nozzles and reinforcements shall be ultrasonically thickness tested for determination of current and minimum required thicknesses, corrosion rates, and remaining life. EEI will visually inspect the tank skin valves for any signs of leakage and document the manufacturer, class rating, and type of valve.

The report will identify the present methods / systems for level alarms, water draw-off, Automatic Tank Gauging (ATG), and venting systems. EEI will gather operability information from on-site personnel, verifying system operability where possible (with the exception of ATG systems).

Coating Assessment

EEI will provide a general assessment of the coating. Dry Film Thickness (DFT) readings will be taken at accessible tank locations to determine the average internal floor coating thickness and external shell and roof coating thickness, as applicable.

Settlement Survey and Evaluation

A shell and floor edge settlement survey will be performed to identify edge settlement, differential settlement, and/or planar tilt. The results will be detailed in the body of the inspection report. The calculations will include a graphical representation of this settlement and whether or not the results meet or exceed the maximum allowable settlement.

Tank Information / Drawings / Photography

EEI will prepare drawings including floor, shell and roof plate orientations, stairways, appurtenances, manways, vents, and other significant tank details.

The inspection report will include color photographs to display areas of interest with a descriptive caption for each image. The photographs will include the general condition and vicinity of the tank, field identification / markings of the tank, access points, secondary containment, general overall construction, and any discrepancies found.

TANK CLEANING

EEI will retain the services of NRC Alaska (formerly Emerald Alaska) to clean the tank. As discussed, the City of Sitka will drain down the tank with 12,000 gallons remaining for contractor removal and disposal. NRC Alaska will blind the tank, provide lighting, ventilation and a hole watch for the duration of the inspection. As part of the demobilization effort, NRC Alaska will reinstall the manway cover plate including replacement of the gasket and bolts. In the event that no significant repairs are identified, the City of Sitka will be able to return the tank directly to service.

As a cost savings, EEI will not be on site during the cleaning operations. EEI will co-ordinate with NRC and the City of Sitka for arranging contractor access to the site.



February 2, 2015
GNE #P15003.001

City and Borough of Sitka
Electric Department
105 Jarvis Street
Sitka, Alaska 99835

Attention: Ms. Erin Clay, Project Manager

Subject: Engineering Proposal for API 653 Out-of-Service Tank Inspection,
City and Borough of Sitka, AK

Dear Ms. Clay:

Great Northern Engineering (GNE) is pleased to offer our services for the API 653 internal tank inspection of the existing 216,000-gallon diesel fuel API-650 tank located at your facility in Sitka, Alaska. The time interval to this inspection was based on the data collected and calculations performed during the previous inspection in 1996 by Daniel Jones. This will be a complete "Out-of-Service" inspection in accordance with the requirements of API 653. The results of the inspection will be submitted to the facility owner for the record keeping and compliance with the regulatory agencies. The inspection and reporting documents will be developed and certified by an API Inspector. The following information provides a task outline and a corresponding fee schedule for this project.

TANK INSPECTION SCOPE OF WORK

Task C1: API 653 "Out-of-Service" Internal Inspection

- C1.1: API 653 Inspection Tank 1 – 216,000 gal Diesel, 35' D x 30' H.
- C1.2: API 653 Tank Bottom Examination consisting of MFE and/or UT and Tank Bottom Settlement survey.
- C1.3: Submission of API 653 Inspection Report.

Deliverables:

- Item 1: Submittal of Great Northern Engineering Inspection Reports for the tank with collected data, observations, calculations, and recommendations for inclusion into the facility API 653 Tank History Records.

Exclusions:

- Item 1: Design engineering required for tank repairs as a result of the inspection including alterations, or additional inspections outside of the API 653 requirements. These tasks could be provided should the Client request them based on a revised task outline either hard dollar or on a time and expenses basis. Any work provided on a time and expenses basis would be billed in accordance with the current GNE Rate Schedule.
- Item 2: Permitting or coordination with local, State, or Federal permitting agencies.
- Item 3: A formal coating thickness inspection or report. GNE will identify the coatings and visual condition of the internal and external coatings, as well as document the general thickness based on a small number of measurements.
- Item 4: Inspection of additional tankage, dikes, piping, and appurtenances.
- Item 5: Review of facility SPCC plans for conformance. GNE can provide this service under a separate proposal if desired.
- Item 6: Tanks shall be drained, cleaned, ventilated and by others at least 24 hours prior to scheduled inspection. Tank floors shall be free of oil, grease, dirt, standing fuel or water. Measurement of tank environment, to include Oxygen content and LEL, shall be provided by others.
- Item 7: Delays in access to the tank interior for the start of inspection exceeding 2 hours may be billed as standby time at a combined rate of \$300.00 per hour.

