



# 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*

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Tuesday, April 8, 2014

6:00 PM

Assembly Chambers

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### WORKSESSION 5:00 - 5:50 PM

*Sound Development LLC Update on Parcel C*

### REGULAR MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

#### IV. CORRESPONDENCE/AGENDA CHANGES

1. [14-065](#) Reminders and Correspondence for April 8, 2014

**Attachments:** [Reminders and Calendars April 8](#)  
[Alaska Marine HWY Correspondence](#)  
[PW Assembly update 4 1 2014](#)  
[Electrical Dept Update April](#)

#### V. CEREMONIAL MATTERS

2. [14-066](#) National Public Health Week Proclamation

**Attachments:** [National Public Health Week Proc](#)

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

*None pre-scheduled.*

**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**     [14-061](#)     Approve the minutes of the March 25, 2014 Assembly meeting  
*Attachments:*   [Minutes 3-25-14](#)
- B**     [14-062](#)     Approve close out and fund transfer for Capital Project #90647 (Jarvis Tank Inspection)  
*Attachments:*   [Approve Transfer Jarvis CIPS](#)
- X. UNFINISHED BUSINESS:**
- C**     [ORD 14-02](#)     Amending Sitka General Code at Chapter 9.20 entitled "Smoking in Public Places and Places of Employment" to modify Section 9.20.035 regarding prohibition of children in places where smoking is permitted  
*Attachments:*   [ORD 2014-02 Second Reading](#)
- D**     [ORD 14-07](#)     Amending SGC Title 13 entitled "Port and Harbors" by Repealing and Reenacting certain sections to substantially update the laws governing the conduct and use of Sitka Municipal Harbor Facilities by adopting clear requirements for vessel maintenance and care and procedures for impounding nuisance vessels  
*Attachments:*   [ORD 2014-07 Title 13](#)
- E**     [ORD 14-08](#)     Revising Chapter 4.09 of the SGC, at Subsection 4.09.110 entitled "Residence Construction Tax Refund" to extend the time period for applying for the refund to two years after the issuance of the building permit, and, to clarify that only one refund per building permit will be issued  
*Attachments:*   [ORD 2014-08 Residence Construction](#)
- XI. NEW BUSINESS:**

**New Business First Reading**

- F     [ORD 14-06](#)     Authorizing Sublease of space by Island Girl Coffee LLC at the Sitka Rocky Gutierrez Airport Terminal Building  
*Attachments:*   [ORD 2014-06 Island Girl Lease](#)
- G     [ORD 14-09](#)     Amending the Sublease with Ostrov Enterprises d/b/a Airport Gift Shop at the Sitka Rocky Gutierrez Airport Terminal Building to modify Lease Space and Square Footage due to the sale of Espresso Stand  
*Attachments:*   [ORD 2014-09 Gift Shop Lease](#)

**Additional New Business Items**

- H     [14-064](#)         Approve an amendment to the Sitka Coastal management Plan Enforceable Policy 1.4 to delete Picnic Cove as a permitted personal use floathouse site  
*Attachments:*   [Sitka Coastal Management Plan](#)
- I     [14-063](#)         Approve a blanket waiver of the \$100 penalty non-filing fee for 2014 property taxes  
*Attachments:*   [Waiver of the non-filing \\$100 fee](#)

**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**

*None Anticipated*

**XIV.   ADJOURNMENT**

*Colleen Ingman, MMC  
Municipal Clerk  
Publish: 4-4-14*



## Legislation Details

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**File #:** 14-065      **Version:** 1      **Name:**  
**Type:** Correspondence      **Status:** AGENDA READY  
**File created:** 4/3/2014      **In control:** City and Borough Assembly  
**On agenda:** 4/8/2014      **Final action:**  
**Title:** Reminders and Correspondence for April 8, 2014  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Reminders and Calendars April 8](#)  
[Alaska Marine HWY Correspondence](#)  
[PW Assembly update 4 1 2014](#)  
[Electrical Dept Update April](#)

Date	Ver.	Action By	Action	Result
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# REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, April 8	Worksession: Sound Development's proposal for Parcel C of South Benchlands	5:00 PM
Tuesday, April 8	Regular Meeting	6:00 PM
<i>Thursday, April 10</i>	<i>Budget Worksession: Assembly/School Board</i>	<i>6:00 PM</i>
<i>Tuesday, April 15</i>	<i>Evaluations: Municipal Administrator and Municipal Attorney 3<sup>rd</sup> floor Conference Room City Hall</i>	<i>5:30 PM</i>
Tuesday, April 22	Worksession: Harrigan Centennial Hall 35% Design, Cost Estimate, & Funding	5:00 PM
Tuesday, April 22	Regular Meeting	6:00 PM
Wednesday, April 23	Blue Lake Project Tour Meet in SCIP Admin Bldg Lobby	4:30 PM



# Assembly Calendar

[2013](#)   [Jan](#)   [Feb](#)   [Mar](#)   [Apr](#)   [May](#)   [Jun](#)   [Jul](#)   [Aug](#)   [Sep](#)   [Oct](#)   [Nov](#)   [Dec](#)   [2015](#)  
**April 2014**

Sunday		Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	Mar	31	1	Apr	2	3	4
Hackett		Hackett	5:00pm Board of Equalization Training 7:00pm Planning 7:00pm School	6:00pm Police and Fire 7:00pm Library	Esquiro 12:00pm Parks & Rec	Esquiro	
6	7	8	9	10	11	12	
		12:00pm Health Needs and Human Services Commission 5:00pm Worksession: South Benchlands Parcel C 6:00pm Reg Assembly Mtg	6:00pm Historic Preservation 6:00pm Port & Harbors Commission	12:00pm LEPC 6:00pm Assembly/School District Budget Worksession - Harrigan Hall			
13	14	15	16	17	18	19	
		12:00pm Tree/Landscape 5:30pm Administrator and Attorney evaluations 3rd floor conference room 7:00pm Planning 7:00pm School	6:30pm STA				
20	21	22	23	24	25	26	
	12:00pm Tourism Commission Meeting	5:00pm Worksession: Harrigan Hall 35% Design 6:00pm Regular Assembly Mtg	4:30pm Private Tour: Blue Lake Project Meet at SCIP Admin Lobby	6:00pm 1st Municipal Budget Worksession 6:30pm Hospital Board			
27	28	29	30	1	May	2	3
Esquiro	Esquiro	Esquiro 1:00pm SCVB Board	Esquiro	Esquiro 12:00pm Parks & Rec 6:00pm 2nd Municipal Budget worksession	Esquiro	Esquiro	

# Assembly Calendar

[2013](#)   [Jan](#)   [Feb](#)   [Mar](#)   [Apr](#)   [May](#)   [Jun](#)   [Jul](#)   [Aug](#)   [Sep](#)   [Oct](#)   [Nov](#)   [Dec](#)   [2015](#)  
**May 2014**

Sunday		Monday	Tuesday	Wednesday	Thursday		Friday	Saturday
27	Apr	28	29	30	1	May	2	3
Esquiro		Esquiro	Esquiro 1:00pm SCVB Board	Esquiro	Esquiro 12:00pm Parks & Rec 6:00pm 2nd Municipal Budget worksession		Esquiro	Esquiro
4		5	6	7	8		9	10
		6:00pm Board of Equalization Hearing	7:00pm Planning 7:00pm School	6:00pm Police and Fire 7:00pm Library	12:00pm LEPC 6:00pm 3rd Municipal Budget worksession			
11		12	13	14	15		16	17
Hunter		Hunter	Hunter 12:00pm Health Needs and Human Services Commission	Hunter 6:00pm Historic Preservation 6:00pm Port & Harbors Commission	Hunter		Hunter	
18		19	20	21	22		23	24
		12:00pm Tourism Commission Meeting	12:00pm Tree/Landscape 7:00pm Planning 7:00pm School	6:30pm STA	6:30pm Hospital Board			
25		26	27	28	29		30	31
			1:00pm SCVB Board					Jun



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

Captain John Falvey, Jr., General Manager

April 1, 2014

Alaska Marine Highway System

RE: F/W/S 2014-15 Marine Highway Schedule Comment

Dear Captain Falvey:

The proposed Fall/Winter/Spring Alaska Marine Highway schedule provides one (1) north and two (2) south stops to Sitka. This is the same Sitka schedule as previous years, despite Sitka's yearly request to add at least one more northbound stop to provide baseline service (at least two vessel each direction). Please provide a second north Sitka stop by rerouting the Friday Aurora sailing or a second northbound mainline to Sitka.

Each year AMHS declines to add a second weekly northbound sailing to Sitka. Some AMHS justification includes: 1) the FVF Fairweather is laid up to save money (this winter it will substitute for Chenega up north); 2) it is not feasible for Lynn Canal, which receives five (5) weekly sailings, to receive one less sailing which could then be re-routed to Sitka. Sitka's lack of service is not based on the unavailability of vessels. It is based on vessel deployment—including five-day-a-week service to Lynn Canal. Why will AMHS not provide a second northbound sailing to Sitka for more than half of each year? Sitka's requests for a second northbound vessel to Sitka have been consistently rejected, resulting in most school groups and other users generally unable to travel by ferry for seven+ months (the entire school year). Further, Summer service levels are available only in July and August but should begin in June.

In repeated resolutions to AMHS and MTAB, Sitka, current population 9,039, has requested parity of service with the rest of the region—a baseline service level of at least two (2) north and two (2) south vessels per week. This Winter Core Service level should be Southeast Alaska region's goal. Year-round service should include one Bellingham vessel, one Prince Rupert vessel, one village day boat, and four day FVF service. This service could provide consistent routes year round with additional service during the peak May-September season.

CBS requests AMHS and Department of Transportation detail the costs and benefits of a Baranof road to determine if a road across Baranof Island to a new ferry terminal could enable substantial improvements to AMHS while significantly increasing Sitka's level of service. Parity of service and a detailed analysis of road or other service improvements to address Sitka's concerns have been unsuccessfully requested for many years in the CBS Legislative Priorities. Thank you for your consideration and response.

Sincerely,

Mim McConnell, Mayor

Mark Gorman, Municipal Administrator

cc: Senator Stedman

Representative Kreiss-Tompkins

*Providing for today ... preparing for tomorrow*



**CITY AND BOROUGH OF SITKA  
RESOLUTION NO. 2013-13**

**A RESOLUTION BY THE CITY AND BOROUGH OF SITKA REQUESTING  
THE ALASKA MARINE HIGHWAY SYSTEM MAINTAIN CORE SERVICE LEVELS, INCLUDING  
ONE PRINCE RUPERT VESSEL YEAR-ROUND AND TWO VESSELS MAY THROUGH  
SEPTEMBER**

**WHEREAS**, Southeast Alaska coastal communities without access to road systems have depended on the Alaska Marine Highway System for reliable, predictable primary marine transportation service since the creation of AMHS; and

**WHEREAS**, the Alaska Marine Highway System transports the region's residents, visitors, food, health care, supplies, equipment, and seafoods, providing critically important transportation and commerce links within the Region and connections to the rest of Alaska and the lower 48; and

**WHEREAS**, the continued expansion of the Alaska Marine Highway System to provide new and expanding routes combined with the increasing costs and decreasing revenues available to operate the System are resulting in reduced core service levels in Southeast Alaska including the layup of the Taku through June, 2014, rather than operating this second Prince Rupert vessel during May and June when demand for a second Prince Rupert vessel is at a peak; and

**WHEREAS**, the seven-month Sitka Winter schedule has consisted for several years of only ONE northbound sailing and two southbounds per week; if the second Prince Rupert vessel is delayed until July, the single Rupert connection in May and June is grossly inadequate to serve Southeast Alaska.


**WHEREAS**, Sitka is grateful the Fairweather is being repowered this winter. Sitka will heavily use the fast vehicle ferry as soon as it comes out of overhaul to increase May service to Sitka, with full Summer service required by June 1, 2014;

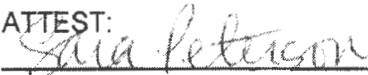
**WHEREAS**, AMHS has better alternatives to reduce its budget by re-scheduling vessels that would not restrict core summer service so critical to the economies and citizens of Southeast Alaska;

**NOW, THEREFORE, BE IT RESOLVED** that the Alaska Marine Highway System maintain its essential core service levels to Southeast Alaska with one Prince Rupert and one Bellingham vessel year round and a second Prince Rupert vessel throughout the entire summer season – May through September – and if required modify non-essential vessel schedules to reduce the AMHS budget; and

**BE IT FURTHER RESOLVED** that the Assembly of the City and Borough of Sitka requests a consistent, sustainable core service schedule for Southeast Alaska be developed with input from the Marine Transportation Advisory Board, Southeast Conference, and the local communities which have the greatest stake in maintaining reliable AMHS service levels.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska, on this 23<sup>rd</sup> day of July, 2013.

  
\_\_\_\_\_  
Pete Esquiro, Deputy Mayor

ATTEST:  
  
\_\_\_\_\_  
Sara Peterson, CMC  
Acting Municipal Clerk



THE STATE  
of **ALASKA**  
GOVERNOR STAN PARNELL

Department of Transportation  
and Public Facilities

ALASKA MARINE HIGHWAY SYSTEM  
Office of the General Manager

1000 W. 22<sup>nd</sup> Avenue, Room 400  
Anchorage, Alaska 99515-3001  
Phone: 907-261-2211  
Fax: 907-261-3321

3/12/2014

Dear Community Advisory Group Members:

It is time to begin the public review process for the next Alaska Marine Highway scheduling cycle. The proposed schedule patterns that will be reviewed will cover fall/winter/spring 2014-2015.

The schedule patterns that are being proposed are based on a funding level for FY15. The operating plan has been designed to meet the needs for community service, staying within available funding, and maintaining regulatory and safety standards for the vessels.

