



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 Phyllis Hackett, Pete Esquiro, Mike Reif,
Benjamin Miyasato and Aaron Swanson*

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

Tuesday, December 10, 2013

6:00 PM

Assembly Chambers

WORKSESSION

Kettleson Library Expansion Project 5:00 PM - 5:50 PM

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

[13-231](#) Correspondence for December 10, 2013

Attachments: [Correspondence 121013](#)

V. CEREMONIAL MATTERS

Citation Posthumously Honoring Mark Jacobs Jr. and Harvey Jacobs - Recipients of Congressional Gold and Silver Medals

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

Sawmill Cove Industrial Park Director Garry White - Northern Economic's Marine Services Center Proposal update

VII. PERSONS TO BE HEARD

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

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** [13-222](#) Approve the minutes of the November 26, 2013 Assembly meeting
Attachments: [Minutes 112613](#)
- B** **13-223** Appointments: Appoint 1) Carin Farley to a three-year term on the Police and Fire Commission, and 2) Kevin Knox to an unexpired term on the Port and Harbors Commission
- C** [13-224](#) Approve the list of Acting Administrators for 2013-2014
Attachments: [Acting Administrators](#)
- D** [13-225](#) Approve purchase of new ambulance as a replacement (previously budgeted and approved) utilizing the SEREMS Grant towards purchase -- \$175,000
Attachments: [Ambulance](#)
- E** [RES 13-19](#) Adopting an Alternative Allocation Method for the FY14 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in FMA 18: Central Southeast
Attachments: [RES 13-19 Shared Fisheries](#)

X. UNFINISHED BUSINESS:

- F** [ORD 13-43](#) Adjusting the FY14 Budget for known changes
Attachments: [ORD 2013-43](#)
- G** [ORD 13-44](#) Amending Section 4.09.020 Collection of Tax of the SGC so that in October of each year the Assembly routinely and timely considers whether to authorize any Sales Tax Free Day(s) for certain sales that have historically followed the Thanksgiving Holiday
Attachments: [ORD 2013-44](#)

XI. NEW BUSINESS:

New Business First Reading

- H [ORD 13-45](#) Authorizing the Lease of Approximately 0.04 Acres of Tidelands in Alaska Tidelands Survey 1160 to Estate of Jack N. Parrish
Attachments: [ORD 2013-45 Parrish](#)
- I [ORD 13-46](#) Amending Sitka General Code 13.06.010 entitled "Moorage Charges and Fees"
Attachments: [ORD 2013-46 Moorage](#)

Additional New Business Items

- J 13-229 Approve the concept design for Kettleson Memorial Library Expansion Project
- K [13-226](#) Authorize a letter accepting a proposal for project funding for a second modular building to expand Mountainside Family Clinic
Attachments: [Mountainside expansion support ltr](#)
- L [13-227](#) Adopting a Stormwater Management Plan and providing \$10,000 in funding from the proceeds of the Benchlands property sale to develop a Stormwater Ordinance
Attachments: [Storm Water Plan Memo](#)
- M [13-228](#) Appointments: Appoint one to a unexpired term on the Sawmill Cove Industrial Park 1) Ptarmica McConnell or 2) Steven Eisenbeisz
Attachments: [Appointment SCIP](#)
- N [13-230](#) Appoint an Assembly Liaison to the Health Needs and Community Services Commission
Attachments: [Liaison Appointment](#)

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: 12-6-13*



Legislation Details

File #: 13-231 **Version:** 1 **Name:**
Type: Correspondence **Status:** AGENDA READY
File created: 12/5/2013 **In control:** City and Borough Assembly
On agenda: 12/10/2013 **Final action:**
Title: Correspondence for December 10, 2013
Sponsors:
Indexes:
Code sections:
Attachments: [Correspondence 121013](#)

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



BLUE LAKE EXPANSION PROJECT

MONTHLY UPDATE FOR CITY ASSEMBLY

Report No. 12

Month ending November 30, 2013

SCOPE

- 83 ft. dam raise with modified tunnel system and new 15.9 MW powerhouse (\$89 million)
- Eight supply contracts for Owner-Furnished equipment and materials (\$16 million)

PROJECT HIGHLIGHTS DURING THIS MONTH

- November 1 – Barnard completed the removal of the timber crib wall.
- November 2 – Removal of the rock knob at the powerhouse access road is complete. We are determining the final volume removed by survey to establish the change order dollar amount.
- November 11 – ASRC McGraw placed 208 CY of concrete completing the access bay rat slab.
- November 12 – ASRC McGraw placed 99 CY of concrete completing the powerhouse mezzanine deck and columns.
- November 13 – A public project update meeting was held at Centennial Hall with low attendance.
- November 13 – Met with Barnard and NAES to discuss the preparation of commissioning plans. A list of required plans and the format has been determined.
- November 15 – ASRC McGraw placed 225 CY of concrete completing the el. 27 vehicle access deck. This placement substantially completes all primary concrete at the powerhouse site.
- November 21 – We experienced a flood that washed out access roads, plugged a major culvert and flooded out the powerhouse up to about el. 17. All access has now been restored and the powerhouse was pumped out after the flood subsided.
- November 25 – Began staging steel building materials at powerhouse.
- November 26 – Barnard began grouting the adit tunnel in preparation for placement of the tunnel plug.
- November 26 – Barnard completed the backfill around the powerhouse to expedite the powerhouse construction. This fill will have to be removed later, to install the penstock.
- November 29 – John Rennie reached substantial completion on the switchyard control building.
- November – SEEM continues excavation of the powerhouse access road.
- November – 9 days were lost at the dam site due to weather or winds shutting down the crane.
- November – Barnard made: 1 concrete placement at the thrust block, 1 placement at the cutoff wall, and 3 block placements in the main dam near the left abutment.
- November – Barnard made 2 placements at the gate shaft, 2 placements remain.
- TO DATE – 17 of 79 blocks of concrete have been placed at the dam, 1530 CY of 3350 CY have been placed at the powerhouse. Concrete tests have been better than required by the specification.

COST SUMMARY – updated 11/29/2013

Project Element	Current Contract Total or Projected Amount	Payments	
		Paid this Month	Paid to Date*
Supply Contracts			
Contract 1 - Turbine Generator Equipment	\$11,573,707	\$0	\$10,258,002
Contract 2 - Switchgear	\$647,672	\$0	\$226,499
Contract 2A - SS Switchgear	\$300,000	\$0	\$0
Contract 3 - Gates and Hoist	\$780,185	\$0	\$703,376
Contract 4 - Penstock	\$836,315	\$0	\$795,778
Contract 5 - 69 kV Transformers	\$601,184	\$0	\$543,130
Contract 6 - Bridge Crane Equipment	\$270,518	\$0	\$245,246
Contract 7 - Steel Building	\$1,139,321	\$23,171	\$1,001,669
Contract 8, Debris Management	\$1,530,000	\$0	\$0
Contract 9, General Construction	\$88,175,661	\$3,892,897	\$48,427,059
Diesel Fuel	\$1,260,000	\$0	\$0
Temporary Filtration**	\$3,000,000	\$63,835	\$63,835
Remaining Project Costs		\$0	\$0
License Amendment	\$1,400,000	\$1,153	\$1,197,963
Engineering	\$9,498,393	\$170,853	\$11,706,475
Construction Management	\$8,076,201	\$219,934	\$4,203,318
City Performed Work	\$1,495,000	\$26,147	\$1,585,950
Incentive Payment	\$1,600,000	\$0	\$0
Cost of Insurance/Reserve Account	\$3,500,000	\$0	\$0
TOTALS	\$135,684,156		
ESTIMATED TOTAL PROJECT COST	\$141,517,667	\$4,397,989	\$80,958,300

*Paid to Date includes unpaid retainage

**Temporary Filtration budget updated. Assembly approval will be requested at a later date for the overrun.

COST CHANGES THIS MONTH

- No other change orders were issued for the equipment and materials contracts that affect the cost of these goods.
- We continue to expect a series of change orders for the supply contracts for the purchase of additional spare parts (Contracts 1, 2, and 6) over the next months. These suppliers continue to be slow in getting us pricing and information for the spares.
- The City has agreed to a Value Engineering arrangement on the construction of the micropile scour wall in the plunge pool below the dam.
- Change Order No. 6 was negotiated and will be submitted for approval. This change order includes 10 change items. The major items are the removal of the rock knob at the powerhouse site and Stabilization of the reservoir access road.

- There are a series of change items still under negotiation as follows:
 - Modification of the dam site staging area (changes in material quantities spoiled in this area and prep work to allow USFS final grading and improvements in this area).
 - Changes to the powerhouse electrical conduit and cable requirements (a group of changes in conduit and the addition of a number of control cables).
 - Dredging in front of sluice gate valve and repair if necessary. This will be done next spring when the lake is drawn down.

We do not expect these change items to impact the project schedule.

CONSTRUCTION SCHEDULE MILESTONES: PLANNED/ACTUAL

Construction Start	11-20-2012 / 12-03-2012	Sub. Comp. BLU #5	10-24-2014/
Drainage Tunnel Comp.	07-01-2013 / 05-05-2013	Sub. Comp. FVU	11-12-2014/
Tunnel ex. complete	08-19-2013 / 07-24-2013	Sub. Comp. BLU#4	11-22-2014/
Ready for Gen. Outage	08-24-2014/	Substantial Completion	02-01-2015/

NOTES ON PROJECT SCHEDULE

- The most recent look-ahead schedule submitted by Barnard shows the following upcoming target dates:
 - a. Erect powerhouse steel and roof by the end of December.
 - b. Continued dam concrete work throughout December.
 - c. Continued placement of the concrete liner in the intake gate shaft.
 - d. Continued excavation of the powerhouse access road.
 - e. Begin stabilization of reservoir access road.
- Most of the Owner furnished materials and equipment are now on site. Only the switchgear and the inlet valve for the Fish Valve turbine remain to be delivered.
- The CM team and Electric Department continue working on the City-performed work tasks to ensure these activities are completed on time. Good progress continued in November. We are on-track with the City-performed work. The City has prepared a work plan that coordinates the City performed work with Barnard's Project Schedule.
- The City will be meeting with Gilkes (the turbine-generator supplier) on December 10 to discuss the final commercial matters on contract 1.
- Barnard and the CM team will be preparing commissioning plans in preparation for the generation outage.

OTHER ITEMS OF INTEREST

- An Executive Partnering Session will be conducted in Sitka December 6.
- We expect the Blue Lake reservoir will stop spilling early in December. The City is maximizing generation at Blue Lake to maximize the intake structure work window for Barnard. Throughout 2014, water will be conserved at Green Lake for use during the fall 2014 generation outage.

PROJECT RISK PROFILE

A discussion of the major risk areas follows below. As a general rule risks are measured as follows:

LOW: Probability of less than 10%, or mitigation cost less than \$1 million.

MODERATE: Probability of more than 30%, or mitigation cost up to \$5 million.

HIGH: Probability of more than 60%, or mitigation cost likely more than \$5 million.

The City's project team believes the following risk areas will dominate the potential for increases in overall Project cost. We also believe these areas pose the greatest risk for schedule delays.

Construction Schedule: In Barnard's most recent (November 2013) schedule, the critical start of the 2014 Generation Outage is shown starting on August 18, 2014, six days ahead of schedule. This is in spite of the lost days at the dam site due to weather and high winds.

CURRENT RISK: LOW

Weather and Lake Levels: Both Green Lake and Blue Lake are spilling. This situation sets us up very well for the next season. We experienced a significant flood on November 21. The timing of the flood was very lucky in that the damage and interruption of the work was minimal. The City will install joint restraints on the water transmission line and install an additional access road culvert to minimize risks during future floods.

CURRENT RISK: LOW (through 2013)

Rock Conditions: Contract 9 includes an allowance of \$2,702,000 for rock support in the Project tunnels, shafts and excavations. This rock support is a combination of rock bolts, shotcrete, and steel arch supports. Project-wide the total underground excavation work is now about 96% complete.

We have determined that there are several areas that need rock support or work beyond the original design. It is fortunate that these areas are generally not critical operating structures. The following areas require additional rock support or removal:

1. In the reservoir and intake area we are adding: above ground slope support along the access road; rock support in the intake area; a change item was issued for the lining of the gate shaft. A change item has been issued for reservoir access road stabilization.
2. In the powerhouse area, removal of a rock knob along the powerhouse access road was required, as described above. A change item has been issued for this work.

The total underground and dam foundation rock support on the Project is significantly less than budgeted. We have a large under-run on rock support quantities, which will result in cost savings to the City. These cost savings will most likely be used to pay for the added above ground rock support in the intake and powerhouse areas.

CURRENT RISK: LOW

City Performed Work, for Contract 9: The City has elected to self-perform some work associated with the Project's general construction. This work includes: procurement, installation and field wiring of a switchyard control building; installation and connection of fiber-optic cables from the powerhouse to the dam; control wiring of the Fish Valve Unit generator; and design and installation of the SCADA system. More than 40% of this work is now complete. We continue to make good progress in this work and we are on schedule.

CURRENT RISK: LOW. [See Appendix 1-Action Plan at the end of this monthly update, for the status of this self-performed work].

Temporary Water Filtration Plant: During the August through September 2014 outage of the Blue Lake tunnel, the City will get its drinking water from a temporary water supply. This temporary system remains to be leased and installed at Indian River; some final design is still required. This system must be in place and fully operational prior to the Generation Outage. Any delay in the filtration plant beyond August 23, 2014, will delay the hydro expansion Project. Barnard will be providing the filtration project as a change order to contract 9. The filtration project is being managed by McMillen LLC and CH2MHILL will perform the final design. The City Water Department will operate the plant with assistance from CH2MHILL and the supplier.

CURRENT RISK: MODERATE [The current status of the filtration system design and planned construction is described in Appendix 2. If the filtration system is constructed as planned, we will be on track for the Expansion Project.]

Other: This is a broad combination of bad things that might happen such as: earthquakes; construction site accidents; floods; extreme winter weather; fire; labor unrest; etc. We expect that many of these risks would be covered by insurance at least in part. We did have a flood event on November 21 that flooded the powerhouse construction site and damaged access roads around the Project. The Contractor has recovered from this high-flow event and repair of damages will not impact the project schedule..

CURRENT RISK: LOW

PROJECT PHOTO RECORD THIS MONTH

Photos are taken of each work area each month from a fixed location to document construction progress by work area. Relevant photos of the project for this month are provided on the following pages.



Figure 1. Dam and Left Abutment Area, Barnard made 1 concrete placement at the thrust block, 1 placement at the cutoff wall, and 3 block placements in the main dam near the left abutment.



Figure 2. Drainage Tunnel and Scour Wall, The dam continued spill on and off through November.



Figure 3. Intake Portal and Right Abutment, no change this month.



Figure 4. Gate House Location, Barnard made 2 placements at the gate shaft and 2 placements remain.



Figure 5. Dam Staging area, 9 days were lost at the dam site due to weather or winds shutting down the crane.



Figure 6. Lower Portal Area, Barnard completed replacing the timber crib wall at the lower portal with rock.



Figure 7. Powerhouse Site, ASRC McGraw Constructors (AMCL) placed 208 CY of concrete at the access bay rat slab, 99 CY at the mezzanine deck and 225 CY of concrete completing the el. 27 vehicle access deck. These placements substantially complete all primary concrete at the powerhouse site.



Figure 8. Lower Project Site, Removal of the rock knob at the powerhouse access road is complete.



Additional Figure 9. Switchyard Control Building, John Rennie reached substantial completion on the switchyard control building.

LAKE LEVEL WINDOW FORECAST
Blue Lake Expansion Project
Contract 9 – General Construction

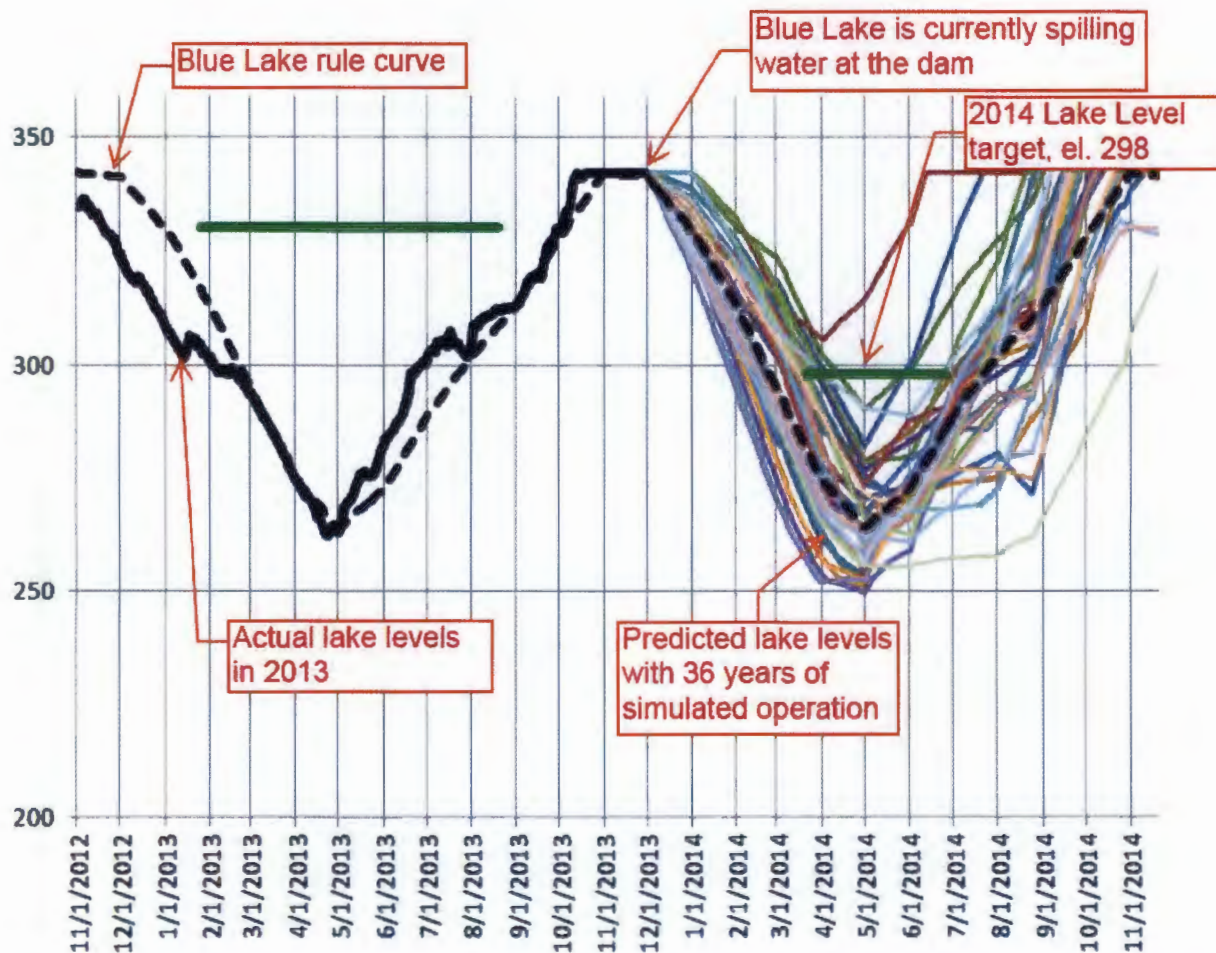
Forecast Date: November 29, 2013

Blue Lake WSEL: 342 (spilling) on November 28, 2013

2014 Lake Level Window: At or below WSEL 298 from March 22 to June 25, 2014

Highlights:

1. The focus of the current reservoir operation is to draw Blue Lake down to el. 298 before the start of the March 22, 2014 lake level window. Barnard needs the lake at this level to complete construction of the power tunnel's intake structure.
2. Steady rains and storms during November kept both Blue Lake and Green Lake dams spilling off and on during the month. Both lakes are full at the end of November.
3. The Electric Department is currently running the Blue Lake turbine-generators, Fish Valve unit; and Pulp Mill Feeder units at their maximum flow, to help draw the lake down.
4. The probability of the Blue Lake water level reaching el. 298 by March 22 is now 78% (28 of 36 years), as compared to 82% probable at the end of October, 2013.



Appendix 1 to Monthly Update for City Assembly

*November, 2013
ACTION PLAN
City Performed Work, for Contract 9*

The following table presents the Project Team's plan, staffing assignments and schedule to ensure that these owner-furnished design, fabrication and construction elements of the Expansion Project do not delay the construction contractor or result in additional costs.

Blue shaded boxes indicate completed work items.

Yellow shaded boxes indicate items of concern.