TANK INSPECTION FEE PROPOSAL

Total for Tasks C1.1 thru C1.3.....\$24,100.00

We appreciate the opportunity to propose our services for this project. If you have any questions regarding this proposal, or need additional information, please contact me at (907) 745-6988 or by email at dkorpi@gne-ak.com or gne@mtaonline.net.

Sincerely,


Dave Korpi
Project Engineer
API #25965

DK/bao



Legislation Details

File #: 15-036 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/19/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Approve a change order to McMillen for the Bulk Water Upgrade at Gary Paxton Industrial Park - not to exceed \$370,000 - Blue Lake Bonding

Sponsors:

Indexes:

Code sections:

Attachments: [Bulk water upgrade](#)
[McMillion Backup](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve a change order for the Gary Paxton Industrial Park bulk water upgrade to the McMillen Engineering Management Contract - not to exceed \$370,000.

Funding source - Blue Lake 4th bonding proceeds

Memo

Thru : Chris Brewton, Electric Department Director

Colleen Ingman, Acting Municipal Administrator

To: City and Borough of Sitka Assembly

From: Jay Sweeney, Chief Financial and Administrative Officer

Date: March 5, 2015

Re: Assembly Approval of Contract Items as Required By Title 3 of the Sitka General Code

Mayor McConnell and Assembly Members,

Chapter 3.16 of the Sitka General Code requires Assembly approval to award contracts in excess of \$50,000.00. Accordingly, two pending contracts for the Electric Department require Assembly approval as time frames for accomplishing them are pressing.

A contract in the amount of \$85,000 is required in order to accomplish a required inspection of the Jarvis Street diesel fuel storage tank. Funding to pay for the required cost is available in unexpended Blue Lake 4th bonding proceeds. Once the inspection has been completed, the tank will need to be refilled. Again, funding to pay for the cost of the fuel is available in Blue Lake 4th bonding proceeds. Costs associated with this inspection will be tracked/accounted for as a subproject under the Jarvis Street Diesel Project. We request Assembly approval to award the contract and arrange for the inspection.

A change order of \$370,000 to the McMillen engineering management contract is required in order to accomplish modifications to the Gary Paxton Industrial Park bulk water line. Sufficient funds exist within Blue Lake 4th bonding proceeds to pay for the cost. Costs will be accounted for as a subproject under the Blue Lake Hydroelectric Expansion Project. We request Assembly approval to issue a change order not to exceed \$370,000 to McMillen.



March 18, 2015

Chris Brewton
Utilities Director
City and Borough of Sitka
105 Jarvis Street
Sitka, AK 99835

Subject: PMFU – Filter Plant Forebay Piping Modifications
Re: Construction Estimate Package

Dear Mr. Brewton:

McMillen Jacobs Associates (McMillen Jacobs) is pleased to provide pricing for the above referenced project.

Item No.	Description	Bid Total
Base Bid		
001	Engineering Oversight	\$5,160.00
002	Mobilization	\$27,800.00
003	Demolition	\$45,500.00
004	Pipe Supply & Install	\$176,000.00
005	Pipe Supports Supply & Install	\$47,800.00
006	Sleeve Valve & Instrumentation	\$25,500.00
007	Miscellaneous Metalwork	\$18,900.00
008	Inspection, Testing & Commissioning	\$12,100.00
009	Project Closeout & Demobilization	\$10,400.00
	Total Base Bid	\$369,160.00

Assumptions:

- We assume there are no limitations on work schedule hours or days.
- We assume no lead/asbestos abatement is required and all existing piping is free of lead coatings.
- We assume the City and Borough of Sitka will provide operation of shut off valves and lock out tag out for all existing waterways necessary to complete work.
- We assume there will be no temporary bypass piping required for the duration of the project.
- We assume all permits are provided by the City and Borough of Sitka.

JACOBS
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If you have any questions please call Andrew Pharis at (208) 985-1541 or me at (208) 342-4214. Thank you for this opportunity.

Sincerely,

A handwritten signature in blue ink that reads "Morton D. McMillen". The signature is written in a cursive style with a large initial "M".

Morton D. McMillen
Water Resources Division Manager

cc: Andrew Pharis
Matt Moughamian
File
Encl.

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Legislation Details

File #: 15-033 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/17/2015 In control: City and Borough Assembly

On agenda: 3/24/2015 Final action:

Title: Discussion/Direction on whether to bring forward a ballot ordinance on putting the question of "Whether Sitka should allow Commercial Sales of Marijuana?" on the October municipal election ballot

Sponsors: Michelle Putz, Benjamin Miyasato

Indexes:

Code sections:

Attachments: [Discussion Direction Commercial Sales Marijuana](#)

Date	Ver.	Action By	Action	Result
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DISCUSSION/DIRECTION

Sponsors: Putz/Miyasato

Whether the CBS should put commercial sales of marijuana on the October 2015 ballot



Possible Motion

I MOVE TO DIRECT the Municipal Attorney to draft an ordinance containing the question of Whether Sitka should allow commercial sales of marijuana?