Please take the time to review and comment on this proposal paying particular attention to any need for special events scheduling. Be sure to give the name of the event, date, location, and arrival/departure times needed for each special event.

Please provide your written comments prior to April 05, 2014. Information may be faxed to 907-586-8365 or emailed to [dot.amhs.comments@alaska.gov](mailto:dot.amhs.comments@alaska.gov). A teleconference to hear comments and consider adjustments is scheduled for Tuesday, April 08, 2014 at 10:00 a.m. for Southeast schedules and at 1:30 p.m. for Southwest and Southcentral schedules. The meeting will be held in Ketchikan at the Alaska Marine Highway Central Office, 7559 North Tongass Highway for participants wishing to attend in person.

The toll free number to participate in both teleconferences is: 1-800-315-6338, conference code 3902#. The link to access the proposed schedule patterns is:

<http://www.dot.state.ak.us/amhs/share/schedule/considerations.pdf>.

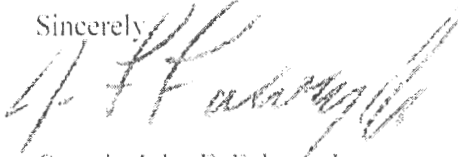
It is the policy of the Department of Transportation & Public Facilities (DOT & PF) that no person shall be excluded from participation in, or be denied benefits of any and all programs or activities we provide based on race, religion, color, gender, age, marital status, ability, or national origin, regardless of the funding source including Federal Transit Administration, Federal Aviation Administration, Federal Highway Administration and State of Alaska Funds.

The State of Alaska Department of Transportation & Public Facilities (DOT & PF) complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, and/or special modifications to participate in this public meeting should contact AMHS Operations Manager, Capt. Tony Karvelas at (907) 228-7252 and

TDD (907) 269-0743, TTY 1-800-770-8793, Alaska Relay, Voice: 7-1-1 or 1-800-770-8255 no later than April 02 to make any necessary arrangements.

If you have any additional questions or need additional information, please contact the AMHS Operations Manager, Captain Tony Karvelas, at (907) 228-7252.

Sincerely,



Captain John F. Falvey, Jr.  
General Manager

JFF:gn

ENCLOSURES:

Draft FY15 Operating Plan 15.02  
Calendars of Events  
Weekly Vessel Pattern Graphs  
FY15 Vessel Deployment Plan  
Guide to Reading and using AMHS Scheduling Graphs

DISTRIBUTION:

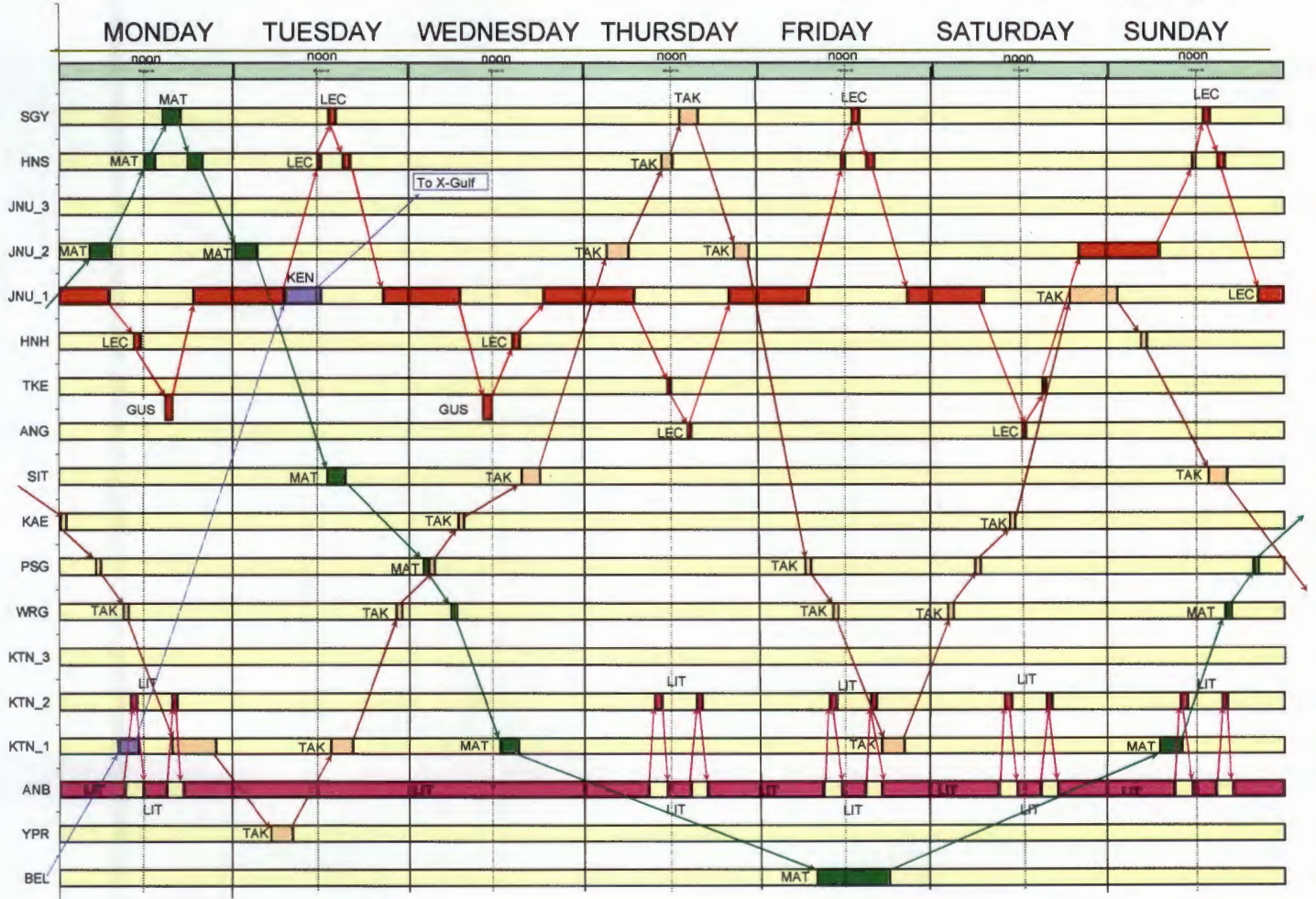
All Southeast Alaska Mayors  
All Southcentral Alaska Mayors  
All Southwest Alaska Mayors  
Alaska Travel Industry Association  
ARDORS  
Commercial Shipping Companies  
CVBs  
DOT/PF Southeast Regional Director  
Marine Transportation Advisory Board  
Managers, AMHS Terminals  
Masters, AMHS Vessels  
Unions  
IBU  
MM&P  
MEBA  
Tlingit & Haida Central Council  
S.E. Alaska Tribal Government Advisory Committee

DRAFT

Winter 2014-15 SE Mar-Apr

DRAFT

Revised 03-18-2014

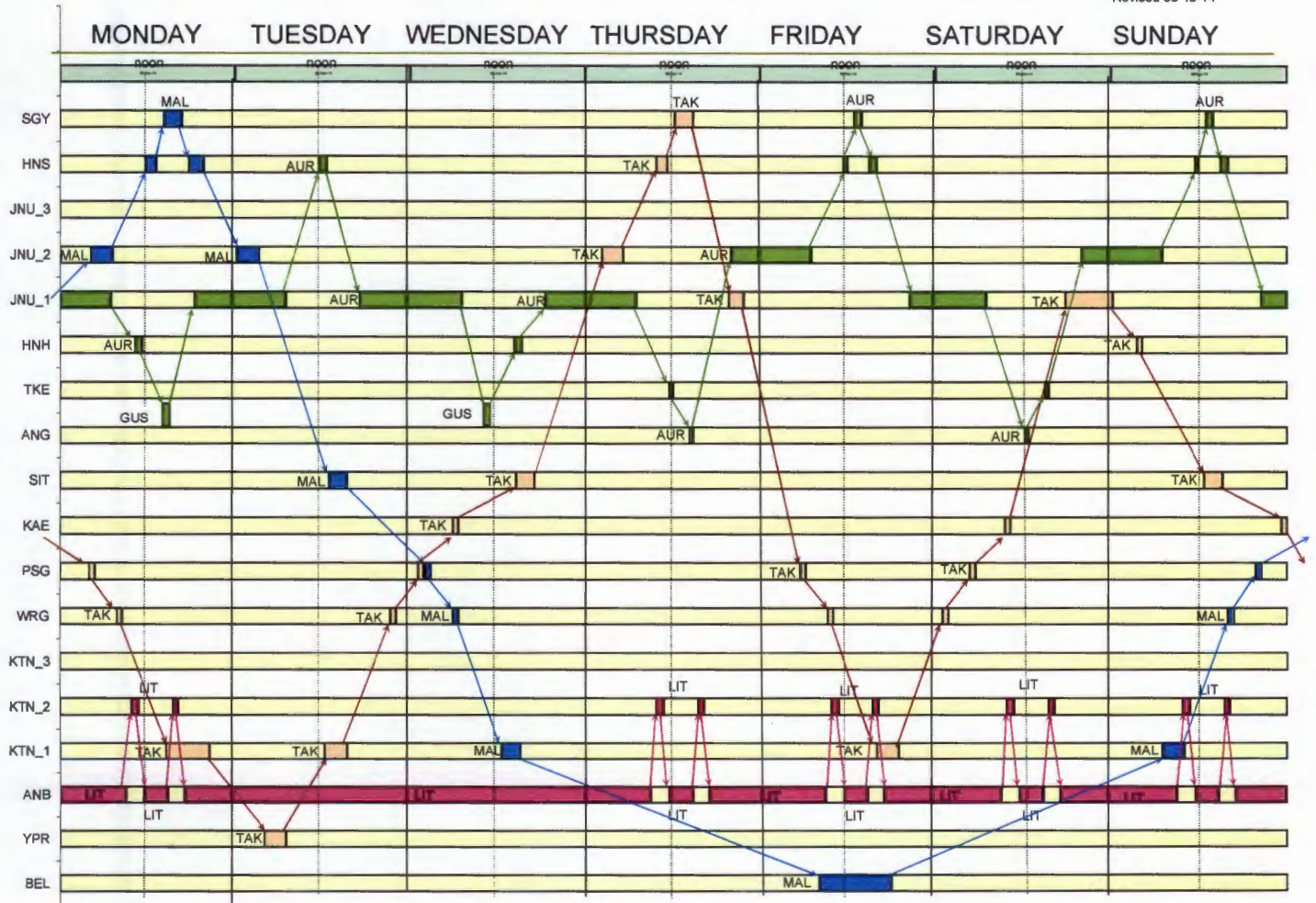


DRAFT

Winter 2014-15 SE Oct-Feb

DRAFT

Revised 03-18-14



**Alaska Marine Highway System  
FY15 Vessel Deployment Plan  
March 18, 2014**

**Vessel Deployment – Winter 2014-15**

- Kennicott will enter a Federal CIP project in October and will commence Bellingham Cross Gulf service in early March.
- Columbia will enter Layup status in October and will resume the Bellingham to Skagway service in early May.
- Matanuska will be in Layup status mid- September until entering Overhaul in early February. In late March she will pick up the Friday Bellingham route until early May when she resumes the Prince Rupert to Juneau route.
- Malaspina will run the Bellingham to Skagway route until entering overhaul in early March.
- Taku will sail the Prince Rupert to Juneau route until entering Overhaul in May.
- Lituya will sail between Annette Bay and Ketchikan until January when she enters a two week Overhaul period.
- LeConte will enter a Federal CIP project in mid-September and will resume the Northern Panhandle route in early March.
- Tustumena will sail SW until entering overhaul in early March. She will resume service in SW mid April. First chain scheduled for April 21.
- Aurora will sail in SE mid-September to cover the Northern Panhandle while LeConte is in Overhaul. Aurora will then enter Overhaul in March. She will resume service in PWS mid-April.
- Fairweather will be in Overhaul until mid-October and will then cover PWS until mid-April.
- Chenega will cover PWS until mid-October and will then enter a re-engine project until mid-May.

Dave Kensington  
SE Conf. Transp Com 9/18/13

## Core service

### **A scheduling concept developed by MTAB 10 years ago**

- Consistent routes year round
- Additional service during peak season May through September

### **Year round**

- One Bellingham vessel
- One Rupert vessel
- Village day boat
- 4 day FVF service

### **May through September additional service**

- Lynn Canal day vessel
- Two Prince Rupert vessels
- 7 day week FVF service

### **Pros**

- Runs that have been consistent have increased ridership
- All communities are connected with balanced service
- Travelers, school groups, community events can plan around service

### **Cons**

- Current budget does not allow this level of service
- Vessels used by AMHS are either too expensive to operate or due to age require longer annual shipyard periods

### **What do we need to do**

1. Short term: request AMHS and MTAB interact with their customers to understand our priorities
2. Long term: a realistic transportation plan that meets our needs and the budget

## **PUBLIC WORKS ASSEMBLY UPDATE FOR WORK COMPLETED IN MARCH**

### **Centennial Hall Renovation: Milestones This Period**

- The 35% cost estimate has been reviewed by the Consultants and Tech Committee. The scope of the base project that is within the budget of the funding in hand has been identified. Additional Additive Alternates, which may require additional funding, have been identified. Areas where savings could be realized by a reduction in project scope have been identified.
- A meeting with the Building Design Committee (BDC) that is open to the public to discuss and approve these options is scheduled April 2, 2014 @ 5:30 pm in the Maksoutoff Room.
- A Public Meeting will follow April 21, 2014 @ 6:30 pm in the Maksoutoff Room to be followed by an Assembly Work Session April 22, 2014.
- Assembly Approval of the 35% design and funding package will be requested at the April 22, 2014 Assembly Meeting.