Project Element	Design Phase		Fabrication, Delivery and Construction		
	Lead	Date planned/ complete	Lead	Date Complete	Notes
PH Plant Function PLC panel, with BOM (north wall, near gridline 4, sits on floor)	S. Kim	4/30/2013/	B. Belley	July 2013	Panel to be "owner furnished" to Barnard. Conduit underneath panel will go through cutout.
Industrial water pump panel - control cabinet (outside the south wall of PH)	S. Kim	5/15/2013	B. Belley	June 2013	Panel to be "owner furnished" to Barnard. UPS will give 5-10 minutes of power in the event of an outage. (OK).
Industrial water pump panel VFD cabinet (inside the east wall of PH—southeast corner)	S. Kim	7/15/2013	B. Belley	August 2013	Included with industrial pump panel. See above
Fish Valve Unit as-builts (what they have now)	R. Dryden	4/18/2013/		Oct 2013	EES has finished the drafting and submitted drawings for City review.
Fish Valve Unit interconnection wiring diagrams to new Gilkes equipment.	R. Dryden	6/1/2013/	B. Belley	Oct 2014	Install wiring and start up FVU after Generation Outage. Mostly CAD work, to be done by EES.
Switchyard control panels – First Priority for Bob	R. Dryden	4/15/2013	B. Belley		Getting final drawings from Bob. CBS has 90% of material on site.
Switchyard control enclosure (a.k.a. Switchyard control building)	R. Dryden	4/20/2013/	Parkline		All material is on site
Switchyard control conduit	S. Kim	9/20/2013	B. Belley	Oct 2013	Embedded Conduits are ready for extension
Configure Blue Lake Control Room	Tal Frank Dean		Tal	Nov 2013	The control station is onsite and will be installed when the control room is complete.
Transfer Green Lake SCADA system	Tal			9/1/2013	Green Lake SCADA system will be located in the SCADA closet, not the Plant function cabinet.

November 30, 2013

Summary of Temporary Filtration Project Status

Alternative Water Source Investigation Filtration (Blue Lake Project):

Barnard will be providing the Temporary Water Filtration Plant at Indian River as a Change Order and Barnard has agreed to the Change.

- In November, Barnard issued NTP to Pall on the lease of the filter units.
- Pall and Barnard are working out the final terms of the agreement.
- CH2MHill is proceeding with the final design of the site equipment needed for the filtration units. A 50% engineering submittal was issued.
- McMillen will perform the construction management.
- The City will provide plant operation with possible assistance from the supplier. The operation of the plant is not included in Barnard's scope of work.

The completion of this work is now in the critical path.

The proposed schedule has the design completed in November 2013, ADEC permitting completed in March 2014, construction of the piping and pumping completed in April 2014 and final installation of the filter units in June 2014 for operation in July 2014. The preliminary design cost estimate has a projected design and construction cost of \$3,000,000. Barnard will provide final pricing on the Change Order when the final design is provided to them.

Summary of Titan 130 Diesel Turbine Project Status

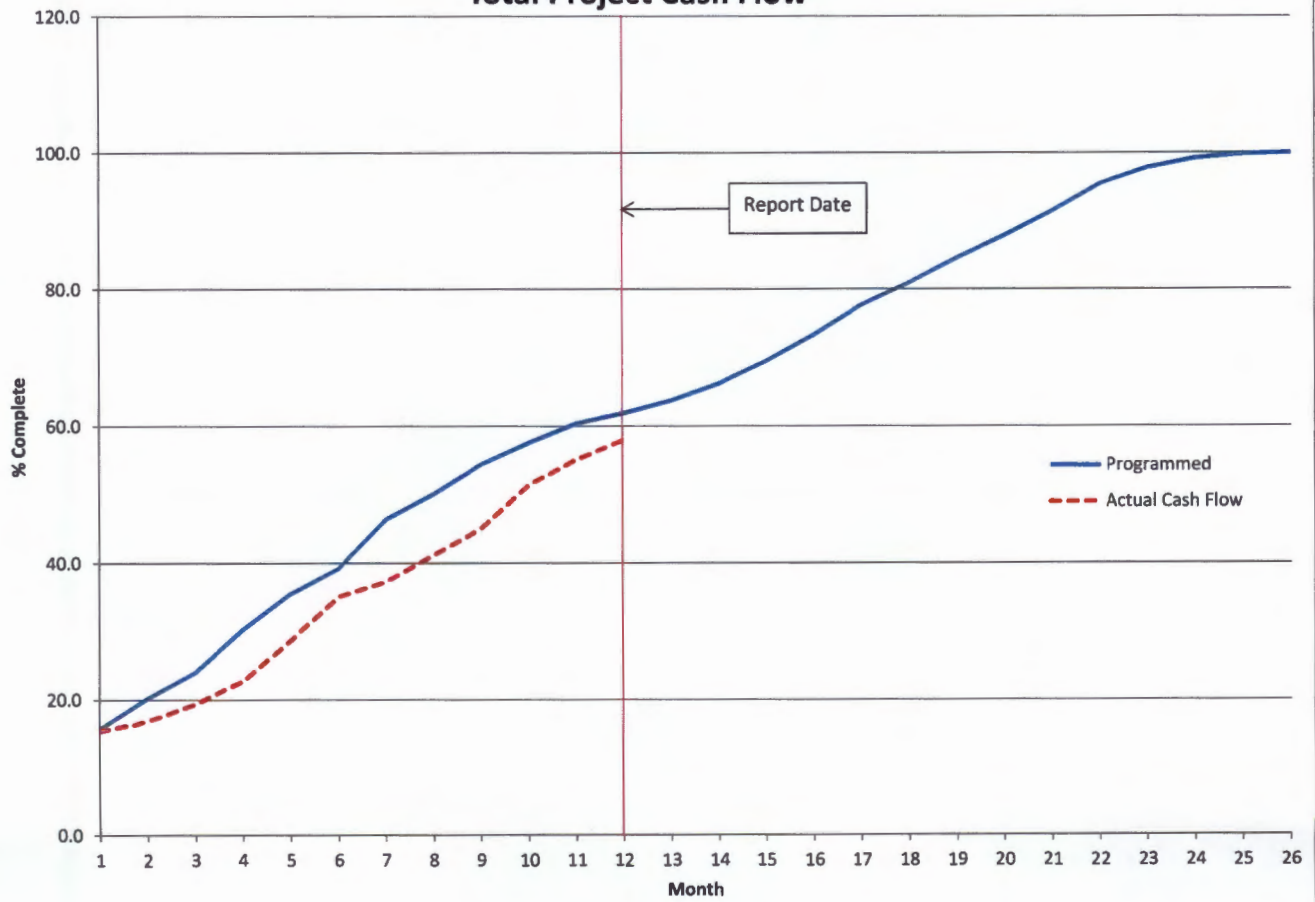
1. Titan heavy concrete foundations are complete. These were the major pours.
2. Underground main power and control conduit circuits are complete from the Titan complex to the substation vaults. These were the major circuits. First class expedited work, hard work, by the Sitka Electric Line Crew is commended.
3. Excavation for Titan 20MVA-GSU Transformer pad and containment dike was completed November 22 followed by substation structures concrete foundations. The plan is to keep rolling, as long as weather permits, until all site work is completed well before Titan scheduled delivery in March, 2014.
4. The Titan turbine unit test is complete and Titan Package test was completed and witnessed by Jack West on November 26, 2013 at the San Diego Solar plant.
5. The main transformer was tested and accepted on November 5, 2013.
6. Logistics planning with Solar is in progress for delivery of the 250 tons of the Titan complex to Sitka. Solar delivery at Port of Sitka or at the Jarvis Site is being reviewed for best cost option to CBS. On site heavy crane lifts will be CBS responsibility, which is as originally planned and budgeted.
7. Substation structural steel acquisitions are in progress. These are the last major materials items remaining with a lead time of about two months.

8. Substation grounding is 90% complete November 26, 2013.
9. All major engineering work is complete except installation details of the two 40,000 gallon, double-wall, Titan dedicated fuel tanks. Design work remaining includes foundations, pads, piping, spill containment diversion and a thorough fire prevention, containment and suppression review by multiple entities. The tanks, ancillary equipment and installation work are purchased. The fuel tanks are an end of project installation item.
10. Title V Operations Permit is out for public comment. The 45-day comment period closes November 15. The final ADEC operating permit will be received in December 2013.
11. The pole mounted switching materials to tie-in to the 69kV transmission line were received on site November 26.
12. The engineering design of the 69kV breaker control and protective relays is scheduled for 90% completion in December. The order is scheduled for placement January 10.



Titan Turbine

Total Project Cash Flow



BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

1. Progress of work

Environmental Protection

Barnard continues to install erosion and sediment control measures as required at the dam site, storage yard at Sawmill Cove Industrial Park and powerhouse area as ground disturbing activities continue. BMP maintenance and repair is ongoing as needed throughout the project site.

Gate Shaft Concrete

Barnard has completed work on the gate shaft concrete liner, with 52 vertical feet of shaft lined to date.

Dam Raise

Barnard crews continued placing concrete on the dam and left abutment thrust block and cutoff wall. We have completed 17 monoliths blocks total on the dam and have made 5 placements on the thrust block and cutoff wall.

Powerhouse

ASRC McGraw has completed the majority of the powerhouse concrete work with the mezzanine deck, access bay slab, and walls now placed. There is a small amount of concrete left to place in the turbine pits. ASRC is beginning preparatory work for the installation of the powerhouse steel building.

Southeast Earthmovers continues rock excavation for the new powerhouse access road and has completed temporary backfill against the powerhouse to allow for crane access. Barnard completed the rock knob excavation above the new powerhouse access road.

Barnard completed backfill on the Timber Crib Wall in November. Barnard crews have also remobilized into the adit tunnel to complete the concrete plug.

2. Status of Construction

Status of Ongoing Major Construction Activities

- Powerhouse Excavation – 90% complete
- Dam Raise – 1530 CY placed to date.
- Left Abutment Thrust Block and Cutoff Wall – 375 CY.
- Powerhouse Concrete – 3200 CY placed to date.
- Gate Chamber Concrete – 150 CY placed to date.
- Gate Shaft Lining – 52 VF completed. – 57% complete.

See Section 1 above for construction work completed in November 2013.

3. Construction Issues

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

The project was hit with a snow storm followed by a heavy rain event on November 19-21. This caused some damage to project access roads and the rising level in Sawmill Creek overtopped the cofferdam at the powerhouse. The high water mark was 16.48'.

4. Contract Status

Barnard's key subcontractors for the Blue Lake Project are as follows:

Name	Scope
ASRC McGraw Constructors, LLC	Powerhouse Construction
Southeast Earthmovers, Inc.	Excavation
Blue Lake Tunnelers	Underground Construction
Crux Subsurface	Foundation Grouting, Micropiles, PRW's
O'Neill Surveying and Engineering	Land Survey
Baranof Materials Test Lab	Quality Control
NAES Power Contractors	Turbine-Generator Installation/Electrical

Barnard's key material suppliers for the Blue Lake Project are as follows:

Name	Scope
ASRC McGraw Constructors, LLC	Concrete Supply
Gerdau Reinforcing Steel	Concrete Reinforcing Steel
Haskell Corporation	Misc. Metal Fabrication

5. Critical Events and Dates

Please see attached summary progress schedule updated November 30, 2013.

Critical Dates for the Blue Lake Project are as follows:

Milestone	Date	Required Status of Construction
1	07/01/2013	Drainage Tunnel Complete – Completed May 6, 2013
2	08/19/2013	Initial Intake Excavation Complete – Completed July 21, 2013
3	06/04/2014	Intake Structure Complete
4	08/24/2014	Ready for Generation Outage
5	61 days after start of Generation Outage	Substantial Completion of 1 st Blue Lake Turbine Generator
6	91 days after start of Generation Outage	Substantial Completion of 2 nd Blue Lake Turbine Generator
7	80 days after start of Generation Outage	Substantial Completion of Fish Valve Unit

6. Reservoir Filling

Blue Lake Reservoir continued to spill for the majority of November.

7. Foundations

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

Not applicable for this report.

8. Sources of Major Construction Material

The City and Borough of Sitka will be providing most of the major construction materials for this project. Please see list below.

Contract No.	Vendor	Scope of Supply
1	Gilbert Gilkes and Gordon, Ltd.	Turbines and Generators
2	Myers	12.47 kV Switchgear
3	Linita Design and Manufacturing	Bulkhead Gate, Fixed Wheel Gate and Hoist
4	T Bailey, Inc.	Penstock and Manifold
5	WEG Electric	69kV Transformers
6	Benchmark Industrial Services	Powerhouse Bridge Crane
7	CHG Building Systems	Powerhouse Building

Materials Received this Period:

Rebar – Barnard has been receiving reinforcing steel for the powerhouse and dam throughout the month of November.

Misc. Metals - Barnard has been receiving misc. metals for various project features throughout the month of November.

Fixed Cone Valve – 24" Diameter Fixed Cone Valve for the Energy Dissipation Chamber was received in November.

9. Material Testing and Results

Concrete testing is ongoing for the dam raise: gate chamber and powerhouse concrete. No issues have been encountered to date.

10. Instrumentation

Not applicable for this report.

11. Photographs

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



Figure 1: Cutoff Wall Concrete Placement



Figure 2: Dam Raise and Left Abutment

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



Figure 3: Gate Shaft Liner Formwork



Figure 4: PH Mezzanine Deck and Access Bay

BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT

For Period Ending: NOVEMBER 30, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



Figure 5: PH Mezzanine Deck Formwork

12. Erosion Control and Other Environmental Issues

Barnard is continuing to install the required environmental protection measures on the project site ahead of ground disturbing activities. Ongoing maintenance of dewatering system at powerhouse excavation site will be required to maintain water quality in Sawmill Creek.

13. Other Items of Interest

November Public Works Progress Report

12-4-13

The Ride Transit Stop Permanent Location:

The "Ride" transit bus stop has been relocated to the southwest corner of Lincoln Street and Harbor Drive (next to Stereo North) for operations on November 25, 2013. The temporary location at the southeast corner of Lincoln and Harbor Drive (across from The Bayview) will be restriped for on-street parking weather permitting. Appropriate signage has been reinstalled at this location.

Centennial Hall & Library Site Parking Lot Development:

Milestones This Period

- The project was accepted as Substantially Complete on September 30, 2013.
- The contractor is completing punch list items.
- Project extras not part of the S&S contract are at various stages of completion. Examples include construction of a snow dump between Centennial Hall and the Library and potential additional lighting improvements.
- Skateboard guards have been installed.
- Landscape blocks have been installed around the sewer manhole near the library entrance.

Future Milestones

- Some punch list items will be addressed in the spring of 2014.

Background

The project includes the complete reconstruction of the Centennial Hall Parking Lot and Crescent Harbor Parking lot. The improvements include storm drain, water, sewer, curb and gutter, paving, lighting, pedestrian plaza and landscaping. S&S General Contractors was awarded the construction contract in the amount of \$2,613,651. The total project budget is \$3,950,000.

Baranof Street Water and Sewer Improvements:

Milestones This Period

- The project was accepted as Substantially Complete on September 30, 2013.
- All significant tangible punch list items have been addressed. The contractor is working on satisfying documentation requirements to obtain final Completion.

Background

The project includes water, sewer, storm drain, curb and gutter, sidewalk and pavement improvements and has a total funding of \$2,672,500 including Alaska Department of Environmental Conservation (ADEC) Municipal Matching Grant and Loan funds.

The Assembly awarded the construction contract to S&S General Contractors on the April 23, 2013 Assembly meeting, in the amount of \$1,712,916. The total estimated project cost is \$2,232,000.

Edgecumbe Drive Street Reconstruction:

Milestones This Period

- O'Neill Surveying and Engineering began work on an as-built/topographic survey on October 24, 2013. Draft deliverable due at the beginning of December 2013.
- Received proposal from consultant to develop the necessary legal contract documents for a design-build maximum cost execution of this project. CBS has not executed a road project of this scale via the design-build method before, and consultant would assist us through the process of developing new contract documents.

Future Milestones

- Award contract for design-build consultant services.
- Project bidding February 2014.
- Award design-build contract March 2014. Contractor will be responsible for design and will propose a schedule. Construction can begin before design is complete with CBS approval.
- Begin construction July 2014
- Complete construction November 2014

Background

The project includes drainage, partial sidewalk, curb and gutter, and all new pavement from Kimsham Street to Cascade Creek Road on Edgecumbe Drive. The total project budget is \$4,750,000, which falls short of the cost estimate of \$5,500,000 for a complete rebuild. Public Works will pursue a design-build contract that would allow the contractor to fit a project into our budget that will best satisfy a priority list we will provide in the bid package.

Hollywood & New Archangel design:

Milestones This Period

- Design consultant on-site the week of November 4, 2013, to perform geotechnical investigation and site survey.
- Design of project is underway moving toward 35% design milestone

Future Milestones

- 35% design drawings and cost estimate due December 2013
- 65% design drawings and cost estimate due January 2014

- 95% design drawings and cost estimate due February 2014
- Construction drawings and final cost estimate due March 2014

Background

The project includes design for water, sewer, storm drain and pavement improvements, and potentially curb and gutter and sidewalk improvements on Hollywood Way and New Archangel Street from Halibut Point Road to Marine Street. Funding for design is available from ADEC Loans (Hollywood Water \$250,000, Hollywood & New Archangel Sewer \$500,000), General Fund budget for streets (\$5,000), and Enterprise Funds (Hollywood Water \$25,000, Hollywood Sewer \$25,000, New Archangel Sewer \$25,000).

Airport Baggage and TSA Area design:

Milestones This Period

- McCool Carlson Green has signed a \$65,818 contract for preliminary design services for this project.
- The consultant team visited Sitka on November 4 and 5, 2013. Consultants conducted research and interviews with members of the Airport Users Group, consisting of representatives from Alaska Airlines, TSA, ADOT&PF, airport vendors, Harris Air and CBS.
- Consultant is working on advancing the conceptual designs far enough to present to the Assembly. Received fee proposal for costs of consultant presentation, including cost estimate of refined conceptual design.

Future Milestones

- Final scoping and design criteria report due December 2013
- Present conceptual design to Assembly for review and approval January 2014
- Upon Assembly approval of project scope, award design contract for airport improvements January 2014
- Submittal of application to the Federal Aviation Administration to collect Passenger Facility Charges to fund airport improvements due February 2014
- 65% design drawings and cost estimate due March 2014
- 95% design drawings and cost estimate due May 2014
- Construction drawings and final cost estimate due July 2014

Background

The project includes design for expansion of the baggage makeup and TSA baggage screening areas. The project will also help establish a Passenger Facility Charges (PFC) program that will raise funds for the construction of the work. Funding collected from a previous PFC program amount to \$275,000 for the design project. \$76,000 budgeted for an unfinished Airport Lighting Retrofit project is available if needed.

Centennial Hall Renovation:

Milestones This Period

- The design consultant, McCool Carlson Green (MCG) has developed building elevations.
- The project was presented to the Building Design Committee (BDC) on the 18th of November.
- The Project was presented to the Public at a Meeting on November 25, 2013
- The project was presented to the Assembly at a Work Session on November 26, 2013.
- At these meetings MCG made a presentation showing the proposed conceptual floor plan, building elevations, and a short video 'fly by' in 3d modeling and recounted the past design process and project goals. The concept design was positively received by the majority of the participants in these meetings.

Future Milestones

- Concept/Schematic Design due February 2014
- 35% cost estimate due February 2014
- Design Development documents and 65% cost estimate due May 2014
- Construction Documents and 95% cost estimate due August 2014
- Project Bidding September 2014
- Award construction Contract November 2014
- Begin construction January – February 2015
- Complete construction November - December 2015

Background

The current total estimated cost for this project is \$15.2 million including the new museum wing. Phase one estimated cost is \$11,421,000. Current grant funding allocated specifically to the project is only \$8,230,000. A \$2,000,000 FY10 Legislative Grant designated for a lightering facility visitor's center (previously planned for under the O'Connell Bridge), is eligible to be used for this project since Centennial Hall serves as a visitor center for the Crescent Harbor Lightering Facility.

A FY14 Legislative Priority Request was submitted consisting of \$4,200,000 for the Centennial Hall building improvements and \$3,341,000 for combined Library/Centennial Hall heating system improvements; however it does not appear that either request will be funded at this time. Additionally, approximately \$2,000,000 is available in the Marine Passenger Fee Fund that could be used for this project. If additional funds are not secured, the scope of the project will need to be scaled back or phased with additional

museum and meeting space expansion planned for the future when funding becomes available.

Ultra Violet (UV) Disinfection Facility:

Milestones This Period

- The 65% design was submitted for review on November 21, 2013.
- The CBS review is scheduled to be complete December 5, 2013

Future Milestones

- The 95% design is due January 2014
- The 100% design and ADEC approval to construct is due January 2014
- The project will be bid for construction in March 2014
- The project construction will begin May 2014
- The project construction will be complete September 2014
- ADEC approval to operate December 2014

Background

The Blue Lake drinking water system is a surface water system, which must comply with the EPA Enhanced Surface Water Treatment Rules (ESWTRs). The subject UV Disinfection Facility will provide the additional microbial and disinfection controls required under the ESWTRs.