### **Future Milestones**

- Design Development documents and 65% cost estimate due the end of June 2014. Focus group meeting will occur during the design development phase, which could push the schedule (this is the most important stage) prior to developing bid/construction documents.
- Construction Documents and 95% cost estimate due in fall 2014.
- Project bidding winter 2014.
- Award construction contract winter 2014/2015.
- Begin construction spring 2015.
- Complete construction summer/fall - before Alaska Day 2016.

### **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 \$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. The Renewable Energy Fund Round 7 has allocated \$232,620 for the heat pump system to the project. Additionally, approximately \$1,700,000 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 when additional funding is received.



## **Centennial Hall & Library Site Parking Lot Development:**

### **Milestones This Period**

- Issued Change Order 6 to S&S General Contractors to provide supplemental lighting at Centennial Hall parking lot, to provide dimming control for blue ribbon lights under the seating walls, and to extend the Contract Time to allow for the completion of these tasks and punch-list items. The value of Change Order is \$118,487.75, and it extended the contract to July 1, 2014.

### **Future Milestones**

- Foundation and conduit are scheduled for completion prior to the first scheduled cruise ship landing: May 7, 2014. The poles, which are long-lead items will be installed on non-cruise ship days.

### **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. The project was accepted as substantially complete on September 30, 2013. S&S General Contractors was awarded the construction contract in the amount of \$2,613,651, which has been increased to \$3,033,600.87 via change orders. The total project budget is \$3,950,000. There is an unencumbered balance of approximately \$200,000.

## **Edgcumbe Drive Street Reconstruction:**

### **Milestones This Period**

- Hosted pre-proposal conference on March 5, 2014.
- Received three proposals on March 27, 2014 in response to the RFP for this project on February 20, 2014. The proposals were from Aggregate Construction, Inc., ASRC McGraw Construction and S&S General Contractors

### **Future Milestones**

- Anticipate award of design/build contract after April 22, 2014 assembly meeting.
- Contractor will be responsible for design and will propose a schedule.
- Construction can begin before design is complete with CBS approval.
- Construction substantially complete by August 2015.

### **Background**

The project includes drainage, sidewalk, curb and gutter, pavement and potentially traffic calming improvements on Edgcumbe Drive from Peterson Street to Cascade Creek Road. The total project budget is \$5.46 million. Public Works will award a design/build contract that will 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**

- None

### **Future Milestones**

- Discuss Hollywood Way road reconstruction options with Police and Fire Commission at April 9, 2014 meeting.
- 65% design drawings and cost estimate due May 2014.
- 95% design drawings and cost estimate due July 2014.
- Construction drawings and final cost estimate due August 2014.
- Bid the project during winter 2014-2015 for summer 2015 construction.

### **Background**

The project includes design for water, sewer, storm drain and pavement improvements, and potentially curb, 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). Project will require a minimum additional \$105,000 contribution from the general fund to address Hollywood Way road rebuilding and drainage.

## **Airport Baggage and TSA Area design:**

### **Milestones This Period**

- None

### **Future Milestones**

- Incorporate Airport Users Group comments into final report in April 2014. Report will be presented to the Assembly on April 22, 2014.
- Upon Assembly approval of project scope, award design contract for airport improvements in May 2014.
- 65% design drawings and cost estimate due August 2014.
- 95% design drawings and cost estimate due September 2014.
- Construction drawings and final cost estimate due December 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.

## **Blatchley Middle School:**

### **Milestones This Period**

- The door correction change order work is underway and should be complete by summer.

- Change order to revise ducting in mechanical rooms for \$24,760 has been approved to prevent potential freezing of fire sprinkler system was completed over Spring Break.
- The one-year warranty is in effect and the contractors are addressing issues as required.

### **Future Milestones**

- Sitka School District is working on prioritizing the list of uncompleted major maintenance items that may be completed with the remaining project funding.

### **Background**

The project's (combined Fund 704 now closed out, and Fund 706) funding including the Assembly approved accumulated interest of \$12,863,000 for major maintenance is nearly complete. There remain encumbered funds for the remodel project and remaining funds for additional major maintenance needed at the school.

### **Ultra Violet (UV) Disinfection Facility:**

#### **Milestones This Period**

- The 95% design review was completed and review comments sent to CH2MHill.

#### **Future Milestones**

- The 100% design due April 2014.
- The project is planned to be bid for construction in May 2014.
- The project construction is planned to start June 2014.
- The project construction is planned to be complete November 2014.
- ADEC approval to operate is planned to be received 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 Design:**

### **Milestones This Period**

- The 65% design has been reviewed by City staff. The related cost estimate came in with an estimated total base bid matching that of the conceptual design estimate of \$4.26 million. Bid alternates have been refined and total an additional \$352,000 should additional funding become available or construction bids come in lower than the estimate. Contingency for construction remains intact.
- The City has submitted its application to the Rasmussen Foundation for this project. The amount of the grant request was \$353,668 and will primarily be used to offset the costs for equipment and furnishings. The approximate timeline for the award notification, if selected, is July 2014.
- The City has begun working with the State for the use of the Stratton Library as a temporary library facility during construction. This space provides an opportunity to continue many of the current library programs and services. The State is committed to supporting the Kettleton project by making this facility available for the costs of utilities and maintenance required during the temporary occupancy. We are in the final negotiation phase of the draft MOA with the State.

### **Future Milestones**

- 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 and \$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:**

### **Milestones This Period**

- Revised rainfall intensity curves have been developed based on additional CBS collection locations at Blue Lake water plant, Old Sitka Rocks Lift Station and the Magnetic Observatory.

### **Future Milestones**

- Storm Water Ordinance is currently under development and is due at the end of April 2014.

- Work session with Planning Commission and local contractors planned for May 2014.
- Work session with Assembly Planned for June 2014.
- Approval of Storm Water Ordinance by Assembly Planned for July 2014.

## **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 forty percent CBS match of \$28,925. This phase included collecting more field data, preparing the Storm Water Management plan, Sitka specific rainfall intensities, recommended Best Management Practices, Capital Improvement Plan and an example Storm Water Ordinance.

## **Alternative Water Source Filtration (Blue Lake Project):**

### **Milestones This Period**

- CBS, CH2MHill and the State of Alaska Department of Conservation Drinking Water team are working closely together to obtain final approval to construct.
- CH2MHill had been reviewing and approving material and equipment submittals from Barnard Construction.
- Electrical Department has installed new transformer for the project.
- Long lead items are being ordered by Barnard Construction.

### **Future Milestones**

- Barnard Construction will begin construction activities at the project site in April.
- Categorical exclusion report is being prepared to support the DEC Loan for the project.
- CBS personnel are scheduled to grade the existing pond, clean out the intake pipes and place the temporary diversion wall when required to bring the system online in July 2014.
- 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.

A temporary filtration system has been designed to treat Indian River water to serve the public during the Blue Lake penstock outage in 2014. We continue working closely with

CH2MHill, the designer, reviewing details for the temporary filtration system and answering specific questions about the site and old facilities.

### **ANB Harbor Replacement (Project # 90674):**

#### **Milestones This Period**

- Pile, float, electrical, water, and most uplands work were completed before March 15, 2014, in time for the 2014 Herring fishery as planned.

#### **Future Milestones**

- Complete the parking lot and Katlian Ave. paving when the paving subcontractor is operational this spring.

#### **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 \$7,630,000.

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

#### **Milestones This Period**

- None.

#### **Future Milestones**

- 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**

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.

## **Baranof Warm Springs Dock Replacement (Project # 90741):**

### **Milestones This Period**

- Staff worked closely with the State of Alaska to help them develop a site plan depicting the planned improvements.
- The site plan, preliminary cost estimate, and schedule has been sent to users of the facility and local residents for feedback prior to developing a detailed design.

### **Future Milestones**

- Obtain feedback from users to assist with design development.
- Provide timely review/comment for State of Alaska as needed to keep project moving forward.
- Design development during summer/fall 2014.
- Construction is anticipated in fall 2015.

### **Background**

The City and Borough of Sitka (CBS) received a \$1,900,000 FY2013 Alaska Legislature Grant to reconstruct the Baranof Warm Springs Dock. The funding was provided with the understanding that CBS would assume ownership and maintenance responsibilities for the dock once it is reconstructed. The Assembly approved the Administrator to execute a Memorandum of Agreement with the Alaska Department of Transportation and Public Facilities (ADOT&PF) for completion of the Baranof Warm Springs Dock Reconstruction and Ownership Transfer. ADOT&PF will be reimbursed the cost of designing and constructing the improvements from the FY13 Legislative Grant.

## **Seaplane Base (Project # 80242):**

### **Milestones This Period**

- FAA recently informed Public Works (PW) that entitlements of \$450,000 are available for the project currently. There may also be a possibility of getting additional funds to complete design and environmental process - perhaps up to \$700,000. In order to secure any additional funds above our entitlements, PW would need to prepare a high level scope and schedule as well as provide confirmation that the site identified in the planning study has been selected as the site for development. It should be cautioned; however that FAA also stated that the entitlements of \$450,000 may not be protected should CBS choose not to move forward with the project this year.
- Researched property ownership and evaluated potential property acquisition for upland facilities.

### **Future Milestones**

- Meetings with upland property owners to gauge potential for them to provide tidelands access for new Seaplane facility.

### **Background**

In August 2002, the Sitka Seaplane Base Master Plan was completed to include a Condition & Needs Assessment and Master Plan Alternatives Report. The plan considered 12 alternative sites for a new seaplane base and concluded that the north end of Japonksi Island, between the Coast Guard Base and the cove behind the

SEARHC buildings along Seward Avenue was the preferred alternative. In February 2009, the CBS Assembly unanimously approved Resolution 2009-35 "Supporting the Development of the City and Borough of Sitka Seaplane Base." This resolution approved staff applying for and executing an Federal Aviation Administration Airport Improvement Program grant for up to \$500,000 to develop the siting plan, issues resolution, design, environmental, and permitting phases of the project. Utilizing proceeds from that grant, in June 2012, an updated Sitka Seaplane Base Siting Analysis was completed which considered another new site and redevelopment of the existing site in addition to the previously recommended Japonski site. The Japonski site was again selected as the preferred site. The findings of this study were presented to the Port and Harbors Commission on April 11, 2012 where they unanimously approved further study of the Japonski Island site. Due to a high workload within Public Works (PW) and limited staffing, the project has not been advanced since the completion of the Siting Analysis.

**Federal Land Access Program (FLAP) Grant:**  
**Milestones This Period**

- National Environmental Protection Act (NEPA) process has been finalized.

**Future Milestones**

- Compensatory Mitigation negotiated with a restrictive covenant (conservation easement) on a tract of City land located near the cross trail project - April 1, 2014.
- Start construction of first section of Cross trail from Indian River to end of Yaw Drive May 1, 2014.
- The completion date is estimated around May 2015.

**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 2013.

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 M grant and have the project managed by Western Federal Lands for greater efficiency and cost savings.

**Solid Waste Management Plan:**  
**Milestones This Period**

- A work session with the Assembly, Public works Staff, and the CB&I Consultant Team was completed just before the March 11, 2014 Assembly Meeting to talk about the Solid Waste Management Plan.



- March 10 thru March 14, 2014 was the kick-off week for the CB&I Consulting Team, this was developed for meetings with various entities for data collection and evaluation.

### **Future Milestones**

- Updated Solid Waste Division under the public works section of the CBS website. This will include all of the current information from the SWAC Group meeting to include the minutes, presentation, and a copy of the scope of work.
- Proposed Project Schedule:
  - March – May; Existing conditions analysis
  - May; SWAC Meeting to present background and existing conditions information/ discuss alternatives to be evaluated.
  - June – July; Alternatives Evaluation.
  - July; SWAC Meeting to present Alternatives evaluation findings.
  - August – September; Plan drafting and presentation.
  - August; SWAC meeting to present plan.

### **Background**

The City and Borough of Sitka (CBS) currently does not have a Solid Waste Management Plan to address the current or future needs of the Solid Waste Fund and general operations. As we approach the end of the current collection and off-island disposal contracts in 2015, we believe it is in the best interest of the CBS to be better prepared with a plan that details the goals and direction of our solid waste management backed with data and a financial plan.

At the June 6, 2013 Assembly Meeting, the Assembly approved advertising for a Request of Qualifications and select a consultant to assist Public Works in developing a Solid Waste Management Plan.

The funding for a Solid Waste Management Plan will come from the working capital of the Solid Waste Fund which is approximately \$1.3 M. The Solid Waste Management Plan is a time and materials, not to exceed \$250,000 contract. The total amount is dependent on the complexity of future goals and the amount of public process exploring options.

### **Sawmill Cove Industrial Park Dock (Project #90748):**

#### **Milestones this period**

- The firm of Moffatt & Nichol (M&N) has been asked to prepare a detailed scope of work and a proposed schedule to provide the design for the SCIP Dock Project. M&N is currently working on those preparations. CBS staff has provided relevant documents from past projects in the SCIP to assist M&N with assembling a scope of work without redundancies.

### **Future Milestones**

- The Public Works Engineering staff along with the SEDA / SCIP Executive Director will negotiate a time and materials contract with Moffatt & Nichol for services to include permitting and design for a multipurpose dock facility at SCIP. Our goal is

to have a cost proposal ready to present to the Assembly at their regular meeting on April 22, 2014.

## **Background**

The project is funded by a Designated Legislative Grant, administered by the State of Alaska, Department of Commerce, Community & Economic Development, Division of Community & Regional Affairs. The total amount of the Grant is \$7.5 M. On the local level, the project is administered by Public Works and the Sawmill Cove Industrial Park Director (Mr. Garry White).

This Project was designated the “Highest Priority” in the FY2011 CBS Legislative Capital Project Request.

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

- The Water Division, operating with two of the three operators, was extremely busy during the last month; responding to 31 different callouts; six were determined to be leaks on the private side of the services, five requests for water shutoffs, five inspections of new connections, ten calls for locates (mostly for QAP on SMC Rd and Coastal Excavation on HPR, the DOT projects) and five customer calls – three for low pressure, one for dirty water and one for no water (Hillside subdivision).
- Water operators completed inspections on the new water system in ANB Harbor. Operators witnessed the flushing, pressure testing, disinfection and microbiological testing of the new lines in the harbor. It’s good to go.
- Operators monitored rapid changes in water demand during processing of herring, on average our water demand was up 600 gallons per minute during processing.
- Water operators have been working closely with Southeast Earthmovers (SEE), a subcontractor for the Blue Lake dam project, while SEE has been excavating and blasting near our drinking water transmission main and the Blue Lake Water Treatment Plant; making way for the new penstock to the new powerhouse. The new larger diameter penstock crosses over our transmission main near the front of the Blue Lake Water Treatment Plant. Operators shut the plant down for short periods three times in March and isolated that section of transmission main for each blast as a precaution. SEE has been very cautious working around our only water transmission main that brings water to town.
- The Water Division worked closely with DOT, DEC and the HPR project’s utility sub-contractor, Coastal Excavation, to come up with a re-route of the 12” water main on the out of town end of the bridge over No Name Creek, near the ferry terminal. The concrete bridge abutment will be in conflict with our water main. The solution was to install a new ~35 ft section of main that routes around the abutment with 45 degree bends. The entire new section of main has been constructed, pressure tested, disinfected and tested clean microbiologically in Coastal’s shop. The contractor plans to install it sometime in April. This will require the water to be turned completely off from the town side of the Sportsman’s Association RV Park to the end of our distribution system at Samson Tug and Barge.

- Water operators worked closely with Coastal Excavation on the installation of larger diameter services across HPR to serve larger lots such as trailer courts that are currently served by 1-2" lines. Installing these larger lines now will avoid tearing up HPR when future development occurs. When a future development requires the larger supply line (such as a subdivision with a fire hydrant), CBS will recoup the installation cost from the developer with connection fees, ultimately providing a significant savings to the developer as well as sparing the road.
- ADEC has changed Sitka's "Drinking Water Population". Unlike typical population numbers, the drinking water population includes transients like cruise ship passengers and summer workers. This results in our DW population being over 10,000 which is a significant step up in DW regulation requirements. We are currently working through all the ramifications of this change. Our sampling plan was modified to include new sampling locations and we know our sampling for blue lake raw water fecal coliform will slightly increase and that disinfection by-product monitoring will be quadrupled. These changes alone will result in a cost increase to our DW fund operational budget of \$6,000-10,000 annually.

### **Wastewater (WW) Operations:**

- A new Apprentice W/WW Mechanic was selected. Chuck Armer started work on March 3, 2014 and hit the ground running when our channel grinder gear box failed. The channel grinder is a large heavy device at the head works of the WWTP, all the WW flows through it as it grinds organic materials up letting them pass on into the treatment system and separates and washes off the plastic type materials. The channel grinder has been removed, cleaned and dismantled. We are awaiting cost quotes for parts to rebuild so we can compare those costs with complete replacement to a new unit. This unit has been in continuous operation for 10 years.
- WW operators have been working closely with ASRC the DOT Halibut Point Road contractor while they work around the Granite Creek Lift Station (LS) and the force main. The contractor completed rerouting the LS power supply and phone alarm line from overhead to underground. Multiple locates have been performed. Operators made weekend checks on the LS while the alarm was out of service. WW operators also have been performing locates for and inspections of the work by ASRC's subcontractor, Coastal Excavation on the HPR project.
- WW operators located collection system mains along SMC Rd for DOT's contractor, QAP, in preparation for the installation of safety rails beside the bike path along Jamestown Bay.
- The experiment on the BIHA LS up Indian River road using "micro-bugs" continues. These are enzymes that reduce the accumulation of fats, oils and grease (FOG). FOG is a significant problem in this LS, causing level control issues and pumping problems. This trial is expected to last at least six months.
- In March we began testing all the backflow preventers in our lift station system. This is a time consuming task and it must be done by a person certified in back flow preventer testing which is not an easy certification to achieve. Water and WW Divisions try to keep at least two operators certified.

- During routine LS twice-weekly checks operators discovered a small leak in the landfill LS force main near the LS at the end of Tilson St. With the assistance of a PW operator, excavator, dump truck and crewman; WW operators replaced a five foot section of the ductile iron force main. This FM has leaked in the past; the Landfill LS is scheduled to be replaced in the next two years and the entire FM will be replaced at that time.
- Number 2 pump at Granite Creek LS was again found clogged with rags/wipes. The pump was pulled and the rag material removed from the impeller and check valve. Number 1 pump at this LS was replaced a couple years ago with a different style impeller and check valve; this has proven to pump and not be plugged by these nuisance rags. In this fiscal year we budgeted to replace number 2 with the same vortex style pump – but to our consternation that pump is no longer manufactured. Our Mechanic has been working with pump suppliers to find a suitable replacement that will not require major piping modifications inside the LS.
- WW operators collected the semi-annual samples required by the Sitka Landfill's ADEC permit and sent them to the contract lab for analysis. {WW operators perform monitoring at all our landfills}.

#### **Sawmill Cove Industrial Site – Wastewater (WW) Update:**

- The force main (FM) from the new SMCIP lift station (LS) to the municipal collection system at Whale Park was flushed w/ clean water and then taken out of service while DOT's contractor, QAP excavates around the FM for installation of another retaining wall. Last year QAP had to cut the FM out of the way for several of their excavations. They don't expect to have to cut the FM this year but we are prepared if that is needed. All the sanitary flows from the SMCIP site are now going to the on-site extended aeration secondary treatment plant. This configuration will continue until QAP has completed all excavation on the SMC Rd project. Before the FM is put back into service operators will again pressure test the FM to ensure it is not leaking.



## BLUE LAKE EXPANSION PROJECT

### MONTHLY UPDATE FOR CITY ASSEMBLY

Report No. 16

Month ending March 31, 2014

#### 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

- March 1 – Began setting sanitary sewer lift station.
- March 4 – Conducted executive partnering meeting in Sitka.
- March 5 – Completed sluice gate and trash rack repair at Blue Lake Dam.
- March 11 – Schmolk began the powerhouse mechanical rough-in.
- March 12 – Barnard made final concrete placement on dam keyway.
- March 14 – Barnard began forming for dam raise blocks M3-M5 (in the old spillway).
- March 15 – Completed final alignment of BLU unit 5 turbine spiral case and grouted in place.
- March 16 – Scaled intake portal to begin intake portal excavation.
- March 20 – Southeast Earthmovers began the powerhouse afterbay excavation.
- March 21 – Removed final forms from gatehouse. Concrete for this structure is complete.
- March 25 – The energy dissipater for the penstock drain was completed.
- March 27 – Placed BLU unit 5 turbine draft tube.
- March 28 – Staged penstock segments at powerhouse.
- March 29 – Completed final alignment of BLU-5 sole plates and epoxy grouted the anchor bolts.
- March 30 – Completed Intake structure rock excavation.
- March 31 – Barnard completed two monolith block placements on the dam spillway.
- March – Southeast Earthmovers completed excavation for penstock segment 6.
- March – NAES continued with installation of conduit and cable tray in powerhouse.
- March – NAES installed conduit for lighting and plant services.
- March – ASRC continued framing and building out the control rooms.
- TO DATE – 28 of 53 blocks placed on the Dam Raise, 8 of 9 placements completed on the Left Abutment and Cutoff Wall and 3230 CY of 3350 CY have been placed at the powerhouse. Concrete tests have been better than required by the specification.

**COST SUMMARY - updated 3/31/2014**

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	\$227,391	\$10,588,489
Contract 2 - Switchgear	\$647,672	\$0	\$584,488
Contract 2A/2B - SS/Raw Water Switchgear	\$300,000	\$0	\$208,547
Contract 3 - Gates and Hoist	\$780,185	\$0	\$703,376
Contract 4 - Penstock	\$836,315	\$0	\$795,778
Contract 5 - 69 kV Transformers	\$603,406	\$0	\$543,130
Contract 6 - Bridge Crane Equipment	\$270,518	\$0	\$245,246
Contract 7 - Steel Building	\$1,139,321	\$0	\$1,084,397
Contract 8, Debris Management**	\$2,258,714	\$0	\$1,412
Contract 9, General Construction	\$93,417,851	\$1,704,617	\$57,057,893
Temporary Filtration**	\$1,651,424	\$980	\$235,277
Diesel Fuel	\$1,260,000	\$0	\$0
Remaining Project Costs		\$0	\$0
License Amendment	\$1,400,000	\$9,159	\$1,214,144
Engineering	\$9,498,393	\$36,607	\$11,840,972
Construction Management	\$8,076,201	\$254,448	\$5,123,816
City Performed Work	\$1,495,000	\$32,685	\$1,810,719
Incentive Payment	\$1,600,000	\$0	\$0
Cost of Bond Issuance/Reserve Account	\$3,500,000	\$0	\$0
<b>TOTALS</b>	<b>\$140,308,707</b>		
<b>ESTIMATED TOTAL PROJECT COST</b>	<b>\$145,256,725</b>	<b>\$2,265,885</b>	<b>\$92,037,681</b>

\*Paid to Date includes unpaid retainage

**COST CHANGES THIS MONTH**

- We issued Contract 9, Change Order No. 8 for \$2.1 million. This change order included the changes to the conduit and cable schedule and installation of the temporary water filtration plant.
- Assembly approval was received to issue Notice of Award to ASRC for Contract 8 (Reservoir Debris Management) which increased the project cost.
- A series of major change items for Contract 9 are in progress as follows:
  - The change work directive to repair the trashrack and sluice gate valve at the dam has been completed. We are negotiating the final price.
  - A change work directive was issued to provide a dam release pipe at the dam. The pipe is on site and will be installed in the new dam in April.

We do not expect these change items to impact the overall 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 Generation 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 work to be performed in April:
  - Finish new intake structure excavation – April 2
  - Start intake structure concrete – April 3
  - Begin penstock installation – April 7
  - Continue turbine generator installation in Unit 3, 4 ,5
  - Continue buildout of Powerhouse interior
  - Continue placing monolith blocks on Dam
  - Begin gate guide installation in gate shaft
  - Begin diving and inspection of existing bulkhead gate. This work is a major preparation for the generation outage. – April 9
- All of the Owner furnished materials and equipment are now on site. The inlet valve for the Fish Valve turbine has now been delivered.
- The CM team and Electric Department continue working on the City-performed work tasks to ensure these activities are completed on time. Preliminary testing of automation equipment (SCADA) has been done. Bruce Belley has installed control panels in the switchyard building and will continue wiring them in.
- Barnard, McMillen and CBS meet each Friday to coordinate generation outage planning.

**OTHER ITEMS OF INTEREST**

- On March 22 the lake level was 301’. The City was unable to achieve the lake level of 298’ as required by the contract work window. But, Barnard was able to work on the intake structure excavation as the water dropped. We reached the lake target level of el. 298 ft on March 28.
- The contractor has not regained the scheduled float available for the dam raise work and we continue to have two critical path timelines on the Project: the dam raise; and the turbine installation.
- Barnard requested a change in the milestone 4 for the dam construction due to the dam spilling until January 29. The City agreed to extend the dam construction milestone 4 by 42 days. This will not affect substantial completion or project cost.
- FERC and our Board of Consultants were consulted and then approved the extension of milestone 4 and the installation of the new midlevel outlet in block 4.
- The sealing of the turbine generation anchor bolt pockets in the floor of the new powerhouse has been problematic. The pockets must be sealed from groundwater to permit the epoxy grout to cure properly.
- The failed rock anchors in the turbine pits have been replaced.

## **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 (April 1, 2014) schedule, the critical start of the 2014 Generation Outage is shown starting on August 21, 2014, three days ahead of schedule. However, we now have two critical schedule paths, for the dam raise and the turbine installation work related to the Generation outage.

***CURRENT RISK: MODERATE***

***Weather and Lake Levels:*** Now that we have achieved the intake work window elevation we have decreased the water wasting at Blue Lake. There is ample water in both lakes and there is likely zero need for added diesel generation in the spring and early summer of 2014.

***CURRENT RISK: LOW***

***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 installed at Indian River. 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 CH2M Hill has completed 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.*]

***Sluice Gate Valve Repair and Relocation:*** The sluice gate valve and trash rack at the dam has been repaired to permit operation of the dam release valve prior to and during the generation outage. The decision was made to install a new dam release pipe in the new section of dam that may be used to replace the existing release equipment.

***CURRENT RISK: LOW***

***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.

***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 final concrete placement on dam keyway and began forming for dam raise blocks M3-M5 (in the old spillway).



**Figure 2. Drainage Tunnel and Scour Wall, A change work directive was issued to provide a dam release pipe in the dam extension above the existing spillway. The pipe is on site and will be installed in the new dam in April.**



Figure 3. Intake Portal and Right Abutment, Barnard scaled intake portal to completed intake portal excavation.