The current project cost estimate is \$8,966,000. Funding for this project is provided by State of Alaska Department of Environmental Conservation (ADEC) loans and grants:

- \$4,000,000 FY 2011 ADEC Loan. Includes \$2,500,000 financed with \$1,500,000 subsidized.
 - \$2,550,000 FY 2012 ADEC Loan (pending).
 - \$3,500,000 FY 2012 ADEC Grant (30% local match requirement).
 - \$2,061,000 FY 2013 ADEC Grant (pending - 30% local match requirement).
- \$12,111,000 Total Project Funding.

The grants and loans indicated as pending are grants and loans listed on the Alaska Drinking Water Fund intended use plans, for which CBS has submitted appropriate paper work to have the grant or loan finalized.

Library Development Planning:

Milestones This Period

- The design and technical teams have been meeting weekly to develop building elevations and costs.
- FEMA requested additional information which was collected and submitted November 26, 2013.

Future Milestones

- The Design team, MRV Architects, will meet with the Library Design Committee December 5, 2013 at the Library at 6:30 pm for input on the 35% design and cost estimate.
- Meetings are scheduled December 10, 2013 with the Assembly where MRV will present the proposed conceptual design and conceptual cost estimate in a Work Session and then at the regular meeting for approval.
- Finalization of the FEMA information is still outstanding.
- Design completion May- June 2014
- Advertisement for bids July 2014
- Construction begins August 2014
- Construction Complete August 2015

Background

The design phase is expected to take 12 months at a minimum with the earliest advertisement for construction planned for late summer/fall 2014. The project construction may be completed in 2015, depending on the phasing plan that is developed.

The State funding of \$5.7 million awarded to CBS is a direct appropriation with no funding match requirements. A private donation of \$400,000 has also been given to the project by the John J. and Eleanor Brust Family. \$350,000.00 of the budget was allocated to the Centennial Hall Parking Lot Project to relocate the Swan Lake storm drain, leaving a current project budget of \$5.75 million for the expansion and renovation of the Library.

Storm Water Management Plan Phase II:

Milestones This Period

- The project is complete. A report to the Assembly as a work session was completed on the November 12, 2013 Assembly Meeting.

Future Milestones

- Adoption of the Stormwater Management Plan is scheduled for the December 10, 2013 Assembly Meeting

Background

The first phase of the Storm Water Master Plan was completed in late June 2012 with Tetra Tech Alaska, LLC gathering existing infrastructure data and condition inventory to include in our GIS system along with precipitation analysis and drainage basin delineation as part of the first phase of the project. The second year grant funding (FY13) was approved by the Alaska Department of Environmental Conservation and the grant agreement was authorized by the Assembly in July 2012. The grant amount of \$43,388 requires a 40% percent CBS match of \$28,925. This phase included collecting more field data, preparing the Stormwater Management plan, Sitka specific rainfall intensities, recommended Best Management Practices, Capital Improvement Plan and an example Stormwater Ordinance.

Alternative Water Source Investigation Filtration (Blue Lake Project):

Milestones This Period

- The procurement of the filtration units and construction of the piping system has been change ordered into the Barnard Construction Contract for the Blue Lake Dam to allow the contractor to schedule the filtration units to match the scheduled Blue Lake water shutdown.
- The recommended filtration units lease cost is \$1,053,832 which does not include the site development and installation costs.
- Design review of the 50% Design received November 18, 2013

Future Milestones

- Final design to ACEC and contractor December 3, 2013
- The system is planned to be operational in July 2014

Background

The proposed schedule has the design completed in October 2013, Alaska Department of Environmental Conservation permitting completed in March of 2014, construction of the piping and pumping completed in April 2014 and final installation of the filter units in June 2014 for operation in July 2014. The preliminary design cost estimate has a projected design and construction cost of \$3,000,000. Due to the lack of well potential in the Indian River Valley, temporary surface water filtration will need to be utilized during the Blue Lake Project outage. Award of the design contract to CH2MHILL, was approved by the Assembly on February 12, 2013.

Pacific High School:

Milestones This Period

- The Pacific High School Renewal Project is Substantially Complete.

Future Milestones

- The planned move in date for the students is Christmas Break.

Background

The project budget is \$2.671 million.

Blatchley Middle School:

Milestones This Period

- The Blatchley Middle School Remodel Project is Substantially Complete.
- The door correction change order has been executed and the work will be complete by March 2014.
- Mechanical punch list items and training for School District personnel is complete.
- Electrical punch list items and training for school district personnel is incomplete

Future Milestones

- Final competition is scheduled for February 2014

Background

The project budget is \$12.475 million. The project is within its budget. The contract required substantial completion date is August 1, 2013, which was met with the exception of the door correction (installation).

ANB Harbor Replacement (Project # 90674):

Milestones This Period

- The ANB Harbor parking lot was closed to the public on November 18, 2013 to facilitate construction of the new harbor. CBS PW has requested that the Contractor keep nine (9) parking stalls available throughout the duration of the work to provide parking for the neighboring businesses.
- Pacific Pile & Marine L.P. (PPM) arrived in Sitka on November 19, 2013.
- The first barge loaded with new floats, piling, and a new gangway for ANB Harbor arrived and demolition work began in the harbor on November 24, 2013.
- Transpac Marinas completed repairs to a float section that was damaged during shipping.

Future Milestones

- A second and final barge for the ANB Harbor project is scheduled arrive in Sitka the week of December 9, 2013.
- PPM has indicated they intend to begin pile installation around December 9, 2013.

Background

CBS received a FY13 State of Alaska Municipal Harbor Facility Matching Grant, for the ANB Harbor Replacement Project, which will cover 50% of eligible construction costs not to exceed \$4,250,000 in match funding. CBS has received bond proceeds from the Alaska Municipal Bond Bank in the amount of \$4,300,000 for this project. On January 10, 2013, the Assembly awarded a Professional Services Contract to Moffatt & Nichol for the ANB Harbor Replacement Project. On June 25, 2013, the Assembly approved award of the Procurement Contract to Transpac Marinas, Inc. for \$2,698,870. On October 22, 2013, the Assembly approved award of the Installation Contract to Pacific Pile & Marine L.P. for \$3,639,319. The total project cost is currently estimated at \$7,720,000.

Sitka Community Hospital Roof Replacement (Project # 90737):

Milestones This Period

- Minor punch list items remain, but should be completed by November 27, 2013.
- New walkway pads will be the last remaining item before Final Completion. The wrong material was sent by the supplier (TPO rather than PVC). The issue is being rectified and the walkway pads will be installed when they arrive and weather permits.

Background

The Assembly approved award of a construction contract to CBC Construction, Inc. in the amount of \$784,754.16 for the Sitka Community Hospital Roof Replacement project on April 23, 2013. Due to the very competitive bid received, a change order to the contract was approved to upgrade the insulation to a better product (polyiso instead of EPS). The project is funded through a \$1,200,000 FY2013 State Legislative Grant.

Swan Lake Restoration / Dredging Project (Project # 90747):

Milestones This Period

- None.

Future Milestones

- CBS PW intends to issue a change order adding more dredging quantity to the contract.
- The Contractor is planning to complete all of the dredging in 2014.
- Purchase of a refurbished aquatic weed harvester was included in the grant funding. These floating machines cut and remove the vegetation to improve recreational opportunities and water flow through the lake. The search for a suitable harvester is on-going with several suppliers.

Background

Public Works Progress Report
12/4/13

The Assembly approved award of a construction contract to Island Enterprises, Inc. in the amount of \$399,806 for the Swan Lake Restoration – Lake Dredging project on April 23, 2013. The project includes dredging prioritized selected locations to improve water flow through the lake, winter habitat for fish, access and recreation in general. The City and Borough of Sitka received \$771,236 in Federal funds through the Coastal Impact Assistance Program (CIAP) for this restoration project on Swan Lake. The grant is administered through the Wildlife and Sport Fish Restoration Program, CIAP Branch and runs through December 2015.

Sea Walk – Crescent Harbor Park to National Historic Park:

Milestones This Period

- A change order was initiated to cover the following work: drainage improvements at Kelly Street crosswalk and Crescent Park Playground parking lot; screening fences around transformers at harbor gangways, sidewalk replacement around Crescent Park restrooms.
- Several punch list items were completed.

Future Milestones

- Remaining work will be completed by December 31, 2013.

Background

On March 12, 2013, the Assembly approved award of a contract to CBC Construction for the Sea Walk – Crescent Harbor Park to National Historic Park project in the amount of \$1,222,662.14 for the base bid and all five additive alternates. The current phase of the Sea Walk extends from the Centennial Hall Parking Lot to the Sitka National Historic Park boundary near Kelly Street. The Sea Walk is funded by way of the following: \$1,000,000 FY 2011 State of Alaska Grant (Sea Walk Extension Part C), \$700,000 FY 2011 State of Alaska Grant (Crescent Park Sidewalk Widening), \$80,000 Paul Sarbanes Transit in the Parks Programs (TRIP) Grant (applied for and administered by National Park Service), and \$175,000 CPET funds (Sea Walk – Centennial Building to Tennis Courts).

Federal Land Access Program (FLAP) Grant:

Milestones this period

- Match Agreement with Western Federal Land has been signed.
- Mental Health Land Trust (MHLT) construction License and Easement documentation has been signed.
- Bureau of Land Management application has been signed and submitted.

- Memorandum of Understanding with Sitka Trail Works and CBS has been signed.
- Reimbursable Agreement with Western Federal Land has been signed and submitted.
- Baranof Island Housing Authority (BIHA) construction License and Easement documentation has been signed.
- Federal Lands Access Program Project Memorandum of Agreement signed and submitted.
- Corps of Engineers permit has been submitted

Background

The City and Borough of Sitka has been awarded a \$916,897 MAP-21 Federal Lands Access Program (FLAP) Grant for Phase 5 Cross Trail multimodal pathway (Cross TMP), Baranof Street and Yaw Drive connectors, by Western Federal Lands (WFL). The Assembly approved submission of the grant in Resolution 2013 - 03 in February.

Phase 4 of the project, a \$926,000 STIP Grant for a multimodal pathway reconstruction and re-routing from Yaw Drive to the CBS property was funded by the Department of Transportation in the 2009 STIP. DOT planners, with the concurrence of Western Federal Lands (WFL) and CBS, initiated action to combine the two projects as a single \$1.8 million grant and have the project managed by Western Federal Lands for greater efficiency and cost savings.

The CBS is starting to work with the property owners to secure construction licenses and easements of the properties that will be affected during and after the trail is constructed.

Solid Waste Management Plan:

Milestones this period

- Municipal Solid Waste (MSW) team will meet on October 28, 2013 to review proposals and make a decision on which consultant will be chosen to complete a Master Plan for the MSW.
- CB&I has been chosen to complete a Municipal Solid Waste Master Plan and a presentation by the company is planned November 25, 2013.

Background

A Request for Qualifications (RFQ) for a consultant to develop a Solid Waste Management Plan began advertisement September 16, 2013 and will open October 14, 2013. RFQ submittals were opened on October 14, 2013 and a total of three proposals were received.

Sawmill Cove Industrial Park Marine Industry Service Center Feasibility Study:

Milestones This Period

- The City & Borough of Sitka (CBS) signed a Professional Services Agreement with Northern Economics, Inc. on August 7, 2013. Under this agreement, Northern Economics will initiate studies to evaluate the feasibility of a marine industry center at the Sawmill Cove Industrial Park (SCIP). The evaluation will include a marine haul out facility, a moorage facility for large commercial vessels, a deepwater dock and related infrastructure.
- A team from Northern Economics visited Sitka, August 26 – 28, 2013. The team included a representative from PND Engineers (PND is a subcontractor to Northern Economics). Activities included a visit to the Industrial Park, a meeting with the CBS Assembly, and a meeting with the SCIP Board of Directors (this meeting was open to the public, and to public comment). The Consultants also met with local businesspeople involved with various marine service industries, collecting data regarding the perceived needs for moorage, vessel haul outs, etc.
- Based on the information gathered during their visit to Sitka (as well as data from other communities of similar background) the Consultants developed a survey for vessel owners, to be used to ascertain the need for additional large vessel moorage and/or a large vessel haul out, at Sitka. The survey is currently available to the public from several sources. The cut-off date for survey data to be included in the project screening analysis is November 15, 2013; however, the Consultant will continue to collect and record surveys after that date.

Background

The project is funded by a Federal Earmark of \$486,917, of which some \$26,917 will go to the AK-DOT&PF for their costs to administer the funds for the FHWA. The project will be administered by Public Works and the Sawmill Cove Industrial Park Director (Garry White). In that the funding is through the State of Alaska, State procurement procedures will be followed to comply with Federal requirements.

Water Service Calls; Leaks/Locates/Routine Repairs & Maintenance:

- During the month, the Water Division responded to seven callouts; for residential locates and turning water on/off to a building under renovation; two water service leaks – both on the customer side and one leak caused when a contractor inadvertently hit a trailer court service line.
- Water operators continued working near daily with DOT's HPR Road subcontractor, Coastal Excavation, by performing locates as their work transitioned from storm drain crossings to water system improvements. These improvements were requested to be included in the DOT project by the city and will be paid for by the Water Fund. Early in the month the contractor exposed the last of the valves of the same generation that have the bolt/nut corrosion problem and our operators inspected and replaced the bonnet nuts and bolts. Corrosion

was apparent on some bolts and nuts on all valves. No evidence of water leaking was found.

- On November 14, 2013 DEC Drinking Water Division performed the annual filtration avoidance inspection. This is a daylong thorough inspection of our equipment, maintenance, reporting, and the watershed. A successful inspection result is critical in maintaining or avoidance of filtration for our Blue Lake drinking water supply. Exit interview preliminary results were very favorable. A job well done by our small three person water crew and the WW and maintenance employees who cross over to make our system efficient.
- The Water Division is prepared for the annual flushing program. Each fall the water transmission main and all major distribution lines are flushed at high velocity to remove any sediment that has settled during the previous year. The flushing is preceded by valve box cleaning and leak listening with a special amplification device. This takes place early in the mornings before traffic makes working in the streets difficult and noisy. Noise levels are recorded and compared with previous year's values for individual main line valves which will guide additional leak investigations in specific areas. Flushing has been rescheduled to begin the night of December 9, 2013 and continue until approximately December 18, 2013.
- Water operators began winterizing facilities; turning on heaters in meter boxes at the harbors and valve shack to SMCIP and raw water system freeze protection valves were opened/checked at SMCIP.
- Sitka hosted the SE Alaska Water & Wastewater Management Association training conference November 5 and 6, 2013. All water operators adjusted work duties and schedules to attend the training and network with other operators from around the region as well as the trainers and vendors. Sitka is a very popular location for this meeting hosting it many times over the last 20 years. The Centennial Building Crew are fantastic to work with on events such as this.

Wastewater (WW) Repairs & Maintenance:

- WW operators continued working with DOT's HPR sub-contractor locating sewer system infrastructure as they install water services across HPR.
- WW operators worked closely with our consultant DOWL- HKM when they drilled test holes to aid in design for sewer and water system replacement projects on Hollywood Way and New Archangel St.
- WW operators all attended the SE Alaska Water & Wastewater Management Association training conference November 5th and 6th; adjusting schedules and rearranging weekly routines so all could attend the maximum possible.

- The old float level and control power systems failed at Centennial lift station (LS) during the power outage on November 9th. One WW operator checked and manually pumped the wet well down several times during the night and next morning until new floats and control power lines could be installed the following day.
- WW operators continue to do research work on the existing old Lake St. LS. Individual pumping and dry weather inflow rates were determined during the first week of September. Wet weather flows continue to be. This data along with survey information will be used to select pumps for the replacement LS in the future.
- WW and maintenance operators began an in-house winter project to reorganize the maintenance shop; installing a new sink and counter as well as improving equipment storage around the shop exterior walls. The shop is the storage location for loaner equipment such as: water valve wrenches, back flow preventers and meters for hydrant connections and other small parts and pieces needed on a non-routine basis contractors and the public who check out through our WW staff.
- Five WW Operators took eight certification exams on October 11, 2013; seven of the eight passed, increasing their certification level or becoming certified in a new discipline for the first time. Certification exams are only offered twice per year. This continues the strong push by all our operators to advance in certification level and to expand into other disciplines. The state requires that the city have properly certified operators at the level each system is classified at for: Water Distribution, Water Treatment, WW Collection and WW Treatment. It takes several years of operational experience in a specific discipline combined with education to progress to the higher levels of certification. The city needs multiple operators certified at the proper level to fill in during times when supervising operators are out for vacation for example or to be prepared if one of our higher certified operators were to leave or retire. This has been an extraordinary year for Sitka's operators working towards additional certifications.

Sawmill Cove Industrial Site – Wastewater (WW) Update:

- In early October, WW Operators switched 100% of the WW flow from the site to the biological treatment system and have flushed the 7000' 6" force main with water. QAP, the Sawmill Creek Road Contractor, cut out a 600' section to allow for construction of a large retaining wall. With the small extended aeration plant loaded higher it requires more operator attention than under normal low load conditions. The plant is doing ok considering the rapid change in organic loading i.e. more food for the bugs to consume. In early - mid-November Maintenance operators fused the 6" force main back together with electrofusion couplings. The main is being tested for leaks and that air relief valves are properly operating by pumping SMCIP raw water. We expect to put the SMCIP lift station

back into service next month and begin pumping at least part of the site's WW to the municipal system, lightening the load on the biological system.

Summer Water Quality (WQ) Monitoring of Indian River:

- This summer/fall's special monitoring of Indian River water continues; the last set of samples were sent to the lab for analysis November 25th. This WQ data is needed to fine tune the temporary filtration system design that is needed to serve the public during the Blue Lake penstock outage in 2014. We are currently reviewing ~50% design plans for the temporary filtration system.

Blue Lake Water Quality: (Water Division/Electric Department)

Milestones This Period

- The Water Division continues working with the Electric Department to gather background water quality data out in the lake and around the construction activity as required during the project. The second field monitoring was completed and the samples were sent to the lab for analysis. This background data from out in the lake and at different depths will help us understand water quality changes in the future as the lake fills to greater depths and as the water moves through the lake towards the intake.



STATE OF ALASKA
DEPARTMENT OF
COMMERCE
COMMUNITY AND
ECONOMIC DEVELOPMENT

Division of Community and Regional Affairs

Sean Parnell, Governor
Susan K. Bell, Commissioner
Scott Ruby, Director

November 25, 2013

Dear Municipal Official/Superintendent:

RE: FY 14 NATIONAL FOREST RECEIPTS PROGRAM

The purpose of this letter is to keep you informed about the Secure Rural Schools program and to alleviate any confusion that may have been caused by information coming from multiple sources.

On October 2, 2013 Congress passed a one year reauthorization of the Secure Rural Schools and Community Self Determination Act as part of HR 527 Helium Stewardship Act. The extension language funds the program at 95% of the last year's funding. As of today, the federal government has not released specific information on funding allocations to individual municipalities or school districts.

In anticipation of a last minute program extension, the Division of Community and Regional Affairs (DCRA) mailed on July 1, 2013 a Secure Rural Schools application to every eligible municipality or school district. This letter confirms that DCRA has received your completed application (also known as your election to receive payment) and the State of Alaska is prepared to transmit your election to receive payment to the U.S. Forest Service. Unless DCRA requests additional information from you, **your municipality or school district has taken all the necessary actions to receive the Secure Rural Schools payment.**

We have been told by federal program staff that payments are expected to be processed in March of 2014. We will continue to keep you informed on this program as the information becomes available to us.

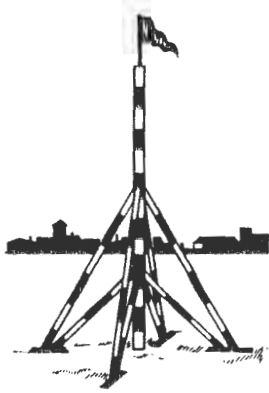
Sincerely,

A handwritten signature in cursive script that reads "Danielle Lindoff".

Danielle Lindoff

Local Government Specialist IV

cc: Susan Bell, Commissioner, DCCED
John Moller, Rural Liaison, Office of the Governor



Nenana Ice Classic

Box 00272

Nenana, Alaska 99760

(907) 832-5446

RECEIVED
NOV 18 2013

City & Borough of Sitka

November 11, 2013

To Whom It May Concern:

This letter is written as notification that the Nenana Ice Classic will be conducting gaming in your community through agents that are selling tickets for the Nenana Ice Classic. Nenana Ice Classic tickets will be sold from February 1, 2014 through April 5th, 2014.

The Nenana Ice Classic holds a 501C Federal Tax Exemption and is registered as a Non-Profit Charitable Gaming Corporation with the State of Alaska. We are requesting that you please exempt us from sales tax in your community (should you have a sales tax).

Proceeds from our ticket sales benefit our local Volunteer Fire Department and Emergency Medical Services, Public Library, Visitors Center, local Senior Center, Fairbanks Food Bank, American Cancer Society, Shriners Hospitals, American Cancer Society, KUAC Public Television and many children's scholarships, functions and activities. We were able to contribute over \$30,000.00 in contributions locally and statewide in 2013.

If you have any questions, please feel free to contact our office at (907) 832-5446.

Thank you for your time considering our request.

Respectfully,

Cherrie Forness, Manager

Cc: State of Alaska, Division of Charitable Gaming

Betting on the Tanana River breakup has been an Alaska tradition since 1917.



Legislation Details

File #: 13-222 Version: 1 Name:
Type: Minutes Status: AGENDA READY
File created: 12/4/2013 In control: City and Borough Assembly
On agenda: 12/10/2013 Final action:
Title: Approve the minutes of the November 26, 2013 Assembly meeting
Sponsors:
Indexes:
Code sections:
Attachments: [Minutes 112613](#)

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



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 Phyllis Hackett, Pete Esquiro, Mike Reif,
Benjamin Miyasato and Aaron Swanson*

Municipal Administrator: Mark Gorman

Municipal Attorney: Robin L. Koutchak

Municipal Clerk: Colleen Ingman, MMC

Tuesday, November 26, 2013

6:00 PM

Assembly Chambers

WORK SESSION - 5:00 PM

A worksession was held on the Harrigan Centennial Hall Renewal Project to review the conceptual design. It was noted major construction would not start until late 2015.

REGULAR MEETING

I. CALL TO ORDER

Present: 6 - Esquiro, Reif, Hunter, Hackett, Swanson, and Miyasato

Excused: 1 - McConnell

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

None.

V. CEREMONIAL MATTERS

None.

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

None heard.

VII. PERSONS TO BE HEARD

Shirley Robards, owner of Stereo North, reiterated she was not pleased with the relocation of the Community Ride stop to the front of her store. She

wondered who the responsible party would be if someone fell getting off the bus.

VIII. REPORTS

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

Administrator - Gorman attended: Government to Government meeting, Port and Harbors Commission, Tourism Commission, the Alaska Energy Authority meeting, and AML meetings in Anchorage.

He met with Paula Scott, the representative for the city's health insurance. Gorman also reported he had met with the CEO of SEARHC to talk about the ongoing discussions between the hospitals on collaboration efforts.

Liaison Representatives - Hackett relayed Sitka Community Hospital was comfortable with their "Critical Access Status" and added the Hospital was doing well. Miyasato attended the Port and Harbors Commission. The big issues were rates and proposed rate increases.

IX. CONSENT AGENDA

- A 13-216** Approve the minutes of the November 12, 2013 Assembly meeting
- This item was APPROVED ON THE CONSENT AGENDA.
- B 13-217** Reappoint David Arp to a term on the Sitka Investment Committee
- This item was APPROVED ON THE CONSENT AGENDA.
- C 13-219** Authorize removing the formal protest against the liquor license renewal for J&B North Inc. d/b/a Victoria's Pour House
- Finance Director, Jay Sweeney, provided an overview. Sweeney explained the establishment had become seriously delinquent in the amount of sales tax owed. Earlier this year, the City had protested renewal of their liquor license, however, realized it was in the best interest to find a way to work through the problem. Initially the Assembly agreed to protest with the understanding if the Pour House were to work out an acceptable agreement with the City a recommendation would be brought back that the protest be removed. Sweeney added the agreement had been reviewed by the Legal Department.
- A motion was made by Hackett that this Item be PASSED. The motion PASSED by the following vote.**
- Yes:** 5 - Reif, Hunter, Hackett, Swanson, and Miyasato
- No:** 1 - Esquiro

X. UNFINISHED BUSINESS:

- D ORD 13-41** Amending Section 4.09.100 of the SGC to Identify Possible Sales Tax Holidays for Certain Sales in 2013 - proposed dates are November 29 & 30

A motion was made by Hackett that this Ordinance be PASSED ON SECOND READING. The motion PASSED by the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Hackett, Swanson, and Miyasato

- E ORD 13-42** Authorizing the lease of approximately 9.58 Acres of Tidelands in Alaska Tidelands Survey 126 to Northern Southeast Regional Aquaculture Association Inc.

Steve Reifenstuhel spoke in support of the ordinance. He stressed the value of fish that NSRAA produced for fisherman and the three local processors; the economic input huge for Sitka. Reifenstuhel stated Sitka was a fishing community and dependent on fisheries.

A motion was made by Hackett that this Ordinance be PASSED ON SECOND READING. The motion PASSED by the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Hackett, Swanson, and Miyasato

XI. NEW BUSINESS:**New Business First Reading**

- F ORD 13-43** Adjusting the FY14 Budget for known changes

Jay Sweeney, Finance Director, explained the ordinance dealt with four specific items that needed adjusting.

A motion was made by Miyasato that this Ordinance be PASSED ON FIRST READING. The motion PASSED by the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Hackett, Swanson, and Miyasato

- G ORD 13-44** Amending Section 4.09.020 Collection of Tax of the SGC so that in October of each year the Assembly routinely and timely considers whether to authorize any Sales Tax Free Day(s) for certain sales that have historically followed the Thanksgiving Holiday

Reif and Hunter sponsored this ordinance to help the business community get ready well in advance. Hackett queried Finance Director, Jay Sweeney, as to potentially a later date in the month. Sweeney stated the ordinance would work, however, the more days he had in October the better. Hackett urged local spending to help support businesses.

A motion was made by Reif that this Ordinance be PASSED ON FIRST

READING. The motion PASSED by the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Hackett, Swanson, and Miyasato

Additional New Business Items

- H 13-220** Approve a sole source procurement and installation for two Yamaha outboard motors from Gary's Outboard for \$49,604 utilizing grant funding specified for the Emergency Response Vessel Equipment and funded by a Homeland Security Grant

Police Chief Schmitt explained the motors belonged to Homeland Security and they would decide what would happen to the motors. Esquiro wondered why the City would get rid of them when there was still life in the engines. He asked Schmitt if the City could continue to use the existing motors and purchase the new ones with plans to replace the motors in the future when needed. Swanson clarified the grant wouldn't expire for two years. Hackett also wondered why the motors needed to be replaced now.

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

Yes: 6 - Esquiro, Reif, Hunter, Hackett, Swanson, and Miyasato

- I 13-218** Discussion/Direction/Decision on a CBS Donation for Philippines Disaster Relief

Myrna Cirera, a representative from the Filipino community, explained to the Assembly she was organizing a fundraiser and gathering items to ship to the Philippines. She added an account had been set up at Wells Fargo. Cirera reported Alaska Marine Lines had agreed to ship the items to Seattle free of charge, however, shipping costs from Seattle to the Philippines needed to be covered.

Recognizing the importance of the Filipino community in Sitka, the Assembly agreed it was important to show support for the relief effort, however, some members were conflicted on whether City money should be used. Assembly members present personally pledged to contribute \$150 - one half of their monthly stipend to the effort.

XII. PERSONS TO BE HEARD:

Fire Chief Dave Miller spoke to the Tsunami Inundation Study. He cautioned that one needs to keep in mind it was only a "study" and sometimes as in Japan, "Mother Nature" has a different idea. Miller urged everyone to have a seven day survival kit.

Miller reported the blue fire truck finally made it to its destination of St. George Island where they were happy to have it. Deputy Mayor Hunter mentioned that he had students from St. George Island and they have expressed their excitement and gratitude towards Sitka for sending it.

XIII. ADJOURNMENT

A motion was made by Hackett to ADJOURN. Hearing no objection the meeting
ADJOURNED at 7:14 PM.

ATTEST: _____
Colleen Ingman, MMC
Municipal Clerk



Legislation Details

File #: 13-224 Version: 1 Name:

Type: Appointment Status: AGENDA READY

File created: 12/4/2013 In control: City and Borough Assembly

On agenda: 12/10/2013 Final action:

Title: Approve the list of Acting Administrators for 2013-2014

Sponsors:

Indexes:

Code sections:

Attachments: [Acting Administrators](#)

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

Mark Gorman
Municipal Administrator
City and Borough of Sitka
100 Lincoln St.
Sitka AK 99835
P: 907-747-1808 F: 907-747-7403
markgorman@cityofsitka.com

ADMINISTRATION

Memo

To: Mayor and Assembly
From: Mark Gorman, Municipal Administrator
Date: December 4, 2013
Re: Acting Municipal Administrators



Following is the updated Acting Administrator list for the remainder of 2013 and calendar year 2014. The following Department Heads will serve in my capacity, in the order listed, should I be absent.

1. Jay Sweeney, Finance Director
2. Michael Harmon, Public Works Director
3. Christopher Brewton, Electric Utility Director



Legislation Details

File #: 13-225 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/4/2013 In control: City and Borough Assembly

On agenda: 12/10/2013 Final action:

Title: Approve purchase of new ambulance as a replacement (previously budgeted and approved) utilizing the SEREMS Grant towards purchase -- \$175,000

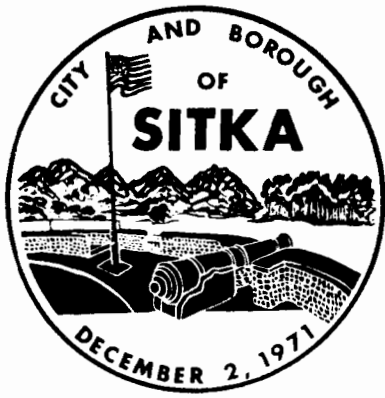
Sponsors:

Indexes:

Code sections:

Attachments: [Ambulance](#)

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



City and Borough of Sitka

FIRE DEPARTMENT

209 LAKE ST. · SITKA, ALASKA · 99835

907-747-3233

To: Mark Gorman, City Administrator

Dec.3, 2013

From: David E. Miller Fire Chief

Subject: Ambulance Purchase

Mr. Gorman,

In the current year's budget we have been approved to purchase a new ambulance to replace an existing one. We were okayed to spend \$175K on this purchase. We have received a grant through SEREMS for the amount of \$35K towards the ambulance purchase. We are asking that we are able to sole source this ambulance through Braun Northwest to keep consistent with the ambulance that we will be keeping and this will allow vehicle maintenance and parts ordering easier to accomplish. Cost estimates for the new ambulance are right at \$175K.

Thanks for your time.

David E. Miller

Fire Chief


**Sitka Fire Department
Interoffice Memorandum**

To: Dave Miller, Chief

From: Rob Janik , EMS Captain

Date: December 2, 2013

Subject: Ambulance purchase



Chief:

As you are aware, we are overdue for a replacement ambulance purchase. We have been budgeting through the sinking fund to replace our ambulances on a seven year cycle and are now into the tenth year of service for Medic 1 which was purchased in 2003. I have corresponded with Braun Northwest, the manufacturer of our last ambulance, who have provided a rough estimate which shows we have saved enough to purchase now. We have also received preliminary approval from Southeast Region EMS Council of an allocation through the Code Blue grant program from the State of Alaska for \$35,000 towards this purchase. I recommend we begin the process to purchase a new ambulance from Braun Northwest using city funds and the state grant.



Legislation Details

File #: RES 13-19 Version: 1 Name:

Type: Resolution Status: AGENDA READY

File created: 12/4/2013 In control: City and Borough Assembly

On agenda: 12/10/2013 Final action:

Title: Adopting an Alternative Allocation Method for the FY14 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in FMA 18: Central Southeast

Sponsors:

Indexes:

Code sections:

Attachments: [RES 13-19 Shared Fisheries](#)

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

Sponsor: Administrator

CITY AND BOROUGH OF SITKA, ALASKA

RESOLUTION NO. 2013-19

**A RESOLUTION ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE
FY14 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT
THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF
SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN FMA 18:
CENTRAL SOUTHEAST**

WHEREAS, AS29.60.450 requires that for a municipality to participate in the FY14 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2013 from fisheries business activities; and,

WHEREAS, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and,

WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and,

WHEREAS, The City and Borough of Sitka proposes to use an alternative allocation method for allocation of FY14 funding available within the FMA 18: CENTRAL SOUTHEAST in agreement with all other municipalities in this area participating in the FY14 Shared Fisheries Business Tax Program;

NOW THEREFORE BE IT RESOLVED THAT: The City and Borough of Sitka by this resolution certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2012 of fisheries business activity in FMA 18: CENTRAL SOUTHEAST:

All municipalities share equally 50% of allocation; all municipalities share remaining 50% on a per capita basis.

PASSED, APPROVED AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on the 10th day of December, 2013.

Mim McConnell, Mayor

ATTEST: _____
Colleen Ingman, MMC
Municipal Clerk



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Commerce, Community,
and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

P.O. Box 110809
Juneau, Alaska 99811-0809
Main: 907.465.4751/907.465.4733
Programs fax: 907.465.4761

RECEIVED
NOV 19 2013

November 15, 2013

City & Borough of Sitka

Dear Municipal Official:

The purpose of the ***Shared Fisheries Business Tax Program*** is to provide for a sharing of state fish tax collected outside municipal boundaries with municipalities that have been affected by fishing industry activities. Municipalities around the state will share approximately \$2.72 million based on 2012 fisheries activity as reported by fish processors on their fish tax returns. Details of how the program works are presented in the application under *Program Description*.

Historically, your municipality along with the other communities in your fisheries management area (FMA) has filed using the alternative method. I have attached a separate sheet that details the communities that are in your FMA, as well as the anticipated payment based on your agreed upon allocation method from last year. If this agreement is still in place with your FMA, you will only need to have your Council/Assembly pass the enclosed sample resolution (pink) in order to participate in the program.

If your FMA intends to change the alternative method of allocation, the new proposal must be submitted to our office no later than January 15, 2014. If an agreement cannot be made with all communities in your FMA, you will need to file using the standard method and claim your significant effects. Instructions on both of these methods are detailed in the application packet.

We encourage your municipality to complete the FY 14 Shared Fisheries Business Tax Application as soon as possible. **FINAL DEADLINE for submission of applications/resolutions is February 15, 2014.**

If you have any questions about the program, or require assistance in completing the application, please call me at 465-4733.

Sincerely,

A handwritten signature in cursive script that reads "Danielle Lindoff".

Danielle Lindoff
Local Government Specialist IV

FY 14 Shared Fisheries Business Tax Program

FMA 18: Central Southeast Area

Alternative Method*

Total allocation: \$84,817.38
 50% Divided \$42,408.69
 50% per capita \$42,408.69

Community	Population	50% divided share	50% per capita share	Calculated Allocation
Coffman Cove	181	\$5,301.09	\$486.99	\$5,788.08
Kake	598	\$5,301.09	\$1,608.96	\$6,910.04
Kupreanof	34	\$5,301.09	\$91.48	\$5,392.57
Pelican	82	\$5,301.09	\$220.63	\$5,521.71
Petersburg Borough	3,269	\$5,301.09	\$8,795.46	\$14,096.54
Port Alexander	66	\$5,301.09	\$177.58	\$5,478.66
Sitka	9,084	\$5,301.09	\$24,441.09	\$29,742.18
Wrangell	2,448	\$5,301.09	\$6,586.50	\$11,887.59
Totals	15,762	\$42,408.69	\$42,408.69	\$84,817.38
Community Count	8			

FY 14 Landing Tax Allocation

\$2,299.07

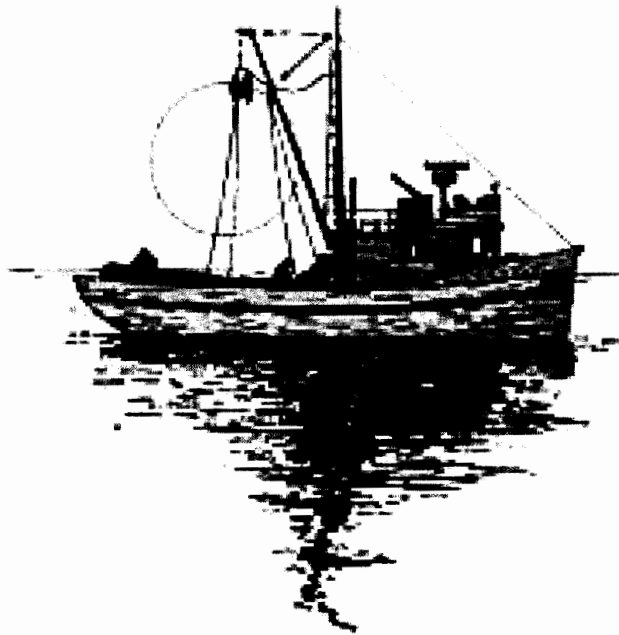
Calculated Allocation

\$156.89
 \$187.30
 \$146.17
 \$149.67
 \$382.10
 \$148.51
 \$806.20
 \$322.23
 \$2,299.07

* All municipalities share 50% of allocation equally; share remaining 50% on a per capita basis.

**DCCED
SHARED FISHERIES BUSINESS
TAX PROGRAM
FY 14 LONG-FORM APPLICATION
FOR**

FMA 18: CENTRAL SOUTHEAST



**APPLICATION MUST BE SUBMITTED TO DCCED
NO LATER THAN FEBRUARY 15, 2014**

**State of Alaska
Sean Parnell, Governor**

**Department of Commerce, Community, and
Economic Development
Susan K. Bell, Commissioner**

**Division of Community and Regional Affairs
Scott Ruby, Director**

FY 14 SHARED FISHERIES BUSINESS TAX PROGRAM

PROGRAM DESCRIPTION

The purpose of the Shared Fisheries Business Tax Program is to provide for an annual sharing of fish tax collected outside municipal boundaries to municipalities that can demonstrate they suffered significant effects from fisheries business activities. This program is administered separately from the state fish tax sharing program administered by the Department of Revenue which shares fish tax revenues collected inside municipal boundaries.

Program Eligibility

To be eligible for an allocation under this program, applicants must:

1. Be a municipality (city or borough); and
2. Demonstrate the municipality suffered significant effects as a result of fisheries business activity that occurred within its respective fisheries management area(s).

Program Funding

The funding available for the program this year is equal to half the amount of state fisheries business tax revenues collected outside of municipal boundaries during calendar year 2012.

Program funding is allocated in two stages:

1st Stage: Nineteen Fisheries Management Areas (FMAs) were established using existing commercial fishing area boundaries. The available funding is allocated among these 19 FMAs based on the pounds of fish and shellfish processed in the whole state during the 2012 calendar year. For example, if an area processed 10% of all the fish and shellfish processed in the whole state during 2012, then that area would receive 10% of the funding available for the program this year. These allocations are calculated based on Fisheries Business Tax Return information for calendar year 2012.

2nd Stage: The funding available within each FMA will be allocated among the municipalities in that area based on the level of fishing industry significant effects suffered by each municipality compared to the level of effects experienced by the other municipalities in that FMA.

Some boroughs, because of their extensive area, are included in more than one fisheries management area. In these cases, the borough must submit a separate program application for each area.

FY 14 SHARED FISHERIES BUSINESS TAX PROGRAM

PROGRAM DESCRIPTION

There are Two Application Methods Possible: Standard and Alternative

Standard Method: In the Standard Method, established by the department, each municipality in the FMA must determine and document the cost of fisheries business impacts experienced by the community in 2012. These impacts are submitted by each municipality in their applications. The department will review the applications and determine if the impacts submitted are valid. Once the impacts have been established for each of the municipalities in the FMA, the department will calculate the allocation for each municipality using the following formula:

One half of the funding available within a FMA is divided up among participating municipalities on the basis of the relative dollar amount of impact in each municipality. The other half of the funding available to that area is divided equally among all eligible municipalities.

Alternative Method: Alternative allocation methods may be proposed by the municipalities within the FMA. The department will consider approving the use of a proposed alternative method only if all the municipalities in the area agree to use the method, and if the method includes some measure of the relative effects of the fishing industry on the respective municipalities in the area.

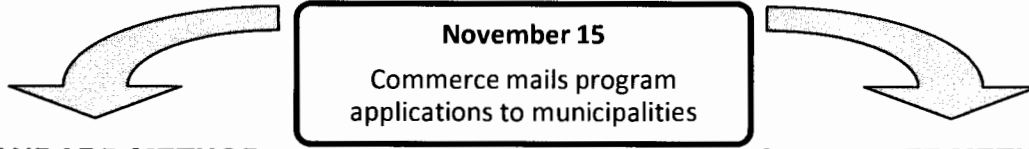
This application packet contains the instructions and forms for applying under either of these methods.

- The **yellow pages** are for applications using the standard method.
- The **pink pages** are to be used for alternative method applications.

The chart on the following page summarizes the process for these two methods.

FY 14 SHARED FISHERIES BUSINESS TAX PROGRAM

PROGRAM DESCRIPTION



STANDARD METHOD

By no later than February 15

Each municipality determines and documents the cost of fisheries impacts on the community and submits this information with their application.



By no later than April 15

Commerce reviews applications, makes a determination as to the validity of the submitted impacts, and notifies the municipalities of this determination.



Within 30 days

Municipalities have 30 days in which to appeal Commerce's determinations regarding submitted impacts.