**Figure 4. Gate House Location, Removed final forms from gatehouse. Concrete for this structure is complete.**



**Figure 5. Dam Staging area, a new smaller 150 ton Liebherr crane was set up to assist with the dam raise.**



**Figure 6. Lower Portal Area, Staged penstock segments at powerhouse. Southeast Earthmovers completed excavation for penstock segment 6.**



**Figure 7. Powerhouse Site, Southeast Earthmovers began the powerhouse afterbay excavation.**



**Figure 8. Lower Project Site, No change this month.**





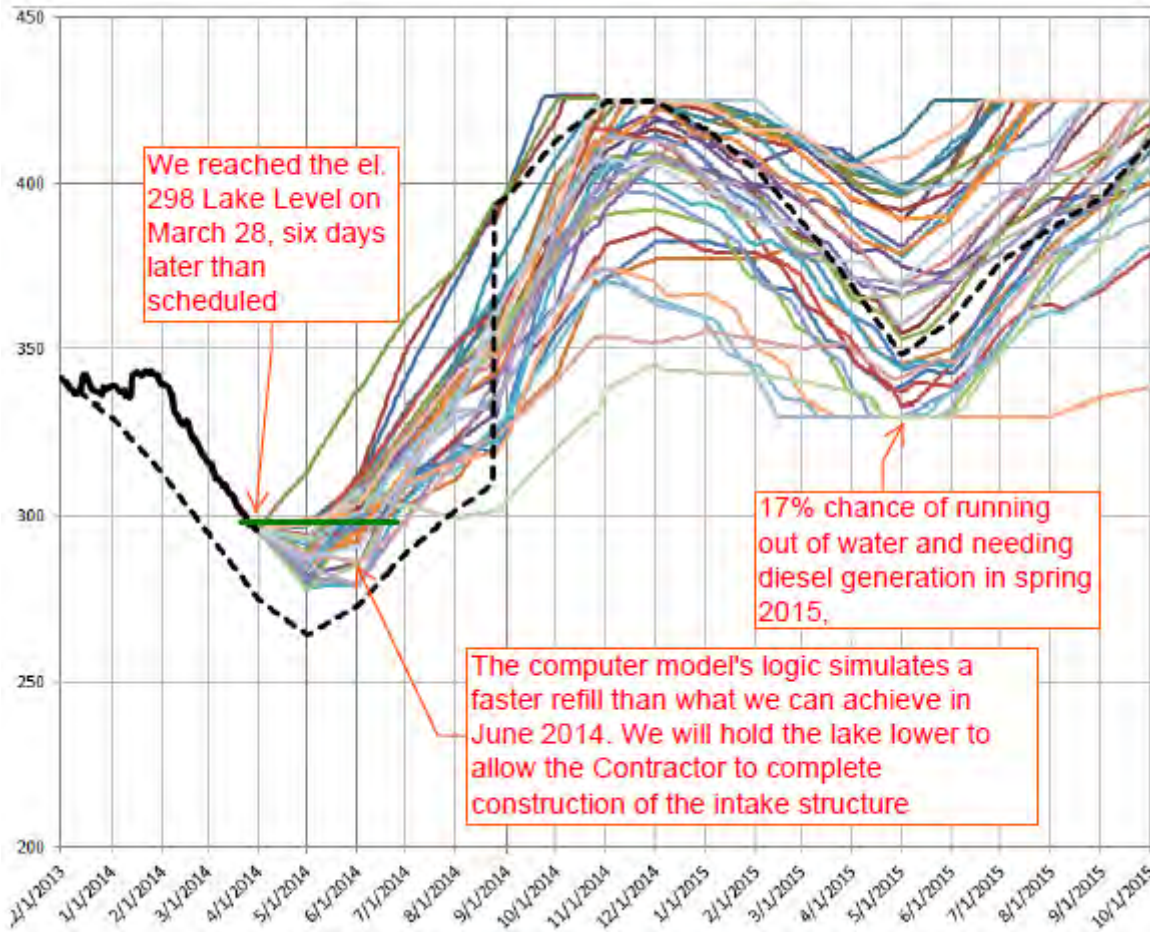
**Figure 9. Powerhouse Interior, Schmolk began the powerhouse mechanical rough-in. Completed final alignment of BLU unit 5 turbine spiral case and grouted in place. Placed BLU unit 5 turbine draft tube. Completed final alignment of BLU-5 sole plates and epoxy grouted the anchor bolts. NAES continued with installation of conduit and cable tray in powerhouse and installed conduit for lighting and plant services. ASRC continued framing and building out the control room.**

## Lake Level Forecast

Case 20. Start April 1, 2014. Multi-year simulation using 36 year hydrologic record. 117,000 MWH system load until August 26, 2014. Water wasting was stopped on March 28, 2014 when the Blue Lake water level reached el. 298 (six days later than the work window stated in the City’s contract with Barnard). PMFU operation is currently continuing until the lake gets down to at least el. 293, to allow a cushion for the lake level, in case we have rain in early April.

In each of these 36 simulations, D4 diesel is run 10 hours each day during the Generation Outage at an average output of 3 MW. This totals 1,634 MWH of diesel at a cost of \$735,000.

**Blue Lake water level simulation.**

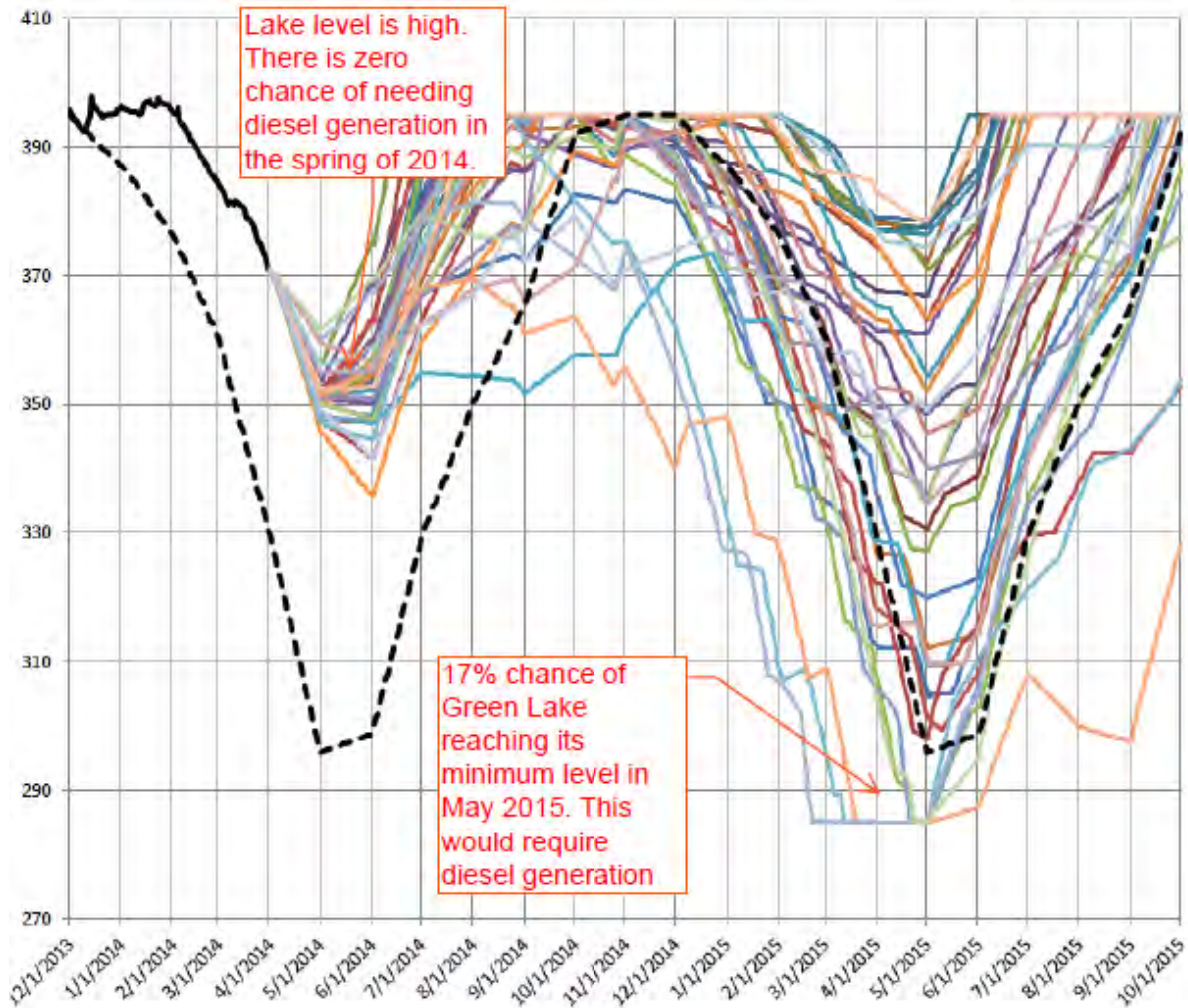


Total diesel generation predicted by this simulation:

Period	Dates	MWH of diesel	Cost at \$0.45 per kWh
Spring 2014	-	0	\$0
Generation Outage	Aug 26 – Oct 26, 2014	1,634 <sup>(1)</sup>	\$735,000
Spring 2015	Mar 30 – June 16, 2015	1395 (ave)	\$628,000 (ave)

(1) Assumes approx 30 MWH per day for daily peaks, scheduled manually in model

### Green Lake water level simulation.



#### NOTE TO ASSEMBLY MEMBERS:

The computer model's code is over-estimating how quick we can refill Blue Lake in June 2014. This shows up in the above charts as the Blue Lake water level rising above elevation 298 before June 25, 2014. We cannot allow the lake to rise above el. 298 before the new tunnel intake structure is complete. The Contractor's required milestone date for the intake structure completion is June 4, 2014. For these lake level management purposes, we estimate the intake structure will be complete by June 15, 2014.

To make the model create an accurate prediction of Blue Lake levels between now and June would require a re-write of the model code, which we will not undertake. We believe the lake level can be managed adequately over the next 60 days, without changing the computer model.

So, overall, the model is now over-predicting how much water we can store in Blue Lake this fall. The estimates of lake levels in the spring of 2015 are therefore over-estimated. So we may have something like a 20% chance of reaching minimum lake levels in May 2015, as opposed to the 17% described above. This inconsistency in the model results will go away, as we move into June and the lake level restriction is passed.

*Appendix 1 to Monthly Update for City Assembly*

**March 31, 2014**

**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 to Contract 9.

The Assembly approved additional funding for this work February 18. The total change order amount for Phase I & II is \$3,106,790.00.

Barnard has been making submittals on the equipment.

Barnard signed an agreement with Pall on the lease of the filter units.

- CH2MHill completed the final design and will be assisting with startup.
- McMillen will perform the construction management.
- The City will provide plant operation with possible assistance from the supplier.

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

ADEC permitting is scheduled to be 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.

Barnard has mobilized and begun ground work at the Indian River facility.

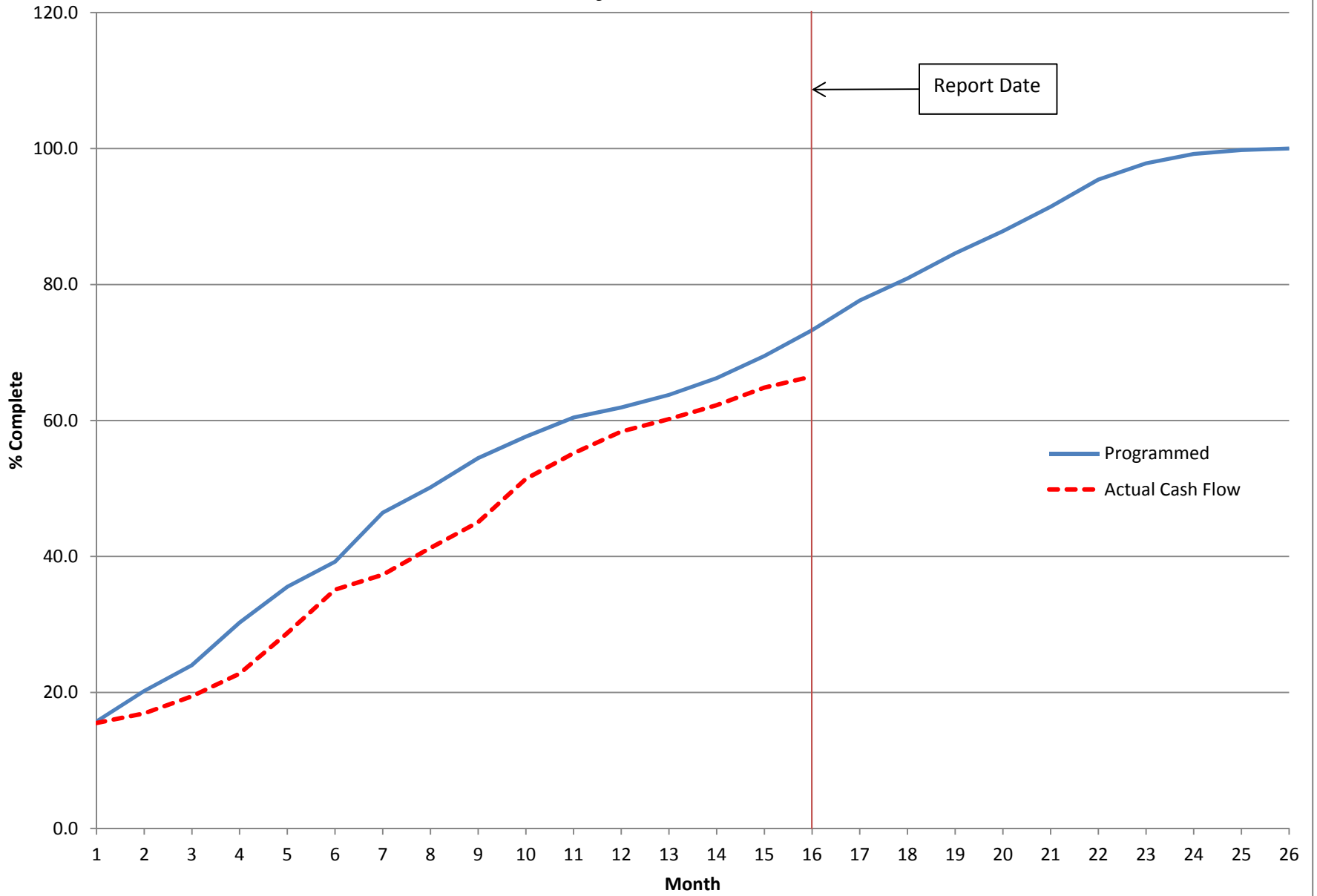
**Summary of Titan 130 Diesel Turbine Project Status**

1. Turbine air inlet filter, exhaust stack and turbine generator installed. The Titan turbine-generator is coupled and pre-aligned, ready for overhead air system installation, interconnects and final alignment.
2. Presently setting pilasters for Electric Equipment Room (EER) and auxiliary skid foundations. Fuel wall section is now in place and site preparation for fuel tank pads, vehicle protection wall and dike is in progress.
3. Awarded contract to EPS for development of fuel supply system to turbine, including water wash for turbine shut down sequence. Turbine requires a treated water source to clean and purge injectors on shutdown.
4. Anticipate factory field reps for the new Generator Step-Up Transformer and new 69kV circuit breakers to be on site for unit commissioning approximately mid-May.