Within 20 days

Commerce will respond to appeals within 20 days after receiving them.



After all appeals are resolved

Commerce will perform the formula calculations for each FMA based on the relative impacts approved for each municipality in the FMA, and distribute the funding allocations.

ALTERNATE METHOD

By no later than January 15

All municipalities in an FMA work together to develop an alternate allocation formula and submit their proposal to Commerce. Municipalities are encouraged to consult with Commerce during this effort regarding the acceptability of alternative methods.



By no later than February 1

Commerce reviews alternate proposals, determines if proposals are acceptable, and notifies the municipalities of this determination. If the proposal is accepted, municipalities may then use the Alternative Method application. If the proposal is not acceptable to Commerce, the department will work with municipalities in an area to resolve problems. If the problems cannot be resolved, the municipalities in that FMA must apply using the Standard Method application.



By no later than February 15

Each municipality must submit an Alternative Method application. Commerce will distribute allocations after all applications within that FMA have been received and verified.

FY 14 Shared Fisheries Business Tax Program Application Instructions

ALTERNATE METHOD The Process

- In the alternate method application process all municipalities in a fisheries management area may work together to develop an alternative allocation formula for distributing the available program funding among municipalities in the area. It is advised that the department be consulted during this process if the municipalities have questions or concerns about what constitutes an acceptable alternative to the standard allocation method.
- All the municipalities in an area must reach an agreement in writing on an alternative allocation formula.
- By January 15, the department must receive the proposed alternative method. If the alternative method is not acceptable, the department will work with the municipalities to resolve the problems.
- If the municipalities in an area fail to satisfy the department regarding the acceptability of the alternative allocation method proposed, then each municipality in the region must return to the standard application process and submit separate applications as required by that process.
- If the department finds the alternative allocation method satisfactory, each municipality must then complete an alternative method application consisting of a cover page and resolution. The resolution must be adopted by the governing body and it must clearly describe the approved alternative allocation method within that area. After all alternative method applications within an area have been received and approved; the department will perform the allocations and distribute program funds.

General Guidelines for Developing an Alternative Allocation Method

All municipalities in a fisheries management area must agree on the alternative method: There must be unanimous agreement among all eligible municipalities in a fisheries management area with regard to alternative allocation methods. It is the responsibility of community leaders in the area to work together to negotiate an alternative which is acceptable to all municipalities. The department may be consulted at any time regarding what kinds of formula approaches are considered acceptable by the department.

Alternative methods must incorporate some measure of the relative significant effects experienced by the respective municipalities in the area. The measure of significant effects

may take many forms. One area might agree to use the number of commercial fishing boat visits-per-year per community as a measure of significant effects. Another area might use the linear foot-length of public docks as a measure. Another area might use community population figures as an indication of the significant effects of fisheries business activity. Another area might share one half of the funding equally between the respective municipalities and share the other half based upon community population figures. Areas may decide to use one measure, or may use a combination of measures.

Specific Instructions for an Alternative Method Application

In the alternative method application, an approved resolution constitutes the application. No other forms need to be submitted. A sample resolution has been attached for your use.

**Submit your completed application
by no later than February 15, 2014 to:**

**Department of Commerce, Community,
and Economic Development
Division of Community and Regional Affairs
Shared Fisheries Business Tax Program
P.O. Box 110809
Juneau, AK 99811-0809**

**If you require assistance in completing this application,
please call Lawrence Blood at 465-4751.**

FY 14 Shared Fisheries Business Tax Program
Alternative Method Resolution

(City or Borough)

RESOLUTION NO. _____

A RESOLUTION ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY14 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN FMA 18: CENTRAL SOUTHEAST

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY 14 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2012 from fisheries business activities; and,

WHEREAS, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and,

WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and,

WHEREAS, The _____ proposes to use an alternative allocation
(Governing Body)

method for allocation of FY14 funding available within the FMA 18: CENTRAL SOUTHEAST in agreement with all other municipalities in this area participating in the FY14 Shared Fisheries Business Tax Program;

NOW THEREFORE BE IT RESOLVED THAT: The _____ by this resolution
(Governing Body)

certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2012 of fisheries business activity in FMA 18: CENTRAL SOUTHEAST:

All municipalities share equally 50% of allocation; all municipalities share remaining 50% on a per capita basis.

PASSED and APPROVED by a duly constituted quorum of the _____ this
_____ day of _____ 20____.

SIGNED _____
Mayor

ATTEST _____
Clerk



Legislation Details


File #: ORD 13-43 Version: 1 Name:
Type: Ordinance Status: SECOND READING
File created: 11/20/2013 In control: City and Borough Assembly
On agenda: 11/26/2013 Final action:
Title: Adjusting the FY14 Budget for known changes
Sponsors:
Indexes:
Code sections:
Attachments: [ORD 2013-43](#)

Date	Ver.	Action By	Action	Result
11/27/2013	1	City and Borough Assembly		

MEMORANDUM

To: Mayor and Assembly Members
Mark Gorman, City Administrator

From: Janet Schwartz, Budget/Treasury Officer

Thru: Jay Sweeney, Finance Director 

Date: November 15, 2013

Subject: Ordinance #2014-43 Budget Adjustments

Item 1: The City & Borough of Sitka had the winning bid at the ATIA auction for a full page advertisement in the Alaska Airlines magazine. This difference will come from the Clerk's advertisement account.

Item 2: A budget adjustment was done in the FY13 budget for the Downtown Revitalization project. This entry will rollover the remaining balance into FY14 Budget.

Item 3: To budget an expense and revenue amount for the pass-thru grant for the Historic Preservation for the Sheldon Jackson North Pacific Hall Project.

Item 4: To budget the remaining expense and revenue amount for the Lincoln Street Historic District Project. This Grant was approved on March 12, 2013 which included a CBS cash match of \$2,620. The deadline for this Grant is September 30, 2014, so you may see an adjustment in the first part of FY15.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2013-43

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY14 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 FY14 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY14 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, 2013 and ending June 30, 2014 is hereby adjusted as follows:

<u>Account Number</u>	<u>Account</u>	<u>Increase</u>	<u>Decrease</u>
FISCAL YEAR 2014 EXPENDITURE BUDGETS			
GENERAL FUND			
Administrator/Assembly – Operations:			
100-500-003-5226.000	Advertising		\$3,500
100-500-001-5226.000	Advertising	\$3,500	
The Alaska Airlines magazine advertisement for the amount of \$8,000. This entry will cover the difference.			
Other – Operations:			
100-500-008-5290.000	Other Expenditures	\$21,318	
The Downtown Revitalization project was budgeted in late FY13. This entry will rollover the funds that have not been expensed into the FY14 Budget.			
Other – Operations:			
100-300-315-3151.030	Pass Thru Receipts	\$15,519	
100-500-008-5228.001	Pass Thru Grants	\$15,519	
This entry is to recognize the revenue and expenditures for a pass-thru Grant for the Historic Preservation for the Sheldon Jackson North Pacific Hall Project #80286.			
Other – Operations:			
100-300-315-3151.030	Pass Thru Receipts	\$16,970	
100-500-008-5228.001	Pass Thru Grants	\$19,590	
On March 12, 2013, the Assembly approved a submission to the Historic Preservation Fund FY13 Certified local Government Grant application to hire a consultant. This entry will recognize the remaining revenue and expenditure for this grant (Lincoln Street Historic District Project #80289), which also includes a cash match of \$2,620.			

28
29

30 **EXPLANATION**

31

32 **Necessary revisions in the FY 2014 budget were identified. These changes involve the increase of**
33 **expenditure accounts and causes decreased cash flows to the fund balance of various funds. A short**
34 **explanation of each budget revision is included.**

35

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

38

39 **PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka,**
40 **Alaska this 10th Day of December, 2013.**

41

42

43 **ATTEST:**

Mim McConnell, Mayor

44

45

46

47 **Colleen Ingman, MMC**
48 **Municipal Clerk**



Legislation Details

File #: ORD 13-44 Version: 1 Name:

Type: Ordinance Status: SECOND READING

File created: 11/20/2013 In control: City and Borough Assembly

On agenda: 11/26/2013 Final action:

Title: Amending Section 4.09.020 Collection of Tax of the SGC so that in October of each year the Assembly routinely and timely considers whether to authorize any Sales Tax Free Day(s) for certain sales that have historically followed the Thanksgiving Holiday

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2013-44](#)

Date	Ver.	Action By	Action	Result
11/26/2013	1	City and Borough Assembly		

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2013-44

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SECTION 4.09.020 COLLECTION OF TAX, OF THE SITKA GENERAL CODE SO THAT IN OCTOBER OF EACH YEAR THE ASSEMBLY ROUTINELY AND TIMELY CONSIDERS WHETHER TO AUTHORIZE ANY SALES TAX FREE DAY(S) FOR CERTAIN SALES THAT HAVE HISTORICALLY FOLLOWED THE THANKSGIVING HOLIDAY

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 circumstances shall not be affected.

3. PURPOSE. This ordinance is established so that the Assembly routinely and timely considers whether to allow any sales tax free day(s) (where particular days will be free from sales tax), following the Thanksgiving Holiday. This authorization shall be placed on the Assembly's agenda at their first regular meeting each October. Local businesses desire more time in planning for any sales tax free day(s) and therefore request this action be codified.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska that Sitka General Code 4.09 is amended to add at Subsection 4.09.020 Collection of Tax B. assuring that at the Assembly's first regular meeting in October of each year they shall decide whether to authorize any sale tax free day(s) following the Thanksgiving Holiday.

* * *

4.09.020 Collection of tax.

A. The tax described in Section 4.09.010(A) is imposed on the purchaser and must be collected by the seller and paid to the city and borough of Sitka by the seller as provided in Section 4.09.270. The seller holds all taxes collected in trust for the city and borough of Sitka. The tax must be applied to the sales price.

40 B. The Assembly at their first meeting of October each year shall consider whether to
41 authorize any Sales Tax Free day(s) that have historically followed Thanksgiving. If
42 authorized the sales tax free day(s) will not be applicable to any sale of fuel, nor affect
43 any sale which is part of a continuing obligation of the buyer to pay the seller over time.

44 * * *

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

47
48 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and
49 Borough of Sitka, Alaska this 10th of December, 2013.

50
51
52 Mim McConnell
53 Mayor

54 **ATTEST:**
55
56 Colleen Ingman, MMC
57 Municipal Clerk

59
60




Legislation Details

File #: ORD 13-45 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 12/4/2013 In control: City and Borough Assembly
On agenda: 12/10/2013 Final action:
Title: Authorizing the Lease of Approximately 0.04 Acres of Tidelands in Alaska Tidelands Survey 1160 to Estate of Jack N. Parrish
Sponsors:
Indexes:
Code sections:
Attachments: [ORD 2013-45 Parrish](#)

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

MEMORANDUM

TO: Mark Gorman, Municipal Administrator
Mayor McConnell and Members of the Assembly

FROM: Maegan Bosak, Planner I 

SUBJECT: Ordinance 2013-45 Authorizing the Lease of Tidelands to the estate of Jack N. Parrish

DATE: November 25, 2013

The tidelands lease ADL 10156 expired November of 2013. Ordinance 2013-45 is on the Assembly's agenda to authorize the issuance of a new lease for the property.

The 0.04 of tidelands is leased to the estate of Jack N. Parrish. It is located out Halibut Point Road, past Haven Lane, at 3403 Halibut Point Road. The tidelands lease, associated with Lot 5 of Parrish Subdivision, is directly adjacent to the Parrish's property and used for a corner portion of a home and fill.

The proposed market rent, based on the value established by the Assessor, will be \$751.28 a year. This new lease is based on the revised 4.5% lease rate approved by the Assembly earlier this year with the terms of a thirty (30) year lease with an adjustment every seven (7) years.

The Municipality inherited the tidelands from the State of Alaska. Parrish's 1983 tidelands lease expired in November of this year. The original tidelands lease was created in November of 1983 between Jack Parrish and the State of Alaska. The term was set for thirty (30) years at a rate of \$200 per year. This year the estate paid \$470.79.

Following the passage of Ordinance 2013-45, a new lease for the tidelands will be prepared and executed.

RECOMMENDED ACTION: Approve the ordinance.

Randy Hughes
Assessor
10/31/2013

2013 Tidelands Lease

ATS 1160
ADL 101561

Adjoining Parcel Number	2-5580-005
Total Square Feet	1,908
Lease Rate	4.5%
Upland/Filled Value PSF	\$ 14.00
Upland/Filled Square feet	954
Unfilled Value PSF (25% of Upland Value)	\$ 3.50
Unfilled Square Feet	954
Submerged/Prefilled Value PSF (50% of Unfilled Value)	\$ 1.75
Submerged/Prefilled Square Feet	0
Market Value	\$16,695.00
Annual Market Rent	\$ 751.28

Upland value includes a 50% negative adjustment for shape and easement for pedestrian access.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2013-45

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA
AUTHORIZING THE LEASE OF APPROXIMATELY 0.04 ACRES OF TIDELANDS IN
ALASKA TIDELANDS SURVEY 1160 TO ESTATE OF JACK N. PARRISH

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to become a part of the Sitka General Code.

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 or circumstances shall not be affected thereby.

3. **PURPOSE.** The purpose of this ordinance is to facilitate the continued lease of tidelands to the estate of Jack N. Parrish. The lease of the municipally owned ATS 1160 expired in November of 2013.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka.

A. The leasing of approximately 0.04 acres of tidelands in Alaska Tideland Survey 1160 to the estate of Jack N. Parrish is hereby authorized with the following terms:

- 1) The parcel is valued at \$16,695.
- 2) The annual lease payments shall be 4.5% per year of the value of the tidelands (\$751.28 per year).
- 3) The lease shall expire on December 31, 2043 and may be considered for renewal prior to the expiration.
- 4) Lease payments shall be adjusted per SGC 18.16.210.
- 5) The lease area is defined by the attached Alaska Tidelands Survey plat

B. This ordinance supercedes any portion of SGC Section 18.16.170 that may be considered in conflict with this ordinance. The lease to be authorized is below the valuation threshold in SGC 18.16.170, is essential for the continuation of local economic infrastructure and has an atypical upland meander line.

C. The Assembly determines that the criteria in Sitka General Code 18.16.130 Preference Rights and Nonpreference Rights do not apply since the City and Borough of Sitka is the upland owner.

D. The administrator is authorized to execute a lease document consistent with the terms of this ordinance, SGC Title 18 that governs tidelands leases, and, existing municipal policies and practices on tideland leases.

47
48
49
50
51
52
53
54
55
56
57
58
59
60
61

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 December 2013.

Mim McConnell, Mayor

ATTEST:

Colleen Ingman, MMC
Municipal Clerk

CERTIFICATE OF OWNERSHIP AND DEDICATION
 I HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREIN AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE: 7/18/00
 SIGNATURE: [Signature]
 TITLE: [Title]

NOTARY'S ACKNOWLEDGEMENT

US OF AMERICA
 STATE OF ALASKA
 CITY & BOROUGH OF SITKA
 THIS IS TO CERTIFY THAT ON THIS 18th DAY OF JULY, 2000, BEFORE ME THE undersigned a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared [Name] and [Name] known to me to be the identical individuals mentioned and who executed the within plat and that they acknowledged to me that they signed the same freely and voluntarily for the uses and purposes therein specified.

WITNESS MY HAND AND NOTARY SEAL, THE DAY AND YEAR IN THIS CERTIFICATE FIRST BY COMMISSION EXPIRES Nov. 18, 2001.
 NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

**CERTIFICATE STATE OF ALASKA
 (FIRST JUDICIAL DISTRICT)**

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND ASSESSOR FOR THE CITY & BOROUGH OF SITKA, DO HEREBY CERTIFY THAT THE RECORDS IN MY POSSESSION AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE AND IN FULL THAT CORRECT AS OF THE YEAR 2000.

CERTIFICATE OF APPROVAL BY THE BOARD
 I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREIN HAS BEEN FORWARDED TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA PLANNING BOARD, AND THAT SAID PLAN HAS BEEN APPROVED BY THE BOARD BY PLAT RECORDING AND MAGISTRATE. EX-OFFICIO RECORDER, SITKA, ALASKA.

CERTIFICATE OF APPROVAL BY THE ASSEMBLY
 I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREIN HAS BEEN FORWARDED TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA ASSEMBLY AND THAT THE PLAT SHOWN HEREIN HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE: [Date]
 CITY AND BOROUGH CLERK: [Signature]

CERTIFICATE OF PAYMENT OF LOCAL IMPROVEMENT DISTRICT
 I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND FINANCE DIRECTOR FOR THE CITY & BOROUGH OF SITKA, DO HEREBY CERTIFY THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL LOTS ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL.

DATED THIS 18th DAY OF JULY, 2000, AT SITKA, ALASKA.
 FINANCE DIRECTOR: [Signature]
 CITY & BOROUGH OF SITKA

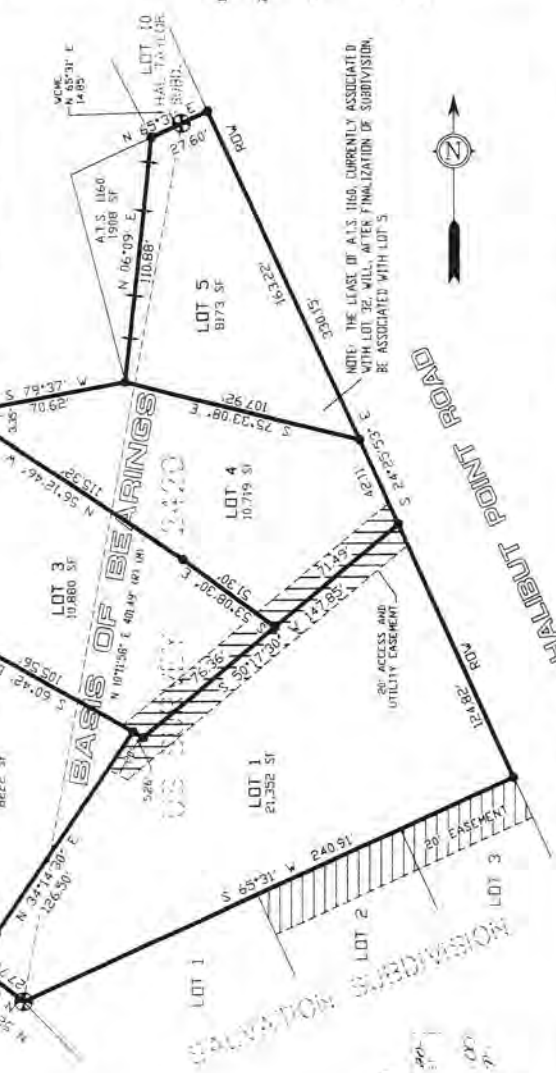


VICINITY MAP
 SCALE 1"=1,000'

- LEGEND**
- 1. 1/4" PRIMARY BRASS CAP (RECOVERED)
 - 2. SECONDARY MONUMENT (SET)
 - 3. 1 1/2" ALUM ROCK TABLET (SET)
 - 4. 1/2" MUD SET
 - 5. RECORDED DATA
 - 6. COMPUTED DATA
 - 7. MEASURED DATA

PLAT NOTES

1. THE PURPOSE OF THIS PLAT IS TO SUBDIVIDE LOT 32 INTO 5 LOTS OF APPROXIMATELY EQUAL VALUE.
2. LOT 1 OF THIS SUBDIVISION MAY NOT BE FURTHER SUBDIVIDED UNLESS PRIVATE ACCESS FROM HALIBUT POINT ROAD CAN BE PROVIDED.
3. ALL NEW STRUCTURES MAY BE BUILT OR PLACED ON THE LOTS IN THIS SUBDIVISION UNLESS THE EXISTING UTILITIES ARE FIRST LOCATED ON THE LOT INVOLVED, AND THE NEW STRUCTURE DOES NOT INTERFERE WITH THOSE UTILITIES.
4. LOTS CAN BE ACCESSED ONLY FROM HALIBUT POINT ROAD.
5. THE SMALLER TRAILER ON LOT 3 MUST BE REMOVED WITHIN ONE YEAR OF THE RECORDING DATE OF THIS PLAT.