- 5. On site factory training for the Solar Turbine-Generator scheduled for the week of June 2, 2014.



# Total Project Cash Flow



# **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: MARCH 31, 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 completed the final lift concrete curb in the gate shaft in March. This curb will contain the T-rail guides for the fixed wheel gate. T-Rail and gate guide installation is expected to begin in April

### Gate House Concrete

Barnard crews have all major concrete placements at the Gatehouse, including the retaining wall. NAES Power Contractors have been installing the required grounding and embedded conduits for each concrete placement. NAES and Schmolck Mechanical will begin installation of the electrical and mechanical equipment in the gatehouse in April.

### Intake Structure

Barnard crews started excavation for the new intake structure. The excavation followed the reservoir level down throughout the month of March. We anticipate completing the excavation in early April to begin concrete construction.

### Dam Raise

Barnard crews completed placement of the keyway concrete in Monoliths 3 through 5 in mid-March. We also completed two additional monolith block placements at the end of March.

Barnard completed repair work on the Howell Bunger Valve Trashrack and Sluice Gate Valve in early March. The Howell-Bunger has been running through most of March to lower the reservoir level.

### Powerhouse

ASRC McGraw has completed the installation of interior framing and has begun installation of doors and windows. ASRC also completed installation of the 3 stairways in the Powerhouse. Schmolck Mechanical continues installation of all powerhouse plumbing and has started installation of the HVAC system, with Air-Handling Units and ductwork.

Southeast Earthmovers continued excavation for the powerhouse afterbay and started excavation for the raw water pump station. Southeast Earthmovers also started powerhouse backfill on the west end of the building. Southeast Earthmovers completed the upper penstock excavation.

NAES Power Contractors has continued to install cable tray and conduit below Elevation 27 in the powerhouse. NAES also installed a significant portion of powerhouse lighting.

## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: MARCH 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

They have also completed installation of the conduit (lighting and outlets) runs for the control room, break room and offices and have started pulling wire in these conduits.

NAES has also continued installation of the Turbine-Generator equipment. Work completed in March includes the assembly of the Unit #3 spiral case and top chamber, installation of Unit #5 draft tube (rough set), final alignment and grout of Unit #5 spiral case, and the alignment and grouting of Unit #5 generator sole plates.

Barnard crews have completed the major concrete placements for energy dissipation chamber. Work items completed in March include, setting the chamber, installing the fixed cone valve, and tensioning the 4 rock anchors. The remaining pipe work and concrete pedestal will be completed in April.

### **Penstock**

At the end of March, Barnard crews began staging penstock pipe at the powerhouse in preparation of installation beginning in early April.

## **2. Status of Construction**

### **Status of Ongoing Major Construction Activities**

- Powerhouse Excavation – 95% complete
- Powerhouse Steel Building – 95% Complete
- Powerhouse Roof – 95% complete
- Precast Wall Panels – 95% complete
- Dam Raise – 28 of 53 monolith blocks placed.
- Dam Spillway – 0 of 9 placements
- Dam Parapet Walls and Crest Slab – 0 of 15 placements
- Left Abutment Thrust Block and Cutoff Wall – 8 of 9 placements completed.
- Powerhouse Concrete – 3230 CY placed to date.
- Gate Chamber Concrete – 150 CY placed to date.
- Gate House Concrete – 260 cy placed to date.

See Section 1 above for construction work completed in March 2014.

## **3. Construction Issues**

Valve Pit Rock Anchor Failure during load testing in Unit #4 Valve Pit. ASRC has completed a non-conformance report.

High winds shut down work on the Blue Lake Dam raise for 10 days in March.

NAES Power Contractors has provided a replacement lead T/G Installer.

## **4. Contract Status**

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



## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: MARCH 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

<b>Name</b>	<b>Scope</b>
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:

<b>Name</b>	<b>Scope</b>
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 February 28, 2014.

Critical Dates for the Blue Lake Project are as follows:

<b>Milestone</b>	<b>Date</b>	<b>Required Status of Construction</b>
1	07/01/2013	Drainage Tunnel Complete – <b>Completed May 6, 2013</b>
2	08/19/2013	Initial Intake Excavation Complete – <b>Completed July 21, 2013</b>
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 <sup>st</sup> Blue Lake Turbine Generator
6	91 days after start of Generation Outage	Substantial Completion of 2 <sup>nd</sup> Blue Lake Turbine Generator
7	80 days after start of Generation Outage	Substantial Completion of Fish Valve Unit

### **6. Reservoir Filling**

Blue Lake Reservoir Level reached EL 298 on March 27, 2014, 5 days behind the required date of March 22, 2014.

### **7. Foundations**

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.

## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: MARCH 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.

<b>Contract No.</b>	<b>Vendor</b>	<b>Scope of Supply</b>
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:

Misc. Metals/Rebar - Barnard has been receiving misc. metals and rebar for various project features throughout the month of March

### **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: MARCH 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



**Figure 1: Dam Raise**



**Figure 2: Gatehouse Retaining Wall Placement**

## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: MARCH 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



**Figure 3: Intake Structure Excavation**

**BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: MARCH 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



**Figure 4: Powerhouse Interior Buildout**

## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: MARCH 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



**Figure 5: Unit #5 Draft Tube Installation**

## **BLUE LAKE EXPANSION PROJECT MONTHLY CONSTRUCTION REPORT**

For Period Ending: MARCH 31, 2013

Prepared by: BARNARD CONSTRUCTION COMPANY, INC.



**Figure 6: Staging Penstock Pipe**

### **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**



## Legislation Details

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File #: 14-066      Version: 1      Name:

Type: Ceremonial      Status: AGENDA READY

File created: 4/3/2014      In control: City and Borough Assembly

On agenda: 4/8/2014      Final action:

Title: National Public Health Week Proclamation

Sponsors:

Indexes:

Code sections:

Attachments: [National Public Health Week Proc](#)

Date	Ver.	Action By	Action	Result
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OFFICE OF THE MAYOR

City & Borough of Sitka

# Proclamation

**WHEREAS**, since 1995, the American Public Health Association, through its sponsorship of National Public Health Week, has educated the public, policymakers and public health professionals about issues important to improving the public's health; and

**WHEREAS**, seven in 10 deaths in the U.S. are related to preventable diseases such as obesity, diabetes, high blood pressure, heart disease, and cancer. Another striking fact is that 75 percent of our health care dollars are spent treating such diseases. However, only 3 percent of our health care dollars go toward prevention; and

**WHEREAS**, nearly one-third of all students in the United States do not graduate from high school on time. Students who don't graduate face lifelong health risks and high medical costs, and are more likely to engage in risky health behaviors. They are less likely to be employed and insured, and earn less—all of which continues the cycle of poverty and disparities; and

**WHEREAS**, more than half of all cancer deaths could be prevented by making healthy choices like not smoking, staying at a healthy weight, eating right, keeping active, and getting recommended screening tests; and

**WHEREAS**, foodborne contaminants cause an average of 5,000 deaths, 325,000 hospitalizations, 76 million illnesses and costs billions of dollars annually. The five most common foodborne pathogens cost the U.S. economy more than \$44 billion each year in medical costs and lost productivity; and

**WHEREAS**, strong public health systems are critical for sustaining and improving community health!

**NOW, THEREFORE**, I, Mim McConnell, Mayor of Sitka, Alaska, do hereby proclaim April 7-13, 2014, as


## NATIONAL PUBLIC HEALTH WEEK

**AND** call upon the people of Sitka, Alaska to observe this week by helping our families, friends, neighbors, co-workers and leaders better understand the value of public health and adopt preventive lifestyle habits in light of this year's theme, "**Public Health: Start Here.**"

*Signed and sealed on this 11<sup>th</sup> day of April 2014.*

\_\_\_\_\_  
Mim McConnell, Mayor

ATTEST:

  
\_\_\_\_\_  
Colleen Ingman, MMC  
Municipal Clerk



## Legislation Details

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File #: 14-061      Version: 1      Name:  
Type: Minutes      Status: AGENDA READY  
File created: 4/1/2014      In control: City and Borough Assembly  
On agenda: 4/8/2014      Final action:  
Title: Approve the minutes of the March 25, 2014 Assembly meeting  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Minutes 3-25-14](#)

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

## **POSSIBLE MOTION**

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**I MOVE TO** approve the minutes of the March 25, 2014 Assembly meeting.



# CITY AND BOROUGH OF SITKA

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

## Minutes - Draft City and Borough Assembly

*Mayor Mim McConnell*  
*Deputy Mayor Matt Hunter*  
*Vice-Deputy Mayor 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*

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Tuesday, March 25, 2014

6:00 PM

Assembly Chambers

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### Worksession 5:00 - 5:50 PM

1. 14-054 City and Borough of Sitka Audit - Update

### REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

**Present:** 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

**Excused:** 1 - Hackett

IV. CORRESPONDENCE/AGENDA CHANGES

Items D and H were PULLED prior to the meeting and will not be taken up tonight.

2. 14-059 Reminders and Calendars

V. CEREMONIAL MATTERS

3. 14-051 Proclamations: 1) AmeriCorps Day, and 2) St. Baldrick's Foundation + shaving of heads

1) Mayor read a proclamation honoring AmeriCorp volunteers. 2) St. Baldwicks Foundation Day proclamation was read. Two high school students had their heads shaved during the meeting Rosie Palof and Salma Zakiyah (an exchange student from Indonesia).

The meeting went into a short Recess.

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Meeting Reconvened

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

**4. 14-060 Representative Jonathan Kreiss-Tomkins correspondence**

Representative Jonathan Kreiss-Tomkins addressed three issues: 1) Legislature plans to zero out municipal revenue sharing by 2020; 2) Unfunded liability has increased from 22-24%; and 3) A Board of Fish nominee is to be announced soon, appointed by the Governor it is a Southeast.

**VII. PERSONS TO BE HEARD**

Municipal Assessor Hughes announced assessments were mailed out March 12 and the deadline to appeal is April 11. Postcard format saved the city approximately \$1,400. He also asked the Assembly to consider waiving the \$100 personal property non-filing late fee for 2014 at their next meeting. There were many changes this year and the fee was one of them.

**VIII. REPORTS**

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

Mayor traveled to DC met with lobbyist and visited the congressional delegation. Thanked the ArmyCorp of Engineers for funds to finish the breakwater. She attended the Sea Trade in Miami. Royal Caribbean is making a scouting trip to Alaska and all lines discussed the need for more shore excursions in Sitka to help attract visitors. Sitka Convention and Visitor's will not be applying for the 501C3 status. They have suggested a Tourism Summit be held.

Deputy Administrator Sweeney - Attended a number of events including Southeast Conference. Sawmill Creek Industrial Park Board heard a presentation from another water bottling operation. The municipal budget is in its final stages. He will be attending the Chamber of Commerce Banquet.

Attorney - Spoke to the handling of minor criminal matters. We were able to derive a new hourly rate of \$85/hr, which is comparable to the state. There was no interest from local attorneys. She announced that she and Esquiro will be sitting on a panel Esquiro in his Tribal Judge role and her as a representative of the CBS. It will not be an additional expense.

Liaisons - Swanson announced that at the STA meeting they are still looking for tribal members for the Historic Preservation Commission. Hunter mentioned that the Assembly will see the results of what the Ports and Harbors Commission and staff have been working on tonight.

Clerk - Mentioned that she handed out Evaluation Forms that should be completed prior to their April 15th meeting.

**IX. CONSENT AGENDA**

**Motion by Hunter to Adopt the Consent Agenda consisting of Items A, C, E, and F. Item D was pulled prior to the meeting and Items B&G were pulled off the**

**Consent by Reif for discussion purposes. A separate vote will be taken on those items. The motion PASSED on the following vote.**

**Yes:** 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

- A 14-049** Approve the minutes of the February 25, & March 11, 2014 Assembly meetings  
**This item was APPROVED on the CONSENT AGENDA.**
- C 14-053** Approve the following liquor license renewals: 1) Bayview Restaurant, 2) Loyal Order of the Moose #1350, 3) Pilot House, 4) Little Tokyo, 5) Talon Lodge, 6) Asian Palace, 6) Homeport Eatery, and 7) Larkspur Cafe  
**This item was APPROVED on the CONSENT AGENDA.**
- E RES 14-03** Supporting Permanent Funding of the Alaska Farm to School and the Nutritional Alaska Foods for Schools Programs by the Alaska State Legislature  
**Sponsors:** Hunter and Miyasato  
**This item was APPROVED on the CONSENT AGENDA.**
- F 14-055** Approve Amendment No.3 to the Granite Creek Lease of lot #4 between CBS and Tisher Construction in accordance to the existing lease  
**This item was APPROVED on the CONSENT AGENDA.**
- D 14-057** Approve the Health Needs and Human Services Commission moving forward with the development of a Community Health Needs Assessment and Enumeration of Services.  
This item was PULLED prior to the meeting at the request of the Commission Chair.
- B 14-052** Appointment: 1) Appoint Hans vonRekowski to a term on the Sitka Community Hospital Board  
Reif wanted to extend his appreciation to Hans for his continued service to the municipality.  
**Motion by Reif to appoint Hans vonRekowski to a term on the Sitka Community Hospital Board.**  
**Yes:** 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato
- G 14-058** Approve a transfer of up to \$150,000 from the Commercial Passenger Excise Tax Funds to the Sea Walk Capital Project to install a safety railing along the board walk  
Both Reif and Esquiro are not willing to support at this time.  
Harmon recommended that this portion of the Sea Walk should have railings. Mayor

agreed. Municipal Attorney said the insurance company letter didn't define standards. We followed our own standards and specifications. We need to take into consideration the average age of cruise ship passengers and the fact many are not mobile and use walkers and canes. It's rocky and steep and there is potential for people to get hurt and we tried to balance that.