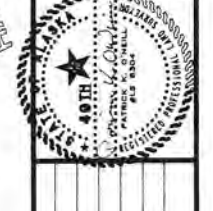
RECORD OF REVISIONS

DATE	REV.	DESCRIPTION OF CHANGE

REVISIONS

DATE: 7-18-00
 SCALE: 1"=50'

DESIGNER: J. O'NEILL
DRAWN: J. O'NEILL
CHECKED: PDL
DATE OF PLAT: JAN 26, 2000
SCALE: 1"=50'
DRAWING NAME: 30224-01
PROJECT NO: 30224-01-00



CLIENT: PARRISH ESTATE

O'NEILL
SURVEYING AND ENGINEERING
 BOX 1949 SITKA, ALASKA 99835
 (907) 747-6700

PARRISH SUBDIVISION
LOT 32
U. S. SURVEY 2420

ATS 1160

TONY KNOWLES, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

SOUTHEAST REGIONAL OFFICE
DIVISION OF LAND

400 WILLOUGHBY AVENUE, SUITE 400
JUNEAU, ALASKA 99801
PHONE: (907) 465-3400
FAX: (907) 586-2954

August 20, 1997

Jack N Parrish
1086 Pond Reef Rd
Ketchikan, AK 99901

Re.: Transfer of Tideland Lease ADL101561 to the City and Borough of Sitka


Dear Lessee:

This is to inform you that the above identified tideland lease has been transferred to the City and Borough of Sitka. This makes the City and Borough of Sitka your new landlord and all responsibilities and obligations for your lease are now due to the City and Borough of Sitka.

You will no longer receive a State courtesy billing notice and timeliness of payment will have to be observed by you. We thank you for your business with the State of Alaska and wish you a successful partnership with the new landowner.

Sincerely,

Andrew W. Pekovich,
Southeast Regional Manager

by: 
Elizaveta H.C. Shadura
Natural Resource Manager

cc: City and Borough of Sitka

STATE OF ALASKA Sitka Recording District
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF LAND AND WATER MANAGEMENT
Pouch 7-005
Anchorage, Alaska 99510

TIDELAND ADL No. 101561

LEASE AGREEMENT

This Lease Agreement is made and entered into this 4th day of November, 1983,
between the State of Alaska, by and through the Director of the Division of Land and Water Management
with the consent and concurrence of the Commissioner of Natural Resources (hereinafter referred to as "the
Lessor"), and JACK PARRISH

whose address is Box 1145, Sitka, Alaska 99835

(hereinafter referred to as "the Lessee").

WITNESSETH:

WHEREAS, the Lessor has undertaken the necessary administrative actions under applicable laws and
regulations to fully authorize and enable the lease of the Parcel described herein, which is acknowledged by
the Lessee by his signature hereto;

WHEREAS, the Lessee is aware of the provisions of Title 38, Alaska Statutes, Title 11, Alaska
Administrative Code, and other applicable laws, regulations, and ordinances, and fully understands the duties
and obligations of the Lessee under this Lease, and the rights and remedies of the Lessor,

NOW THEREFORE, the Lessor and the Lessee, in consideration of the mutual covenants and conditions
stated in this Lease, agree as follows:

The Lessor agrees to lease to the Lessee the following parcel of land (hereinafter referred to as "the Parcel")
which is situated in the State of Alaska and is described as follows:

Alaska Tideland Survey No. 1160, within protracted Section
16, Township 55 South, Range 63 East, Copper River Meridian,
containing 0.04 acres, more or less, according to the survey
plat filed in the Sitka Recording District on October 26,
1982 as plat No. 82-41.

EXCEPTING AND RESERVING THEREFROM, to the Lessor and its assigns during the term of this Lease, the following specific interests, which shall be in addition to and not in derogation of any general reservations to the Lessor which are required by law and which may be stated elsewhere in this Lease:

Subject to platted easements and reservations and further subject to the Special Stipulations and conditions contained within Attachments A and B attached hereto and made a part hereof.

TO HAVE AND TO HOLD the said demised premises for a term of thirty (30) years commencing on the 4th day of November, 1983 and ending at 12 o'clock midnight on the 3rd day of November, 192013, unless sooner terminated as hereinafter provided.

The Lessee shall pay to the Lessor rental as follows: Equal annual payments, in advance, on or before the 4th day of November of every year during said term at the rate of Two Hundred and No/100 dollars (\$ 200.00) per annum, such annual rental payments to be subject to adjustment following expiration of the initial 25-year period of this lease and at each 10-year period thereafter pursuant to AS 38.05 as enacted, or as may be hereafter amended.

It is agreed that the covenants, terms and agreements herein contained shall be binding upon the successors and assigns of the respective parties hereto.

THE LESSOR AND THE LESSEE FURTHER COVENANT AND AGREE AS FOLLOWS:

1. Use of Parcel. The Lessee shall use and occupy the Parcel in compliance with all applicable laws, regulations, ordinances, and orders which a public authority has promulgated or may promulgate, including those of a building or zoning authority and those relating to pollution and sanitation control. The Lessee shall not permit any unlawful occupation, business, or trade to be conducted on the Parcel. The Lessee shall properly locate himself and his improvements on the Parcel, and shall not commit waste of the Parcel, whether ameliorated or otherwise. Notwithstanding such laws, regulations, ordinances, and orders, the Lessee shall maintain the Parcel in a reasonably neat and clean condition, and take all prudent precautions to prevent or suppress pollution of the ground, surface water, air, or land, and to prevent or suppress grass, brush, or forest fires, and to prevent erosion or destruction of the land.

2. Permanent Improvements. The Lessee must within 90 days of completion of any site improvements including, but not limited to, structural improvements, clearing, leveling, excavation, and backfill, file with the Lessor adequate and reasonable documentation of such improvements, setting forth all applicable costs and quantities. Failure to provide such documentation will result in loss of credit for such improvements in determination of the original condition of the Parcel for reappraisal purposes.

3. Encumbrance of Parcel. The Lessee, during the term of this Lease, shall not encumber or cloud the Lessor's title to the Parcel, or any portion thereof, nor enter into any lease, easement, or other obligation of the Lessor's title without the prior written consent of the Lessor; and any such act or omission, without the prior written consent of the Lessor, shall be void against the Lessor.

4. Assignment of Parcel. The Lessee may not assign or sublet the Parcel, without the prior written approval of the Lessor. The Lessor may approve such assignment or subletting if the Lessor finds it to be in the best interest of the State. No assignment or subletting of the Parcel shall be approved until the assignee agrees to be subject to and governed by the provisions of this Lease in the same manner as the original Lessee. No such assignment or subletting will be effective until approved by the Lessor in writing. No assignment or subletting of the Parcel, or any portion thereof, by the Lessee shall annul the Lessee's obligation to pay the rent herein required for the full term of this lease. Except as provided in this lease, no subdivision of the leasehold interest, including any exposed airspace thereon, shall occur.

5. Denial of Warranty Regarding Conditions. The Lessor makes no warranty, express or implied, nor assumes any liability whatsoever, regarding the social, economic, or environmental aspects of the Parcel, to include, without limitation, the soil conditions, water drainage, natural or artificial hazards which may exist, or the profitability or fitness of the Parcel for any use.

6. Agreement to Terms of Lease Documents. (a) The Lessor and the Lessee agree and recognize that each of the covenants and conditions in this Lease and any attachments thereto are merged and incorporated into this agreement and shall be binding upon themselves and upon their respective successors and assigns and shall inure to their benefit. The Lessor and the Lessee further agree and recognize that this Lease shall be conditioned upon satisfactory performance by the Lessor and the Lessee of all covenants contained herein.

(b) If all or part of said Parcel has been tentatively approved, but not yet patented, by the United States to the Lessor, then this Lease shall be conditioned upon receipt by the Lessor of such patent. If for any reason the Lessor does not receive patent, any rental payments made to the Lessor under this Lease will not be refunded. Any prepaid lease rentals on lands to which patent is denied the Lessor shall be refunded to the Lessee of record and any properly recorded lienholder, if any, jointly. The money refunded shall, however, be limited to the prorata portion of the unexpired term. The Lessor shall have no further liability to the Lessee for the termination of the Lease.

7. Payment of Taxes and Assessments. The Lessee shall pay all taxes and assessments accruing against the Parcel during the term of the Lease.

8. Right-of-Way for Public Highways and Utilities. In the event that the Parcel borders or includes one or more section lines, the Lessor hereby expressly reserves unto itself and its successors and assigns a right-of-way 100 feet wide and centered on such section line or lines.

9. Navigable and Public Waters. The Lessor reserves an easement 50 feet wide for public access along the mean high water line or ordinary high water mark of all water bodies listed in this Lease which are bordering on or included within the Parcel. Public easements to and along listed water bodies are reserved for all of those uses and purposes normally associated with or incident to an easement for access to the public resources of the water body to and along which the easement has been reserved. No public access easement may be obstructed or otherwise rendered by the Lessee incapable of reasonable use by the public for the purposes for which it was reserved. No public access easement may be vacated, abandoned, or extinguished without approval of the Lessor.

10. Reservation of Easements. The Lessor expressly reserves the right to take for the use of the State of Alaska and the right to grant to third parties, easements or rights-of-way of unlimited size across the Parcel herein leased if it is determined to be in the best interests of the State to do so, even though the creation of the easement or right-of-way terminates the entire leasehold estate; provided, however, that the Lessee shall be entitled to compensation for all improvements or crops which are damaged or destroyed as a direct result of such easement or right-of-way.

11. Condemnation of Leasehold or Improvements. With the exception of the taking of easements or rights-of-way which is governed by paragraph 10 above, if the whole or any part of the Parcel is taken by any authorized body or person vested with the power of eminent domain, by negotiation, court action, or otherwise, the following provisions control:

(a) Taking of the entire premises. If all of the premises are taken by condemnation, the terms of the Lease and all rights of the Lessee will immediately terminate, and the rent must be adjusted so that it is due only until the date the Lessee is required to surrender possession of the premises. The Lessor is entitled to all the condemnation proceeds, except that the Lessee will be paid the portion of the proceeds attributable to the fair market value of the buildings or improvements placed on the condemned premises by the Lessee.

(b) Taking of substantial part of premises. If the taking is of a substantial part of premises, the following rules apply:

(1) If the taking by condemnation reduces the ground area of the Parcel by at least 30 percent or materially affects the use being made by the Lessee of the Parcel, the Lessee has the right to elect to terminate or not to terminate the Lease by written notice to the Lessor not later than 180 days after the date of taking.

(2) If the Lessee elects to terminate, the provisions in (a) of this subsection govern the condemned portion of the Parcel and the terms of the Lease govern disposal of the remainder of any buildings or improvements made by the Lessee.

(3) If the Lessee elects not to terminate, the Lease continues and the Lessor is entitled to the full condemnation proceeds except the portion attributable to the fair market value of the buildings or improvements placed on the condemned portion of the premises by the Lessee. Rent at the existing rate will terminate on the date of taking. Except as it may be adjusted from time to time under the terms of the Lease and applicable statutes, rent for the balance of the term will be adjusted by the Lessor to reflect the taking.

(c) Taking of insubstantial part of premises. If the taking by condemnation reduces the ground area of the Parcel by less than 30 percent and the Lessor determines that the taking is of such an insubstantial portion that the Lessee's use of the Parcel is not materially affected, the provisions of (b)(3) of this subsection will govern.

12. Access. The Lessor makes no representations or warranty that it will construct or maintain access to the Parcel.

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

14. Inspection. The Lessor shall have reasonable access to the Parcel for purposes of inspection regarding the faithful performance of the covenants and conditions of this Lease and for the performance of other lawful requirements.

15. Mineral Reservations. The Lessor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, all oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils of every name, kind or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils. The Lessor also hereby expressly saves and reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right to enter by itself, its or their agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, drilling and working mines or wells on these or other lands and taking out and removing therefrom all such oils, gases, coal, ores, minerals, fissionable materials, geothermal resources, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its lessees, successors, and assigns forever, the right by its or their agents, servants and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, pipelines, powerlines, and railroads, sink such shafts, drill such wells, remove such soil, and to remain on said lands or any part thereof for the foregoing purposes and to occupy as much of said lands as may be necessary or convenient for such purposes, hereby expressly reserving to itself, its lessees, successors, and assigns, as aforesaid, generally all rights and power in, to and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and rights hereby expressly reserved.

Provided, however, that no rights reserved hereunder shall be exercised by the Lessor or its subsurface lessees, until provision has been made by the Lessor or its subsurface lessees to pay to the Lessee of the land upon which the rights are herein reserved, full payment for all damages sustained by said Lessee by reason of entering upon said land; and provided that, if said Lessee for any cause whatever refuses or neglects to settle said damages, the Lessor or its subsurface lessees, or any applicant for a subsurface lease, contract or option from the Lessor or its subsurface lessee for the purpose of exploring for or extracting valuable minerals, coal, petroleum, natural gas, or geothermal resources shall have the right, after posting a surety bond with the Lessor issued by a corporation qualified to do business in Alaska and licensed to sell insurance in Alaska, or after posting with the Lessor a sufficient bond executed by one or more individual sureties approved by the Lessor and after due notice and an opportunity to be heard, to exercise rights granted to it for reasonable use of the surface required for the full enjoyment of the reserved subsurface rights which it holds. Each surety bond shall be sufficient in amount and security to secure the affected rights of the surface Lessee, and such Lessee and the Lessor or its subsurface lessee shall have the standing which may be necessary to determine the damages which the surface Lessee of such lands may suffer, and the security appropriate to hold the surface Lessee harmless in relation thereto.

16. Surface Reservations. Unless otherwise stated in this Lease or in an attachment or amendment hereto, the Lessee shall not sell or remove for use elsewhere any of the surface resources of the parcel, e.g., stone, gravel, sand, peat, topsoil, timber, or any other material valuable for building or commercial purposes; provided, however, the Lessee may make reasonable personal use of such materials on the site.

17. Appropriation or Disturbance of Waters. (a) During the term of this Lease, the Lessee shall have the right to apply for an appropriation of ground or surface water on the Parcel in accordance with the Alaska Water Use Act. All water applied for and appropriated during the term of this Lease shall remain appurtenant to the Parcel during said term, and such water and water rights shall not be severed or transferred from the Parcel or any part thereof during said term without the prior consent of the Lessor. The Lessee's rights under any permit or certificate of appropriation shall revert to the Lessor upon termination of the Lease or forfeiture of the Lease for cause.

(b) If the Lessee desires to use the Parcel to construct any form of hydraulic project or employ any equipment or engage in any activity which will use, divert, obstruct, pollute, or change the natural flow or bed of any anadromous fish river, lake or stream, the Lessee shall, prior to the commencement of any such operation, procure the approval of the Commissioner of the Department of Fish and Game.

18. Acquisition of Rights or Interests. Any right or interest acquired during the term of this Lease and accruing to the benefit of the Parcel shall remain appurtenant to the Parcel during that term, and shall not be severed or transferred from the Parcel without the prior consent of the Lessor. In the event of termination or forfeiture of this Lease, any such right or interest shall revert to the Lessor along with the Parcel.

19. Land Alterations Due to Natural or Artificial Causes. The Parcel described herein shall constitute the entire Parcel of property to be leased by the Lessor to the Lessee pursuant to this agreement. If, through natural or artificial causes, accretion or reliction of land occurs contiguous to the Parcel, the Lessee shall have no right to occupy or use such accreted land unless a separate lease is entered with the Lessor with respect to such lands. The parties agree and stipulate that the rules of law usually applicable to accretion or reliction of land shall not apply to this Lease, nor to the Parcel leased hereunder, in order that the parties may give effect to the provision agreed upon herein.

20. Waiver or Forebearance. The receipt of rent by the Lessor, with or without knowledge of any breach of the Lease by the Lessee, or of any default on the part of the Lessee in the observance or performance of any of the terms, conditions or covenants of this Lease, shall not be deemed to be a waiver of any provision of this Lease. No failure on the part of the Lessor to enforce a condition or covenant of this Lease, nor the waiver of any right hereunder by the Lessor, unless in writing, shall discharge or invalidate the application of such term or covenant; nor shall any forbearance or written waiver affect the right of the Lessor to enforce any term or covenant in the event of any subsequent breach or default. The receipt by the Lessor of rent or any other sum of money, or the termination in any manner of the Lease, or the giving by the Lessor of any notice hereunder to effect such termination, shall not reinstate, continue, or extend this Lease nor destroy or in any manner impair the validity of any such notice of termination which may have been given hereunder by the Lessor to the Lessee prior to the receipt of any such sum of money or other consideration, unless the contrary effect shall be expressed in writing and signed by the Lessor.

21. Breach and Remedies. (a) Time is of the essence in the Lease Agreement. If the Lessee shall breach the performance of any of the terms, covenants, conditions or stipulations contained herein or attached hereto, and said breach shall not be remedied within 60 days after written notice of such breach has been served upon the Lessee and the holder of a security interest by the Lessor, the Lessee shall be subject to such legal action as the Lessor shall deem appropriate, including, but not limited to, the termination of this Lease, provided that no improvements now upon the Parcel, or which may be placed thereon during the term of this Lease, may be removed therefrom during any time in which the Lease may be in breach. In the event that this Lease is terminated for breach of any of the covenants or conditions contained herein or attached hereto, all rents paid by the Lessee shall be forfeited to and retained by the Lessor not as a penalty but as liquidated damages. The Lessor shall not be liable for any expenditures made by the Lessee or undertaken by the Lessee under this Lease prior to termination.

(b) If the Lessee fails to cure or remedy a breach of default within the time allowed in (a) of this paragraph, the holder of a security interest who has received notice under (a) of this paragraph may cure or remedy the breach or default if the breach or default can be cured by the payment of money or, if this cannot be done, by performing or undertaking in writing to perform the terms, covenants, restrictions and conditions of the lease capable of performance by the holder. The holder shall act within 60 days from the date of receipt of notice under (a) of this paragraph, or within any additional period which the Lessor may allow for good cause.

(c) In the event that this Lease is terminated, or in the event that the Parcel, or any part thereof is abandoned by the Lessee during the term of this Lease, the Lessor may immediately, or at any time thereafter, enter or re-enter and take possession of said Parcel, or any part thereof, and without liability for any damage therefor, remove all persons and property therefrom either by summary proceedings or by suitable action at law; provided, however, that the words "enter" and "re-enter" as used herein are not restricted to their

technical legal meaning. Any entry or re-entry, possession, repossession, or dispossession by the Lessor, whether taken by summary proceedings or otherwise, shall not be deemed to absolve, relieve, release or discharge the Lessee, either in whole or part, for any monetary liability under the Lease.

22. Disposition of Improvements and Chattels After Termination. (a) The Lessee shall, within 60 days after termination of the Lease by the Lessor or by operation of law, remove all improvements and chattels located on the Parcel, provided that the Lessor first determines that such removal will not cause injury or damage to the Parcel or seriously impair its redisposal. Following such removal, the Lessee shall leave the Parcel in a safe and clean condition acceptable to the Lessor. The Lessor may, in its discretion, extend the time for removal of improvements under this subparagraph where undue hardship is demonstrated.

(b) If any improvements or chattels having an appraised value exceeding \$10,000.00, as determined by the Lessor, are not removed from the Parcel within the time allowed, they shall, upon 30 days prior written notice to the Lessee, be sold at public auction under the direction of the Lessor. The proceeds of sale shall inure to the Lessee who placed the improvements or chattels on the land, after deduction for the benefit of the Lessor of all monies due and owing under this Lease and all expenses incurred in administering the termination and conducting the sale. If there are no other bidders at such sale, the Lessor is authorized to bid on such improvements or chattels. In such event, the Lessor shall acquire all rights, both legal and equitable, which any other purchaser could acquire by reason of said sale and purchase.

(c) Any chattels or improvements having a total appraised value of \$10,000.00 or less, as determined by the Lessor, and which are authorized for removal by the Lessor but are not removed within the time allowed, shall become the absolute property of the Lessor upon the expiration of the time allowed.

(d) Authorized improvements of the Lessee which the Lessor determines have become fixtures of the Parcel shall be purchased by the subsequent purchaser or lessee. There will be no compensation to the Lessee for improvements which were not authorized under the Lease.

23. Indemnity to Lessor. During the term of the Lease the Lessee shall indemnify and hold the Lessor harmless from and against all claims and demands for loss or damage, including property damage, personal injury, wrongful death, and wage or employment claims, arising out of or in connection with the use or occupancy of the Parcel by the Lessee or by any other person holding under the Lessee, or at its sufferance or invitation; and from any accident or fire on the Parcel; and from any nuisance made or suffered thereon; and from any failure by the Lessee to keep the Parcel in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and from any assignment, sublease, or conveyance, attempted or successful, by the Lessee of the Parcel or any part thereof or interest therein contrary to the conditions and covenants of this Lease. The Lessee will hold all goods, materials, furniture, fixtures, equipment, machinery and other property whatsoever on the Parcel at the sole risk of the Lessee, and will save the Lessor harmless from any claim of loss or damage thereto by any cause whatsoever.

24. Surrender of Leasehold. Upon the expiration, termination or cancellation of this Lease the Lessee shall quietly and peaceably leave, surrender and yield up unto the Lessor all of the Parcel.

25. Notices. All notices required or permitted under this Lease Agreement shall be made by certified mail, postage prepaid, to the parties at the following addresses:

To the Lessor: Alaska Division of Land and Water Management
Pouch 7-005
Anchorage, Alaska 99510

To the Lessee: Jack Parrish
Box 1145
Sitka, Alaska 99835

Any notice or demand which must be given or made by the Lessor or the Lessee shall be in writing and shall be complete if sent by United States certified mail to the address shown in the Lease Agreement, or to such other address as each of the parties may designate in writing from time to time. A copy of any such notice shall be forwarded to the Lessor, and to the holder of any security interest in the Parcel who has properly recorded its interest in the Lease with the Lessor.