Sweeney surmized the issue is one of safety for individuals opposed to the letter from the underwriter. Harmon said there are certain standards that have to be met. He doesn't support a railing on the inner boardwalk. Feels the liability and risk is too high to ignore. He would like to see it addressed before cruise ships arrive if possible. Reif submitted that \$150,000 for 630' of guardrail is too expensive.

**Motion by Reif to approve this item. The motion FAILED on the following vote.**

**Yes:** 2 - McConnell, and Miyasato

**No:** 4 - Hunter, Esquiro, Reif, and Swanson

**X. UNFINISHED BUSINESS:**

- H ORD 14-02** Amending Sitka General Code at Chapter 9.20 entitled "Smoking in Public Places and Places of Employment" to modify Section 9.20.035 regarding prohibition of children in places where smoking is permitted

**Sponsors:** Hackett and McConnell

This item was PULLED prior to the meeting as there was not seven members present to take it up, which was one of the requirements of the postponement.

- I ORD 14-05** Amending SGC at Chapter 15.05 entitled "Water System" at Subsection 15.05.625 entitled "Water and Wastewater Rates - Sawmill Cove Industrial Park" to further define water volumes and address tote/container water sales for bulk water

**Sponsors:** Administrator's Office

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

**Yes:** 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

**XI. NEW BUSINESS:**

**New Business First Reading**

- J ORD 14-07** Amending SGC Title 13 entitled "Port and Harbors" by Repealing and Reenacting certain sections to substantially update the laws governing the conduct and use of Sitka Municipal Harbor Facilities by adopting clear requirements for vessel maintenance and care and procedures for impounding nuisance vessels

Harbormaster Eliason mentioned that Ports and Harbors supports approval. Hunter

said they have gone line by line through this ordinance. Reif offered a few clarifying points. The Municipal Attorney will make those edits prior to the next reading.

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

**Yes:** 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

**K ORD 14-08**

Revising Chapter 4.09 of the SGC, at Subsection 4.09.110 entitled "Residence Construction Tax Refund" to extend the time period for applying for the refund to two years after the issuance of the building permit, and, to clarify that only one refund per building permit will be issued

**Sponsors:** Administrator's Office

Reif recused himself as he is in the process of personal construction of a new house.

Mike Reif speaking from the public questioned the fairness of this for owner/builders they have to pay far more than the contractor. He made a suggestion to clarify the language with regard to the sales tax charges of \$90 as it is dependent on which month the sales tax is paid.

Currently, if you take longer than a year you do not get a refund. Sweeny explained that they are recommending extending it to two years with the builder choosing when that calendar starts.

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

**Yes:** 5 - McConnell, Hunter, Esquiro, Swanson, and Miyasato

**Recused:** 1 - Reif

**Additional New Business Items**

**L 14-056**

Re-Appointment/Appointments: 1) Jennifer Robinson; 2) Mary Stephenson; and 3) Judith Johnstone to terms on the Tourism Commission

Mayor McConnell recused herself because her daughter was one of the applicants.

Mim McConnell, speaking as a citizen mentioned that after she met with the Visitor's Bureau today it seems time for the community to re-address the tourism and visitor industry. The Sitka Convention and Visitor's Bureau is going through some changes right now and wanting a new ordinance. Therefore, she felt a summit was appropriate.

Mary Stephenson, one of the applicants believes that the members of the Tourism Commission should be a part of any meeting.

Deputy Mayor Hunter sees this as a worksession between the various boards/commission and the Assembly as a whole that would be facilitated. He mentioned Doug Osborne as a possible facilitator. Suggesting this take place prior to taking up any new appointments.

Mary Stephenson wondered about the general public's role a proposed Tourism



Summit. She alluded that currently members are not available, and therefore, they cannot meet quorum requirements to hold a meeting. She and Judy Johnstone are present and willing to volunteer their time and efforts. She doesn't agree with deferring the appointments tonight.

Reif supports the applicants, but if the boards/commissions are reshuffled somehow then he would want to consider the appointments at that time and not now.

Deputy Mayor Hunter appreciates all the volunteers and applicants and suggested a strategic planning session on tourism. He doesn't support making appointments tonight as he doesn't want people to be assigned to do work that perhaps we don't support as an Assembly.

**Motion by Reif to defer these appointments until meetings can be held where the City re-evaluates our various boards and commissions as they relate to the tourism industry. Suggesting that the initial evaluations should include direction from the Municipal Administrator, related commission members and representatives of the Assembly.**

**Yes:** 5 - Hunter, Esquiro, Reif, Swanson, and Miyasato

**Excused:** 1 - Hackett

**Recused:** 1 - McConnell

## **XII. PERSONS TO BE HEARD:**

Mary Stephenson offered some history on the Tourism Commission. Alleging that seven meetings out of 15 have gone unattended. She is very frustrated.

Steve Warren, who previously worked on the "Smoke Free Work Place" spoke. As the American Legion folks pointed out there a number of violations; one that surfaces for him personally is a store within the building. It has been determined that the language is not clear. He thought the initial ordinance was very clear and in his opinion passed by a landslide. The Municipal Attorney at that time chose not to have sections implemented. He would like to see the current Municipal Attorney review the initial ordinance and implement it.

## **XIII. ADJOURNMENT**

**A motion was made by Swanson that this meeting be ADJOURNED. With no further business nor objections the meeting ADJOURNED at 8:10 PM.**

**ATTEST:**

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**Colleen Ingman, MMC**  
**Municipal Clerk**



## Legislation Details

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File #: 14-062      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 4/1/2014      In control: City and Borough Assembly

On agenda: 4/8/2014      Final action:

Title: Approve close out and fund transfer for Capital Project #90647 (Jarvis Tank Inspection)

Sponsors:

Indexes:

Code sections:

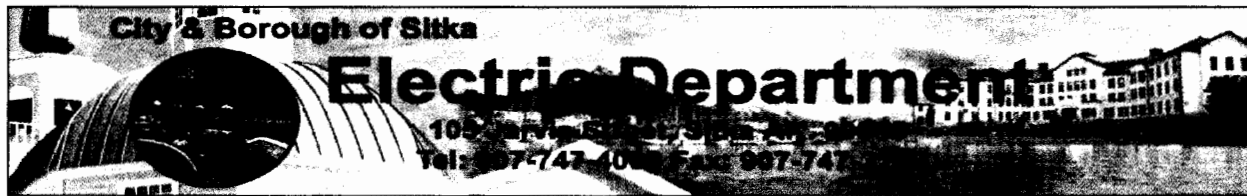
Attachments: [Approve Transfer Jarvis CIPS](#)

Date	Ver.	Action By	Action	Result
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**Should this item be pulled from the CONSENT the following motion is suggested:**

## **SUGGESTED MOTION**

**I move to approve closing and transferring of the remaining project funds in CIP No. 90647 (Jarvis Tank Inspection) to CIP No. 90646 (Jarvis Street Diesel Capacity increase) to cover the additional costs for construction of the tank foundation pads, truck fueling station, fuel piping and valves, and to simplify project management and accounting.**



March 31, 2014

To: Mark Gorman, Municipal Administrator  
Via: Jay Sweeney, Finance Director  
From: Christopher Brewton, Utility Director

**Subject: Capital Project #90647 (Jarvis Tank Inspection) Close Out & Funds Transfer**

I request Assembly approval to close out CIP No. 90647 (Jarvis Tank Inspection) and transfer remaining project funds to CIP No. 90646 (Jarvis Street Diesel Capacity Increase). There is approximately \$468,675 remaining in the Jarvis Tank Inspection budget. The Jarvis Street Diesel Capacity Increase project has incorporated the elements of the Jarvis Tank Inspection project and it is appropriate to combine this related work under one capital project.

The intent of the Jarvis Tank Inspection project was to construct a new 100,000 bulk fuel tank in preparation for the diesel expansion project and to provide fuel storage to conduct the required API 653 tank inspection on the existing single-wall, 200,000 gallon bulk fuel tank. The bulk fuel tank must be emptied to conduct a tank inspection while at the same time we must maintain an adequate fuel supply for the emergency diesel plant should a system outage occur. The challenge of course is to empty your bulk tank for inspection but keep adequate fuel on hand for an emergency. Our intent was to complete this project prior to the new diesel installation. However, while designing the new fuel system for the turbine generator, it became apparent our original concept for an additional 100,000 single-walled bulk tank was not the best option.

During engineering review of the proposed fuel system for the Solar Turbine, the manufacturer continually stressed the importance of fuel quality. Good fuel is the critical requirement to ensure trouble free operation of the Solar Titan 130 turbine-generator. To that end, the City rejected the option of a full time fuel oil purifier (\$338,588) and single-wall bulk tank, and elected to install a newly designed fuel oil filtration skid and fuel system. The system includes the fuel oil filtration skid, two (2) 40,000 gallon above ground double-walled fuel oil storage tanks, and necessary piping, valves, and controls to operate the fuel system. This arrangement has several advantages; it eliminates the constant maintenance and operation costs for a fuel oil centrifuge, provides a dedicated and redundant fuel supply for the diesel-turbine, provides means to polish our bulk fuel, and allows the storage of fuel from the main 200,000 gallon bulk fuel tank for future tank inspections.

To date, all fuel system related costs have been expended from the Jarvis Street Diesel Capacity Increase Project including \$374,400 for the purchase of the two 40,000 gallon fuel tanks, and \$88,400 for fuel boost pumps. However, there are additional costs pending for the construction of the tank foundation pads, truck fueling station, and fuel piping and valves. I believe it will simplify project management and accounting to combine these related projects.



## Legislation Details

File #: ORD 14-02    Version: 1    Name:

Type: Ordinance    Status: SECOND READING

File created: 1/7/2014    In control: City and Borough Assembly

On agenda: 2/25/2014    Final action:

Title: Amending Sitka General Code at Chapter 9.20 entitled "Smoking in Public Places and Places of Employment" to modify Section 9.20.035 regarding prohibition of children in places where smoking is permitted

Sponsors: Phyllis Hackett, Mim McConnell

Indexes:

Code sections:

Attachments: [ORD 2014-02 Second Reading](#)

Date	Ver.	Action By	Action	Result
2/25/2014	1	City and Borough Assembly	APPROVED	
2/25/2014	1	City and Borough Assembly	POSTPONED	Pass
1/28/2014	1	City and Borough Assembly	POSTPONED	Pass
1/14/2014	1	City and Borough Assembly	PASSED ON FIRST READING	Pass

## **POSSIBLE MOTION**

**I MOVE TO** renew the motion to approve Ordinance 2014-02 on second and final reading.

### **Ordinance History**

- The motion to approve was first postponed on 1/28 so that the Human Services Commission could weigh in and then again on 2/25 until a full assembly could be present.
- The main motion made on 1/28 is still on the floor and ready to be voted on you can renew it if you wish.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-02

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA  
GENERAL CODE AT CHAPTER 9.20 ENTITLED "SMOKING IN PUBLIC PLACES AND  
PLACES OF EMPLOYMENT" TO MODIFY SECTION 9.20.035 REGARDING  
PROHIBITION OF CHILDREN IN PLACES WHERE SMOKING IS PERMITTED

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

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

3. **PURPOSE.** This ordinance is to modify SGC 9.20.035 entitled "Declaration of establishment as nonsmoking – Prohibition of children in places of employment where smoking is permitted" by prohibiting children under the age of 18 to be permitted in any place where smoking is permitted. This ordinance also clarifies presence of children in a club or bar where smoking is allowed.

4. **NOW, THEREFORE, BE IT ENACTED** by the Assembly of the City and Borough of Sitka that SGC 9.20.035 is amended as follows (new language underlined; deleted language stricken):

**9.20.035 Declaration of establishment as nonsmoking—Prohibition of children in places of employment where smoking is permitted.**

Notwithstanding any other provision of this chapter, an owner, operator, manager, or other person in control of an establishment, facility, or outdoor area may declare that entire establishment, facility, or outdoor area as a nonsmoking place. Smoking shall be prohibited in any place in which a sign conforming to the requirements of Section 9.20.040 is posted. Children under the age of eighteen shall not be permitted in any place of employment under 9.20.020, or club or bar where smoking is allowed under Section 9.20.030G. and H. Furthermore, no cessation of smoking within the smoking facility shall render this section inapplicable unless such facility permanently deems and declares themselves to be a non-smoking facility. Once the declaration of an establishment, facility, or outdoor area as smoking has been made under this section, it shall not be changed for temporary or special functions.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska this 28th day of January, 2014.

\_\_\_\_\_  
Mim McConnell, Mayor

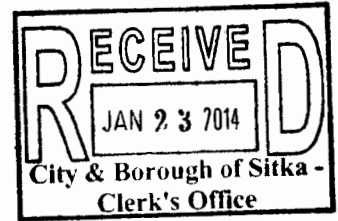
ATTEST:

\_\_\_\_\_  
Sara Peterson, CMC  
Acting Municipal Clerk

**Colleen Ingman**

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**Subject:** FW: To whom it may concern



-----Original Message-----

**From:** Margaret Peterson [<mailto:margaretp66@yahoo.com>]

**Sent:** Wednesday, January 22, 2014 9:21 PM

**To:** Mim McConnell; Matthew Hunter; Phyllis Hackett; Pete Esquiro; Mike Reif; Benjamin Miyasato; Aaron Swanson; Mark Gorman

**Subject:** To whom it may concern

Assembly members,

It has come to my attention that someone has put a request to revise the smoking ordinance. The American Legion, Sons of the Legion and American Legion Auxiliary ask that you vote against this amendment or put it up for a vote with the public.