26. Service Charges. The Lessee shall pay a service charge for any late payment or returned check issued by it as follows:

(a) Late Payment Penalty: A service charge plus annual interest (twice the interest rate charged on installment payments at the prevailing rate for real estate mortgage loans made by the Federal Land Bank for the farm credit district for Alaska) on the amount due will be charged on a past-due account until payment is received by the Lessor or until the Lease Agreement termination date is reached. Acceptance of a late payment or of a service charge for a late payment is subject to the Lessor's rights under paragraphs 20 and 21 of this Lease.

(b) Returned Check Penalty: A service charge of \$10.00 will be assessed for any check on which the bank refuses payment. If the bank refuses payment, the default termination date remains the same. Late penalties under (a) of this paragraph shall continue to accumulate.

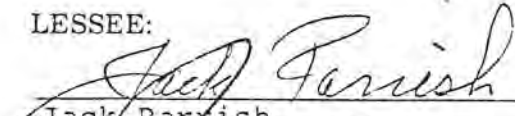
27. Integration and Modification. This Lease, including all attachments and documents which by reference are incorporated herein or made a part hereof, contains the entire agreement between the parties hereto.

This lease may not be modified or amended except by a document signed by both parties hereto, and any purported amendment or modification shall be without legal effect until reduced to writing and signed by both parties hereto.

28. Severability of Clauses of Lease Agreement. If any clause, or provision, herein contained, shall be adjudged to be invalid, it shall not affect the validity of any other clause or provision of this Lease or constitute any cause of action in favor of either party as against the other.


IN WITNESS WHEREOF the State of Alaska, as Lessor, acting through the Director of the Division of Land and Water Management of the Department of Natural Resources or his lawfully-designated representative, and otherwise being lawfully authorized, and the Lessee have caused these presents to be executed in duplicate, and have hereunto set their respective hands, agreeing to keep, observe and perform the applicable statutes, as amended, the rules and regulations promulgated thereunder, and the terms, conditions and provisions herein contained or attached, which on the Lessor's or the Lessee's respective parts are to be kept, observed and performed.

LESSEE:



Jack Parrish

LESSOR:



DIRECTOR
Division of Land and Water Management

APPROVED:

COMMISSIONER
Department of Natural Resources

STATE OF ALASKA)
) ss.
_____ Judicial District)

THIS IS TO CERTIFY that on this 30 day of DEC, 1983,
before me appeared JACK PARRISH, to me known
and known to me to be the person named in and who executed the Lease and acknowledged voluntarily signing
the same.

Risha E. Garcia

Notary Public in and for the State of Alaska
My Commission expires: 12 17 87



STATE OF ALASKA)
) ss.
Third Judicial District)

THIS IS TO CERTIFY that on this 20th day of January, 1984,
before me personally appeared Edward G. Barber Jr. of the Division
of Land and Water Management of the Department of Natural Resources of the State of Alaska, who
executed the foregoing Lease and acknowledged voluntarily signing the same.

Arthur C. ...

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

October 23, 1987



APPROVED AS TO FORM:

Barbara J. Miracle

Assistant Attorney General

Date: 7/3/80

Jack Parrish
ADL 101561 - Tideland Lease
Page 10

BOOK 63 PAGE 964
Sitka Recording District

ATTACHMENT A

SPECIAL STIPULATIONS

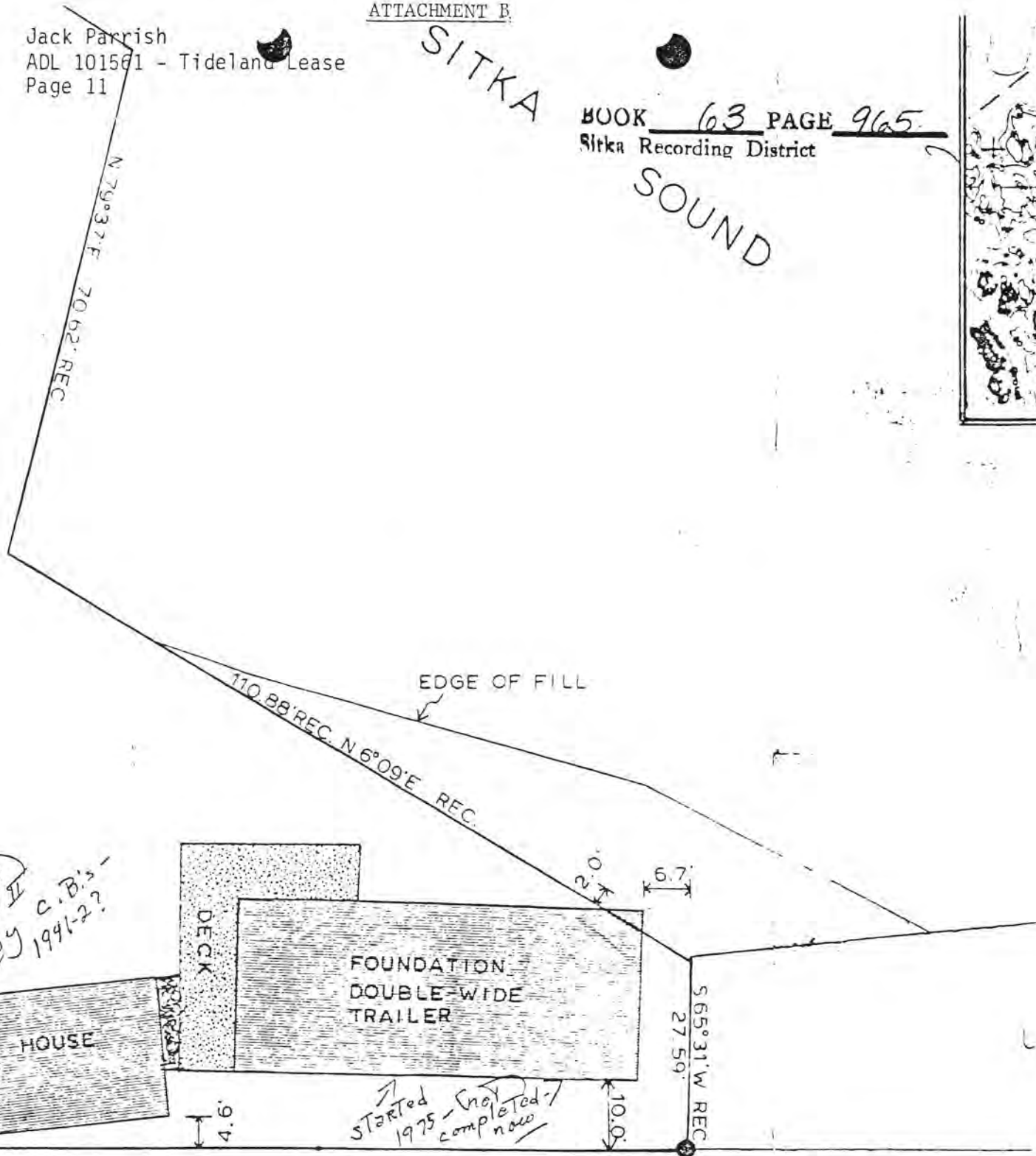
- 1.) For the purposes of this lease, development shall be limited in form and scope to those improvements herein specified and those shown on Attachment B (a development plan), unless approved in writing by the Lessor prior to installation or construction. Use of the lease area for purposes other than those specified herein shall constitute a breach of said lease.
- 2.) Lease area is subject to a 50 foot pedestrian access easement seaward of the line of mean high water.

Jack Parrish
ADL 101561 - Tideland Lease
Page 11

SITKA

BOOK 63 PAGE 965
Sitka Recording District

SOUND



8 4-0 2 8 2

N/C

RECORDED-FILED
SITKA REC.
DISTRICT

FEB 3 3 08 PM '84

REQUESTED BY (AS/DL+WM)

ADDRESS _____

After Recording Mailto:

AK. Dept. of Nat. Resources
Division of Land + Water Mgt.
Contract Administration
Pouch 7-005

**WADE AND GRETCHEN PARRISH
TIDELANDS LEASE AGREEMENT**

The City and Borough of Sitka ("CBS" or "Lessor") and Wade and Gretchen Parrish ("Parrish" or "Lessee"), collectively referred to as the "Parties," enter into this Tidelands Lease Agreement ("Lease"), based on the terms and conditions set out in this "Lease," and as approved by the City and Borough of Sitka Assembly in Ordinance _____, effective _____.

WHEREAS, the Lessor is the owner of certain tidelands within protracted Section 16, Township 55 South, Range 63 East, Copper River Meridian in Sitka, Alaska, comprising of approximately 0.04 acres in Alaska Tidelands Survey No. 1160, and graphically represented on the copy of the attached Exhibit A, hereafter referred to as the "Subject Property;" and

WHEREAS, the Assembly determines that the criteria in Sitka General Code 18.16.130 Preference Rights and Nonpreference Rights do not apply since the City and Borough of Sitka is the upland owner.

NOW THEREFORE, based on the consideration setout below, the Lessor and Lessee agree to the following terms and conditions:

1. Lessor leases to the Lessee, for a term of approximately thirty (30) years, expiring December 31, 2043, the Subject Property described as:

Alaska Tidelands Survey No. 1160, located within protracted Section 16, Township 55 South, Range 63 East, Copper River Meridian, according to the plat filed in the Sitka Recording District on October 26, 1982 as Plat 82-52 containing 0.04 acres, more or less.

2. Lessee, in consideration of this Lease, agrees as follows:
 - a. Lease payments shall be made annually to Lessor. The annual lease payments shall be \$751.28 per year, which is the equivalent of 4.5% of the value of the Subject Property, which is valued at \$16,695.00. All subsequent annual lease payments shall be subject to adjustment in accordance with Sitka General Code ("SGC") Section 18.16.210, and any subsequent amendment to this code section.
 - b. The current version of SGC Section 18.16.210 subjects the annual lease payment to adjustment on the seventh anniversary of the lease and each seven years thereafter, with the annual lease payment being changed by the percentage change in the amount established by dividing the grand total of the land value on the official municipal real property assessment roll for the initial tax year, compared with similar calculation using the figures seven years later. The base figure the initial tax year is \$16,695. The Lessee shall be subject to any adjustment to rent as set out in any subsequent amendment to SGC Section 18.16.210.
 - c. Lessee shall pay sales tax to the City and Borough of Sitka, based on the amount of each annual lease payment.

- d. The first year's payment is due on the date the Lease is signed and executed by all of the parties to the Lease. All subsequent payments shall be made by that same date each year.
 - e. The Lease may not be assigned or sublet by the Lessee without the consent of the Lessor.
 - f. If the full lease payment is not timely paid, and Lessee fails to remedy default within thirty (30) days after receipt of written notice of any such lease payment arrears, the Lessor may immediately, or at any time thereafter while such default continues, terminate the lease, repossess the Subject Property, enter on Subject Property, expel Lessee and those claiming right to possession or to be on the Subject Property based on the rights of the Lessee, and remove Lessee's effects (forcefully if necessary) without being guilty of any trespass. These rights are in addition to any other rights and remedies, without prejudice, which might otherwise be used for arrears or lease payments, proceedings on breach of agreement, or collection on arrears.
 - g. The Lessee agrees to pay any Local Improvement District assessments that may be levied against the Subject Property to the same extent and in the same amount as if the Lessee were the owner of the Subject Property which would be included in the Local Improvement District to be formed or contemplated. The Lessee shall share the Lessor's right as owner in all proceedings under the Local Improvement District (except for payment of assessments) in proportion that the remaining years of the lease bear to twenty (20). (For example: If the lease has five (5) years to run, the Lessee shall have the right to exercise 5/20ths of the Lessor's vote and the Lessor, 15/20ths.)
3. The Parties mutually agree as follows:
- a. The terms and conditions herein contained shall apply to and bind the heirs, successors, and agents of the respective Parties.
 - b. Waiver by Lessor of any term or condition setout in this Lease shall not be considered a waiver of any subsequent breach of said term or condition.
 - c. Lessee agrees to hold harmless, insure and indemnify the Lessor from any liability for property damage or personal injury to any person or persons on or about the Subject Property and to carry and provide proof of liability insurance in such amounts as may be agreed to between the parties to cover such liability, with the Lessor as an additional named insured.
 - d. The Lease may be renewed if upon the expiration of the Lease, the Lessee desires a renewal lease on the Subject Property or property interests covered herein. Lessee shall within thirty (30) days before the expiration of the Lease, make a written request to the Lessor for renewal of lease in which Lessor must certify under oath as to the character and value of all the improvements existing upon the land, the purpose for which Lessee desires a renewal, and such other information as may be required.
 - e. If Lessee occupies the Subject Property after the expiration date of this Lease without the consent of the Lessor, such possession shall be construed as an annual tenancy and Lessee



Legislation Details

File #: ORD 13-46 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 12/4/2013 In control: City and Borough Assembly
On agenda: 12/10/2013 Final action:
Title: Amending Sitka General Code 13.06.010 entitled "Moorage Charges and Fees"
Sponsors:
Indexes:
Code sections:
Attachments: [ORD 2013-46 Moorage](#)

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

MEMORANDUM

To: Mark Gorman, Administrator
From: Stan Eliason, Harbormaster
Date: December 4, 2013

Subject: Moorage charges/fees

Finance, Public Works and Harbor staff presented the final recommendations for a four year plan of rate increase by 6.15% effective January 1, 2014. The Commission unanimously approved one year of the recommended four year plan, with an effective date of January 1, 2014. The attached draft ordinance includes moorage charge/rate increases for permanent moorage for a one year period. All parties found it necessary to have such an increase due to assist in financing the aging infrastructure of the harbor system, however, the Port and Harbor Commission desires to review the rate increase yearly.



Stan Eliason,
Harbormaster, City and Borough of Sitka

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2013-46

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING
SITKA GENERAL CODE SECTION 13.06.010 ENTITLED
“MOORAGE CHARGES AND FEES”

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to be 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 and circumstances shall not be affected.

3. **PURPOSE.** This ordinance will increase moorage fees and/or charges beginning January 1, 2014 for permanent and waitlist moorage for use of the Sitka harbor system by 6.15%. The increase is to assist in funding the full life cycle costs of all harbor facilities to include operations, maintenance, and replacement. In particular, the permanent and wait list moorage rate to fund the Capital Improvement Projects Plan in accordance with the Harbor System Master Plan will be an monthly rate to pay for such expenses that occur due to aging infrastructure. The annual rate for permanent and waitlist moorage will be per foot per month.

All harbor users will be required to pay the new moorage charges or fees in accordance with the applicable moorage rate/charge table and payment schedule.

This moorage rate/charge schedule follows the recommendations of the Harbor System Master Plan to assist in providing funding for the Capital Improvement Projects Plan. The status of the Harbor Fund will be reevaluated annually.

This ordinance has been recommended by the Port and Harbors Commission.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Section 13.06.010 is amended to read as follows (new language underlined; deleted language stricken):

13.06.010 Moorage charges and fees.

There is established, determined, and levied upon all vessels and waterborne structures moored, tied to, or in any other way attached by rope, cable, gangplank or other means to any float, piling, dock, mooring buoy or other harbor improvement which is owned, constructed, maintained or operated by the city and borough of Sitka a rental charge and/or fee for the privilege and use of such facilities. The charges and fees set forth in this section shall be reviewed annually by the port and harbors commission in the month of January. The administrator and municipal clerk shall each be responsible for ensuring that such review is

47 put as an item on the commission's agenda for a meeting in January of each year. The rental
48 charges and/or fees for each vessel or waterborne structure will be imposed and levied upon
49 and collected from the owners, operators, or masters of all such vessels and waterborne
50 structures according to the following classifications set forth in this section:

51
52 A. Permanent Moorage.

53
54 1. Rates and Fees. Permanent moorage charges shall be assessed per foot per month (or
55 portion thereof) of overall vessel length, or stall length, whichever is greater, as set forth
56 in the table below. The permanent moorage is inclusive of the standard moorage rate to
57 cover operations and a port ~~and harbors development fee~~ to fund the capital improvement
58 projects plan in accordance with the harbor system master plan, as set forth in the table
59 below.

60
61 **Moorage Rates and Charges**
62 **(per foot per month)**

63	
64	Permanent Moorage Rate ————— \$1.90
65	Port and Harbor Development Fee ————— \$0.74
66	
67	Total Permanent Moorage <u>\$2.80</u> \$2.64
68	

69 2. Payment Schedule. Payments may be made in advance quarterly, semiannually or
70 annually, but not to exceed one year (January to December ~~October 1st to September~~
71 ~~30th~~).

72
73 ***

74
75 **5. EFFECTIVE DATE.** This ordinance shall become effective on January 1, 2014.

76
77 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of
78 Sitka, Alaska this 23rd day of December, 2013.

79
80
81 _____
Mim McConnell, Mayor

82 ATTEST:

83
84 _____
85 Sara Peterson, CMC
86 Municipal Clerk

Staff Harbor Rate Recommendations



Purpose of Tonight's Meeting

- ▣ Goals
- ▣ Background
- ▣ Harbor Working Group Scenario
- ▣ Staff Recommendations

Goals

1. Ensure a sustainable harbor system for Sitka
2. Maintain existing infrastructure and level of service
3. Avoid major rate increases
4. Maintain a minimum reserve undesignated working capital between \$3- 4M
5. Maintain competitive rates relative to neighboring communities

Background

- Harbor Master Plan completed 2012
 - 5-year Implementation Plan - Annual Permanent Moorage Rates
 - Year 1 - \$31.68/foot (adopted by Assembly)
 - Year 2 - \$40.44/foot
 - Year 3 - \$49.20/foot
 - Year 4 - \$57.96/foot
 - Year 5 - \$66.72/foot
- Harbor Working Group - Winter 2012-13
 - Alternative Funding Sources & Reduction of Services - March 2013
 - Divest infrastructure and/or cost share with General Fund
 - Defer replacement of projects
 - Do not replace parking lots - let them go to gravel
 - Remove tourist facilities and seaplane float from Master Plan
- Staff Presentation to P&H - September 10, 2013
 - Review Working Group Recommendations, CIP impacts and moorage rates
 - Staff Recommendations (grant assumptions), CIP impacts and moorage rates
 - P&H Commission request to merge Working Group Recommendations with Staff grant assumptions

Where we left off...

- ▣ Staff recommendation of 5-7% => refined to 6.15% annual rate increase
- ▣ Assumes 80% success rate on State of Alaska Matching Grants
- ▣ Separate business plans for tourist facilities, seaplane base, Baranof Warm Springs Dock

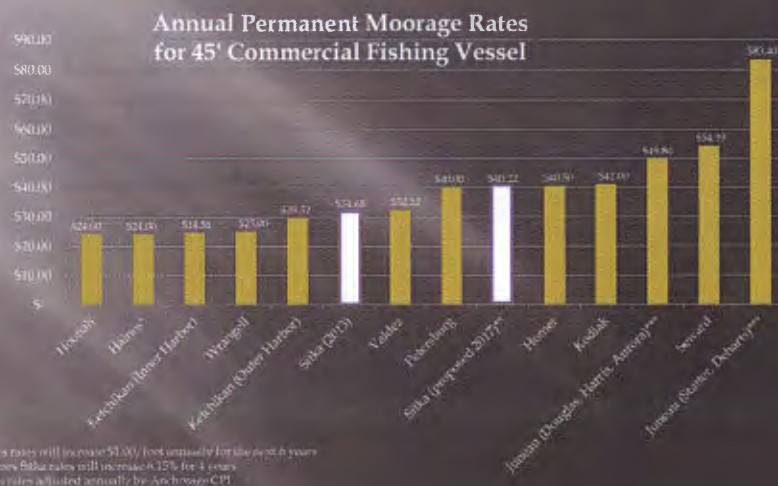
Harbor Master Plan Rates

2013 - \$31.68/foot
 2014 - \$40.44/foot
 2015 - \$49.20/foot
 2016 - \$57.96/foot
 2017 - \$66.72/foot

Staff Recommended Rates

2013 - \$31.68/foot
 2014 - \$33.63/foot
 2015 - \$37.70/foot
 2016 - \$37.89/foot
 2017 - \$40.22/foot

Moorage Rate Comparison with other Alaska Communities



Harbor Working Group Scenario

- Not replace parking lots = -\$2.9M
 - Thimble Harbor
 - Sealing Cove Harbor
 - Elason Harbor
 - Fisherman's Work Float
- Cost share with General Fund = -750K
 - ANB Harbor Parking Lot
- Divest to CBS General Fund = - \$650K
 - Net Shed Roof
 - Marine Service Center Bulkhead
- Increased user fees to cover replacement = -\$2.8M
 - Work Float
 - Sealing Cove boat launch access and parking

TOTAL COST OF INFRASTRUCTURE PULLED OUT OF PLAN = -\$6.6M

- Defer projects assuming they will outlast industry standards = -\$16.7M
 - Sealing Cove Harbor
 - Crescent Harbor - 2002 Improvements
 - Crescent High Lead Dock & Net Shed

TOTAL COST OF INFRASTRUCTURE AT RISK DUE TO DEFERRING REPLACEMENT = -\$23.3M

REQUIRED ANNUAL MOORAGE RATE INCREASE = 5.25%

Staff Proposed Rate Increase Perspective

Annual Moorage Increase for 2014 for a 45' Commercial Fishing Vessel

Scenario	Rate Increase (\$)	Rate Increase (\$/LF)
Master Plan Recommended Increase	\$394.20	\$8.76 / LF
Staff Recommended Increase	\$87.75	\$1.95 / LF
Harbor Working Group Scenario Increase	\$74.70	\$1.66 / LF

Master Plan (Recommended) Rate Increase for 45' vessel for 2014 = $394.20 / 12 = \$32.85 / \text{month}$
Staff Recommended Rate Increase for 45' vessel for 2014 = $87.75 / 12 = \$7.31 / \text{month}$
Working Group Scenario Rate Increase for 45' vessel for 2014 = $74.70 / 12 = \$6.23 / \text{month}$

Staff Proposed Rate Increase Perspective

- ❑ Difference between Staff Recommendation and Working Group Scenario for owner of a 45' commercial fishing vessel = \$13.05 per year or \$1.09 per month
- ❑ Harbor Working Group Scenario does not meet the following goals:
 - Goal #1: Ensures sustainable harbor system for Sitka (deferring projects may not be feasible, may result in need for emergency repairs and/or decommissioning facilities)
 - Goal #2: Maintain existing infrastructure and level of service (does not provide funding for parking lots, work float, launch ramps and transfers burden to General Fund which is in worse shape than Harbor Fund)

Summary

- ❑ Rate increases greater than the rate of inflation are required for the foreseeable future or we risk bankrupting the Harbor Fund.
- ❑ Moderate annual rate increases are preferred over large rate hikes in a single year.
- ❑ The Staff recommendation includes significant grant assumptions and therefore is not without risk. If grants are not obtained, higher rate increases will be required in the future to maintain the harbor infrastructure.
- ❑ Maintaining ~ \$3-4M in Harbor Fund is recommended to cover emergencies or unforeseen issues that arise.
- ❑ With 6.15% rate increases through 2017, Sitka's rates will remain competitive in the Alaska market.

Discussion



Legislation Details

File #: 13-226 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/4/2013 In control: City and Borough Assembly

On agenda: 12/10/2013 Final action:

Title: Authorize a letter accepting a proposal for project funding for a second modular building to expand Mountainside Family Clinic

Sponsors:

Indexes:

Code sections:

Attachments: [Mountainside expansion support ltr](#)

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

D R A F T

December 11, 2013

Hugh Hallgren, CEO
Sitka Community Hospital
200 Moller Ave
Sitka, AK 99

Dear Mr. Hallgren:

At last night's regular Assembly meeting the Assembly of the City & Borough of Sitka reviewed your proposed project budget for the construction of a second modular building needed to expand the Mountainside Family Clinic. As a part of that review they took into consideration the commitment to be initiated by you, Sitka Community Hospital (SCH) Board and Sitka Community Hospital Foundation to raise funds.

Additionally they took into consideration the positive responses you have received from the Rasmuson Foundation and the Murdock Charitable Trust to initial inquiries, as well as the SCH Foundation's willingness to mount a capital campaign. In light of these developments the City & Borough of Sitka will accept a proposal for project funding in the amount of approximately \$650,000. Although this is not a funding commitment, your efforts and commitment to date suggest that the project is feasible, and a final proposal could be formally acted upon at the **April 8, 2014** meeting of the City and Borough of Sitka Assembly.


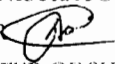
We wish you success and applaud your efforts to proactively seek support to enhance primary care for all in Sitka.

Sincerely,

Mark Gorman
Municipal Administrator

C: Mayor and Assemblymembers
Michael Harmon, Public Works Director
John "Jay" Sweeney, Finance Director

INTEROFFICE MEMORANDUM

TO: MARK GORMAN, MUNICIPAL ADMINISTRATOR 
FROM: JAY SWEENEY, FINANCE DIRECTOR 
SUBJECT: SITKA COMMUNITY HOSPITAL LETTER OF SUPPORT
DATE: DECEMBER 5, 2013

Mark,

After conversations with Hugh Hallgren and Lee Bennett from the Sitka Community Hospital this morning, I am now reassured, and of the opinion, that the facility expansion being contemplated by SCH will at least be cost neutral, if not profit and cash flow accretive.

From a due diligence stand point, I wanted to be assured that the project would generate increased positive cash flow from new operations equal to the potential increased debt service. Lee has discussed this we me and assured me that even under the most conservative assumptions as to additional business, this will be the case.

Given these conversations, I now believe it to be in the best interest of the City and Borough of Sitka to support this project.

Regards,

Jay

Request for Medical Office Building Letter of Support for \$650,000.00

Organizational History – In the summer of 1949, the City of Sitka successfully lobbied the Territorial Legislature for funding to support construction of a medical facility that would serve the non-Native population of Baranof Island. At that time, non-Native Sitkans could only access emergency care at the local Indian Health Services facility, and the Sheldon Jackson School Infirmary served as the inpatient facility for non-Native population. The Legislature funded construction of the first Sitka Community Hospital (SCH), which opened in April 1956. Although SCH was initially managed by the Pacific Lutheran Synod, the City of Sitka established a board of directors and assumed responsibility for hospital operations in 1957.

In 1979, Sitkans approved a \$5.6 million bond issue for construction of a new 12-bed acute care hospital with matching funds from the State of Alaska. During the 1980s, services expanded to include a long-term care unit and the Mountainside Family Health Care (MFHC) clinic. Originally housed in the hospital basement, MFHC was relocated to leased space in 2008. By 2010, the lease had become so expensive that purchase/installation of a modular building became a viable, cost-saving alternative. SCH purchased a custom-designed structure from M Space (a modular construction company in Oregon) that was shipped to Sitka and installed on the hospital campus. Just three years later, the increasing demand for outpatient care and the need to accommodate visiting specialists requires additional space.

Services – SCH is a 12-bed acute-care hospital with 15 long-term care beds that has served Sitkans for over 50 years. The hospital provides a robust set of programs and services that includes acute and trauma care, Diabetes Self-Management Education, Home Health, inpatient/outpatient laboratory, OB/GYN, 15 long-term care beds, general surgery, radiology (i.e., CT, ultrasound, mammography), and the Oceanside Therapy Center. MFHC represents SCH’s emphasis on primary care as a mechanism to improve population health in response to the changes occurring in health care.

Geographical Area Served – SCH’s primary service area is the City & Borough of Sitka, and the secondary service area encompasses the entirety of Baranof Island. The City & Borough of Sitka is the largest city-borough in the United States with a total land area of 2,870.3 sq. mi. and a population of 9,046 that is 17 percent Alaska Native and 83 percent non-Native.

Patients Served – SCH services the population of Baranof Island, which represents approximately 8,881 Alaskans. Although SCH does not measure the number of people served annually due to the overlapping nature of inpatient/outpatient care and hospital readmissions, the following table shows historical data for care services provided since 2010:

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Acute Patient Days	1,390	1,360	1,263
Ancillary Outpatient Services	13,574	12,719	13,915
Primary Care Visits	4,490	5,381	7,381
Home Health Visits	497	655	691
	19,951	20,115	23,250

Project Description – The project consists of purchasing and installing a 3,800 sq. ft. modular clinic facility that would alleviate overcrowding in the current MFHC building and relocate additional outpatient services still housed in the hospital basement. The new building will provide eight exam rooms, three offices, consultation and procedure rooms, and provide the space required for a fully-staffed clinic with nurses, physicians, and nurse practitioners. Office space will be provided for the numerous specialists who visit Sitka on a rotating schedule. The new building would be installed on an existing concrete pad left intact upon demolition of the original 1950s hospital. The pad's size is adequate to accommodate the structure, but it must be repaired and stabilized to serve as a foundation. The project also includes renovating a portion of the original hospital basement beneath the pad for storage space.

Need for project - Demand for SCH's services is growing rapidly, and in the past three years rates are up 18 percent for admissions, 42 percent for outpatient procedures, and 13 percent for emergency room visits. In 2013, 21 babies have been delivered and 23 more are on the way as of last count.

Current Status – SCH's architect, B. John Crane, has completed 100 percent of the facility design work in conjunction with M Space staff who built and assembled the first Medical Office Building.

Project Implementation/Completion Timeline – As soon as funding commitments are in place, M Space will begin construction of modules and simultaneously commence site work in Sitka. Modules would be transported by barge from Seattle to Sitka, and the shorter construction time associated with modular construction reduces site disruption and waste, and achieves financial savings. The new facility would be completed within approximately three months of the order date and will serve patients far more quickly than traditional construction. It is anticipated that the funding commitments will be finalized by Summer of 2014.

Project total cost – The total cost of the project is estimated at \$1,300,000, which includes purchase/installation of the building, rehab work on the foundation, basement renovations, 10 percent contingency, and FF&E.

Request to Assembly – An allocation of approximately \$650,000 is anticipated from the City & Borough of Sitka for the project. This is 50% of the total cost of the project.

Sources of Funding – SCH requests a grant in the range of \$250,000 from the Rasmuson Foundation toward the purchase of the modular building. SCH is in the planning phase of an 18-month capital campaign to be launched publicly on January 1, 2014, with a goal of \$50,000 to be raised from local donors, vendors and SCH Foundation events. A letter of inquiry seeking a grant of approximately \$300,000 from the M.J. Murdock Charitable Trust has been submitted and has been permitted for submission. An additional \$50,000 from other private foundations in the Northwest would bring the project to completion.

Colleen Ingman

From: Mari-Margaret Tydingco <sitkaot@gmail.com>
Sent: Tuesday, December 03, 2013 8:39 PM
To: assembly
Subject: Letter of support for the new Medical Office Building at Sitka Community Hospital

Hello to all,
Hope you had a good Thanksgiving. We are excited about the growth of our hospital!

Please consider the following facts:

- 1) We are asking the Assembly for \$650,000.00 for a project (including renovation of the old hospital basement) that will cost \$1.3 M. We are asking for the letter of support so that we can get the remainder of the money from the Rasmussen Foundation (\$250K) and the Murdock Trust (\$300K), plus our own Sitka Community Hospital Foundation for \$50K (thanks Ann!!). We will raise the additional needed \$50K from other foundations or self-fund it. The point is that the City gets the building for half price, they save 50%. And, they own the building!
- 2) We need the new Medical Office Building because our Mountain Side Family Health Clinic patient visits have increased over 100% in the past three years. Last year, we saw over 10,000 patient visits. Because of our success, at times we have only one exam room available per physician to see patients. This is very inefficient and not a good management of our physicians time.
- 3) We need additional space for visiting physicians and their patients, because currently we can only have two visiting physicians at a time because of space constraints in the Specialty Clinic. That means that on occasion, specialists cancel their visit because they can only come to Sitka at certain times. This is inconvenient for patients and can result in patient care problems.
- 4) Patients coming to see the General Surgeon or visiting Specialists in the basement have a long distance to travel via wheelchair, walker, cane, or just walking. They should be closer to parking, the lab, and radiology. They have to compete with traffic for the laundry, maintenance, and the warehouse. They all have to share the same hallway. It will improve their quality of care and the convenience of their visit if they have a building on the same floor as the rest of our patient care.
- 5) The return on investment for the money is that it is matched by other funding agencies, it improves the quality of care of our patients, and it improves the access to care for patients in our community. We can easily pay the City fund back for the money by using our Tobacco Tax funds like we are currently doing for the first office building.

Thank you so very much. Please feel free to contact me at the above email address or by telephone 747-3621 or our CEO, Hugh Hallgren at the hospital with any questions or comments.

Sincerely,
M. Celeste Tydingco, OTR/L, MOT
President
Sitka Community Hospital Board

Sara Peterson

From: Ann Wilkinson <wilkinson99835@gmail.com>
Sent: Wednesday, December 04, 2013 1:10 PM
To: Sara Peterson
Cc: Phyllis Hackett
Subject: Oops, more info needed

Sara,

On my last email, I failed to tell you what the documents are. The grant update from Linda is a recap of our current status on grants for funding the new building. Linda Soriano is our grant writer. The other document is a flier I've created for the upcoming capital campaign. The reason I've included it is because it has a graphic that shows the growth of Mountainside Family Healthcare.

Thanks again,

Ann

747-2707



A Foundation of caring . . .

Helping to build Sitka's health care for the future.

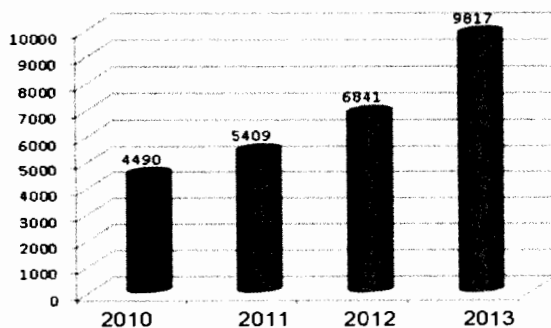
Sitka Community Hospital Foundation is embarking on a capital campaign to add a new building to Mountainside Family Healthcare, an outpatient clinic of Sitka Community Hospital.

Facts:

Mountainside Family Healthcare has experienced tremendous growth over the last three years, averaging more than 30% a year. Last year alone the growth was 44%.

The current building will quickly run out of room. We need to expand our clinic capacities to keep up with the demand.

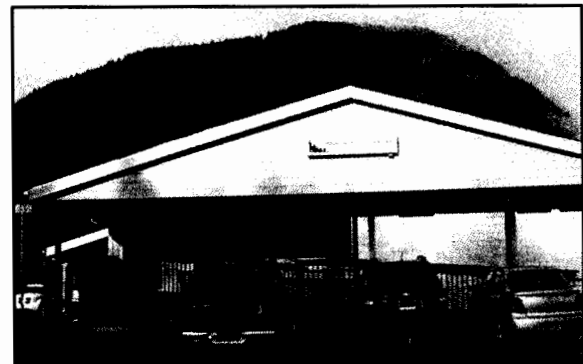
The new building will sit next to the current clinic building on the site of the old Sitka Community Hospital.



Clinic growth as number of patient visits per year.

Cost:

The cost of the new building will be \$1,300,000. The current financial plan includes grants totaling up to \$650,000 and the rest coming from the City of Sitka and the Foundation's capital campaign fund.



What it means to you:

Sitka Community Hospital and Mountainside Family Healthcare strive to provide health care services right here in Sitka, reducing the amount of travel required to obtain health care out of town. We've added cardiac rehabilitation services, ear, nose and throat services, gynecology services and orthopedic services. Our specialty clinic continues to expand. We need your help to continue this growth and ensure thriving health care services in Sitka for future generations of Sitkans.

How to give:

Tax deductible donations may be made at our web site:

SitkaHospitalFoundation.org

Or by check mailed to Sitka Community Hospital Foundation at 209 Moller Ave., Sitka, AK 99835.

For more info, contact Foundation President, Ann Wilkinson, at 907-747-2707.

Here's the skinny (on the Mountainside Family Healthcare grant process):

1) **Rasmuson Foundation/\$250K** – We have verbal approval from Aleesha Towns-Bain to move toward a decision at the June 2014 Board meeting. Before we receive the letter inviting a full proposal, Rasmuson needs a letter from the City saying they know about the project and will consider allocating about \$650K. All other Rasmuson requirements (i.e., 100% board giving, starting the capital campaign, etc.) have been met. But they need a preliminary indication that the City is aware of and considering funding for the project. The City's final commitment won't be necessary until shortly before the June 2014 Rasmuson board meeting. So the City needs to write their letter to demonstrate local involvement, but it's not a funding commitment. As soon as they do that, we'll receive an invitation letter from Rasmuson.

2) **Murdock Trust/\$300K** – The Senior Program Officer at the Trust suggested I ask for this amount, and he has received your letter. The Trust has a 3-week turnaround time, so we will have a written response before the end of December. I fully expect an invitation to submit a full proposal, because Trust staff has been very positive about the project and are impressed with your local progress to date. So you'll have a letter to show the City by about mid-Dec. To be clear, we need BOTH Rasmuson and Murdock on board because they frequently do funding partnerships for capital projects.

3) **Other Grants/\$100K** – We will get other foundations/funders in Alaska to give as soon as Rasmuson/Murdock invite full proposals. Invitations from those two always bring in more players, plus we'll go to a bunch of corporate giving programs for gifts of about \$10K each.

4) **Capital Campaign** – The Campaign is critical to Rasmuson's participation, and they wouldn't ask us to mount it unless they were serious about supporting SCH. The Campaign goal is reasonable and achievable, and the participants are thoroughly committed.

Foundations get thousands of applications and fund only the best projects. Rasmuson acknowledges that we've done incredibly well in clearing the hurdles, because local support for SCH is so strong. The "soft" funding letter from the City is the last one.

Tenacity is the name of the game in successful grant seeking. Maybe that's why I like it so much. ;)

Linda Soriano



Legislation Details

File #: 13-227 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/4/2013 In control: City and Borough Assembly

On agenda: 12/10/2013 Final action:

Title: Adopting a Stormwater Management Plan and providing \$10,000 in funding from the proceeds of the Benchlands property sale to develop a Stormwater Ordinance

Sponsors: Mike Reif, Phyllis Hackett

Indexes:

Code sections:

Attachments: [Storm Water Plan Memo](#)

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

MEMORANDUM

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

From: Michael Harmon, P.E. Public Works Director *MH*
Stephen Weatherman, P.E. Municipal Engineer *S*

Reviewed: Jay Sweeney, Finance Director

Date: 12/4/13

Subject: Stormwater Management Plan

Background

We presented the Stormwater Management Plan (SMP) at the Assembly Workshop last assembly meeting. In that presentation we provided the details of the SMP. The plan included mapping of drainage areas, storm events, facility inventory, discharges, management measures to reduce polluted stormwater runoff and GIS of the collected information. The SMP also recommended the development and adoption of a Stormwater Ordinance.

Analysis

This Assembly agenda item has to do with adopting the plan and providing funding to begin the development of a Stormwater Ordinance which would provide design and development standards for storm water. This ordinance would help projects being developed so they do not adversely impact adjacent or downstream property owners. It also assures the drainage facilities can be maintained by Public Works as needed. This ordinance would help developers know upfront what they need to design and build in Sitka in a way that is sustainable and positive.

Fiscal Note

Proceeds from the sale of parcels A, B, C and D in the Benchlands generated \$344,302 in unplanned revenue for FY2014. Management's proposal is to increase the revenue budget for fixed asset sales in the General Fund to match these land sales proceeds, and, to authorize a supplemental FY14 appropriation of \$10,000 to finance the costs of the Stormwater Ordinance which includes consultant fees and CBS staff support.

Recommendation:

Adopt the Stormwater Management Plan and provide \$10,000 from the proceeds of the Benchlands property sale to develop a Stormwater Ordinance.



Legislation Details

File #: 13-228 Version: 1 Name:

Type: Appointment Status: AGENDA READY

File created: 12/4/2013 In control: City and Borough Assembly

On agenda: 12/10/2013 Final action:

Title: Appointments: Appoint one to a unexpired term on the Sawmill Cove Industrial Park 1) Ptarmica McConnell or 2) Steven Eisenbeisz

Sponsors:

Indexes:

Code sections:

Attachments: [Appointment SCIP](#)

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

**SAWMILL COVE INDUSTRIAL PARK BOARD
UNEXPIRED TERM**

NOMINATE

I NOMINATE Pfarmica McConnell and Steven Eisenbeisz to fill the unexpired term on the Sawmill Cove Industrial Park Board.

Be prepared to vote on your choice ONE seat open

	MCCONNELL	EISENBEISZ
HUNTER		
SWANSON		
MIYASATO		
MCCONNELL		
REIF		
HACKETT		
ESQUIRO		

Note: The applications are not available online, but can be reviewed at the Clerk's Office.



Legislation Details

File #: 13-230 Version: 1 Name:

Type: Appointment Status: AGENDA READY

File created: 12/4/2013 In control: City and Borough Assembly

On agenda: 12/10/2013 Final action:

Title: Appoint an Assembly Liaison to the Health Needs and Community Services Commission

Sponsors:

Indexes:

Code sections:

Attachments: [Liaison Appointment](#)

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

Health Needs and Community Services Commission

Meeting Schedule

The members decided to meet the second Tuesday of the month from 12 -1 pm, the next meeting is Tuesday, January 14th at the Braveheart Office/Manager's House.

Dates for 2014 are: 2/11, 3/11, 4/8, 5/13, 6/10, 7/8, 8/12, 9/16, 10/14, 11/11 and 12/9.