The reason we ask this, is because we are a smoking private club and over the christmas holiday, we apparently made someone mad. The person doing this request called us up Friday, 2 days before our party; called at 4pm threatening to call the police and have us shut down if we had the party. She gave a fake name, misrepresented herself, said she was a city official and if we had the party, than she was changing the ordinance. We do not appreciate her being rude to our bartender, whom she yelled at and threatened.

It is not our intention to make anyone mad or to hurt anyone. That is why; when we have any occasions here, we take time to completely air the place out along with spraying air fresheners to smoke eaters running all night. We DID NOT let anyone smoke in there at all, we announced that the bar was closed and had signs of no smoking. We even had a curtain over the bar area, to cover the liquor bottle. The children could not see the bottles or pull tab bins. By the time of the party, you could not tell we smoked in there. We had a grandma that has asthma that it did not even bother her. We had another grandma that uses an oxygen tank. Did not bother her.

We had 80 children signed up for our party and 74 came with their family. We fed them turkey and ham with all the works for a wonderful christmas dinner with plenty for people to take home. The children got to see santa and get a present with a candy bag. The children all got a brand new jacket and decorated their pictures with santa and decorated cookies.

We also have memorials for families that have lost a loved one who has served for our country. We are available for funerals as well. The bar is closed and aired out completely when we have these occasions.

It is not our intentions to put anyone in danger of any kind. Therefore, we believe the smoking ordinance is fine the way it. So we are asking you to vote against this. Thank you.

Respectfully yours,

The American Legion, Sons of the Legion and American Legion Auxiliary



## Smoking

L@ ~ Lauren Allen [sealaska86@gmail.com]

**Sent:** Wednesday, January 29, 2014 4:53 PM

**To:** assembly

Dear Sitka Assembly Members:

I heard the Raven Radio news report regarding interpreting the smoking ordinance.

I would like you to know that I voted for the smoking ban, and am so thankful it passed. However, it was never my intent as a voter to never allow children into a building that allows smoking.

Please consider dropping this issue, or merely change the ordinance to allow smoking establishments to hold memorials and special parties and ban smoking for those events.

The American Legion & other establishments in Sitka host a number of fantastic fundraisers and events for kids. I don't want to see them punished.

I understand Mr. Hunter's concerns regarding second hand smoke. However, this is getting quite deep into personal rights. I am sure all parents who bring their children to these events are keenly aware that the establishments allow smoking other than at the "special" occasions.

Thank you for your time.

Lauren Allen

907.738.3285

## Colleen Ingman

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**From:** Bobbi Daniels <ravenfrogfibers@hotmail.com>  
**Sent:** Tuesday, February 25, 2014 9:04 AM  
**To:** assembly  
**Subject:** Anti smoking amendment

Thank you for your consideration of this amendment, and let me start by saying that there is not a person anywhere who is more opposed to smoking and smoking in public than I am. However, I am firmly against this amendment.

My objection comes from a different place. The issue here is the right of families to decide for themselves what is best for them, and the slippery slope that is governmental "nannying". Although I thoroughly agree that the inhalation of second hand smoke is a deadly and entirely preventable hazard, and that temporarily stopping the smoking does not completely alleviate the problem, this should be a family's decision. In this case no child is ever required to be in an establishment where smoking takes place, and the decision whether or not to take children into such an establishment for a special event needs to be left to parents.

It is a dangerous precedent to start overriding parental authority. Where does it end? Mountains of research shows that feeding hydrogenated fats on a daily basis to children is a much greater health threat than being exposed to second hand smoke once or twice a year, so if this amendment is the city's responsibility, isn't a ban on feeding hydrogenated fats to children also in order? And don't get me started on soda...

I do not know what families attend the parties that brought this issue to light. However, they apparently want to be able to have these events as they have determined that are good thing for their families. We need to trust their decision. The value of a family sharing a holiday activity has to be weighed against the harm. Seriously, the candy they give to the kids at the party is no doubt a bigger health issue than the hour of exposure to second hand smoke.

Please respect a family's authority to decide for themselves what serves them as a family and do not adopt this amendment.

Thank you for all you do.

Bobbi Daniels

## Colleen Ingman

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**From:** Susan Litman <litman.susan@gmail.com>  
**Sent:** Saturday, March 01, 2014 4:54 PM  
**To:** assembly  
**Subject:** Third hand smoke

Dear Assembly Members-

I listened to the Assembly meeting on Tuesday and would like to comment on the ordinance regarding allowing children under 18 in establishments that allow smoking.

There are times when the health and safety of a child outweighs a parent's right to raise a child as they see fit. We have several laws in this community that essentially do this. A child under 18 must wear a helmet while riding a bicycle even if the parent would allow this to occur. A fourteen year old is not allowed to buy cigarettes even if the parent writes a note allowing the child to purchase cigarettes. A law forbidding children under 18 from entering a business where smoking has occurred is the some type of restriction.

All the Assembly members heard the presentation outlining the risks of third hand smoke. Numerous known carcinogens and toxins are present in third hand smoke. Infants and children , for a number of reasons, are more susceptible to the effects of environmental carcinogens and toxins. I think that the discussed situation is an example where the government should step in and forbid children and infants in a smoking establishment even if the parent is willing to risk the possible future consequences to their child.

If the Assembly were to decide that it is the parent's decision to allow their child in a place where known carcinogens are present, then I think it would be the Assembly's responsibility to make sure the parent was completely educated to the risks. A sign would not be sufficient. The parent or guardian should be provided with, and understand, all the information the Assembly received so they could make an informed decision.

Obviously, I do not believe it is worth the risk of allowing a child to be in contact with a carcinogen. I do think it is the Assembly's responsibility to prevent this risk.

Thank you,  
Susan Litman

## Colleen Ingman

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**From:** Gretchen Clarke <gretchensclarke@gmail.com>  
**Sent:** Monday, February 10, 2014 11:30 AM  
**To:** assembly

Dear Mayor McConnell and Assembly Members,

I am writing to urge you to stay true to the City and Borough of Sitka Ordinance 2005-29 clean indoor air ordinance. The community made it clear when they voted to approve the ordinance that clean indoor air is a priority, especially for places that serve children and families. Clubs and other facilities have the right to choose to allow smoking, but if they make that choice, they cannot allow children on their premises. There is no safe level of 2nd or 3rd hand exposure to smoke, and the children of our community deserve to be protected from the dangerous carcinogens found in tobacco smoke. It is unfortunate this issue has been misconstrued as anti-Legion. The Legion, no doubt, provided a valuable service to children by providing them with a fun and festive party, but in hosting the event in their smoking facility, they endangered our youth. The Legion, like the Elks did, can choose to prioritize serving our children, or allowing smoking. If the latter, they must host their family events in a non-smoking facility and abide by the law of the community.

Kind regards,  
Gretchen Clarke

--  
Gretchen S. Clarke, MPH  
[gretchensclarke@gmail.com](mailto:gretchensclarke@gmail.com)

## Colleen Ingman

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**From:** andrea thomas <andrea61thomas@gmail.com>  
**Sent:** Sunday, February 09, 2014 3:59 PM  
**To:** assembly  
**Subject:** Fwd: Letter in reference to Ordinance 2005-29, Section 9.20.035  
**Attachments:** Letter of Support\_02\_06\_14.pdf

Assembly Members,

I will be out of town for the next Assembly meeting when the Health Board will bring you their recommendations on adopting the clarifying language for children being allowed in smoking facilities.

I would like to give you some history about this ordinance. In July 12, 2005, the Sitka Assembly heard the final reading for a *Smoking in Public Places and Places of Employment* (see attached). One motion passed allowed smoking in bars and clubs in stand alone buildings. Another motion was passed "Children under the age of 18 shall not be permitted in any place of employment where smoking is allowed". All the bars and clubs are places of employment.

Please find attached a letter on behalf of an Assembly member that was involved in the drafting of Ordinance 2005-29, and had proposed the amendment of Section 9.20.035. The letter is to provide you with information for clarification of the intent.

Our current city attorney was not clear on the intent when she read the following portion of the ordinance:

**9.20.035 Declaration of establishment as nonsmoking—  
Prohibition of children in places of employment where  
smoking is permitted.**

Notwithstanding any other provision of this chapter, an owner, operator, manager, or other person in control of an establishment, facility, or outdoor area may declare that entire establishment, facility, or outdoor area as a nonsmoking place. Smoking shall be prohibited in any place in which a sign conforming to the requirements of Section 9.20.040 is posted. Children under the age of eighteen shall not be permitted in any place of employment where smoking is allowed. (Ord. 05-29 § 4 (part), 2005.)

Since the language was not clear to her, she permitted the American Legion to host a children's party in their smoking establishment (albeit they said they did not smoke prior or during the party) This was the first time any such exemption has been made by a City Attorney- allowing children into to a smoking facility. This decision created a loophole **in the intent of the ordinance that was passed by the assembly and voted in by the people of Sitka in October 2005.** The intent of this language- to ensure no children were allowed in smoking establishments, was understood by the people voting and the businesses affected.

The Elks club, which was smoking at the time, voted to change their policy to become smoke-free in order to have youth in their facility. Please don't hesitate to contact them yourself to confirm this. In addition, the Moose Family Center invested in a renovation to create an external door so the upstairs of their building could allow youth. This actually was a loophole, because the upstairs room is directly above the bar and children in that room are exposed to secondhand smoke that rises.

**The new language proposed, formulated by the City Attorney, with direction from the Mayor and Assembly Member Phyllis Hackett, clarifies the intent language so that any City Attorney reading this portion of the ordinance can fully understand the intent.**

Please vote to pass this revised language and honor the vote of past Assembly members, and the voting public, to continue to protect our children from the damaging effects of secondhand smoke.

Best regards,  
Andrea Thomas

P.S. The American Legion is fully aware of the ordinance and has hosted Christmas parties in outside facilities since 2005. While American Legion members feel this is about them, it is really is about upholding the intent of the ordinance. They can continue to have wonderful parties for children in other locations.

Thursday, February 6, 2014

To whom this may concern,

I, Al Duncan served as a City and Borough of Sitka Assembly member in 2005. At a July 12, 2005 meeting I proposed an amendment to the proposed Ordinance 2005-29 that stated, "Children under age of 18 shall not be permitted in any place of employment where smoking is allowed".

The intent was to not allow any children in establishments (bars/clubs) that were smoking facilities. This amended ordinance was passed by public vote in October of 2005.

I support the proposed clarification language that would ensure that Section 9.20.035 of Ordinance 2005-29 will be enforced so that children will not be permitted in any places of employment where smoking is allowed at any time.

Regards,

Al Duncan

*Al Duncan SR*

Resolution # \_\_\_\_\_

Title: Resolution for the Control and Elimination of Tobacco in the Work Place and Enclosed Public Places.

WHEREAS, The \_\_\_\_\_ (name of tribe), is an Indian tribe as defined in Section 4 of the Indian Self-Determination and Education Assistance Act, Pub. L. 93-638, 25 U.S.C. 450b;

WHEREAS, Alaska Native people have the highest rate of tobacco use in the state of Alaska;

WHEREAS, Tobacco use is the leading cause of preventable death and disease and Alaska Native people suffer serious health consequences including heart disease and cancer;

WHEREAS, Secondhand tobacco smoke exposure is another leading cause of preventable death, and causes disease in healthy nonsmokers, including heart disease, stroke, respiratory disease, and cancer;

WHEREAS, It has been determined by the U.S. Surgeon General that there is no safe level of exposure to secondhand smoke, air ventilation systems do not work, and that only completely smokefree environments can protect health;

WHEREAS, A significant amount of secondhand smoke exposure for Alaska Native adults and children occurs in the workplace and even short exposures may result in serious adverse health effects and even death;

WHEREAS, Tobacco-free workplaces protect people from secondhand smoke, reduce tobacco use overall, support healthy lifestyles, model healthy behavior, and support quit attempts;

WHEREAS, The health of our people is of utmost importance and Alaska Native people have taken a lead in addressing health issues throughout the years; and

WHEREAS, Tobacco-free tribal workplaces will protect the health of our children, grandchildren, families, and community members.

THEREFORE, BE IT RESOLVED that tobacco use shall be prohibited within the facilities owned, operated, or leased by the \_\_\_\_\_ (name of tribe) including:

- a) all areas within enclosed places that are open to and frequented by the public;
- b) all areas within places of employment; and
- c) all outdoor areas within 20 feet of entrances, exits, and windows that open to enclosed public places and places of employment.

BE IT FURTHER RESOLVED, that signs prohibiting tobacco use shall be posted and a no tobacco use distance no less than 20 feet from any entrances be enforced.



CERTIFICATION

I hereby certify that the above resolution was duly adopted at a regular meeting of the \_\_\_\_\_ (name of tribe) on this \_\_ day of \_\_\_\_\_ 2012 at which a quorum was present, with a vote of \_\_ for, \_\_ against, \_\_ abstentions, \_\_ absent.

\_\_\_\_\_  
(Name), President

Date

\_\_\_\_\_

ATTEST:

\_\_\_\_\_  
(name), Tribal Administrator

Date

\_\_\_\_\_



## Legislation Details

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File #: ORD 14-07    Version: 1    Name:

Type: Ordinance    Status: SECOND READING

File created: 3/18/2014    In control: City and Borough Assembly

On agenda: 4/8/2014    Final action:

Title: Amending SGC Title 13 entitled "Port and Harbors" by Repealing and Reenacting certain sections to substantially update the laws governing the conduct and use of Sitka Municipal Harbor Facilities by adopting clear requirements for vessel maintenance and care and procedures for impounding nuisance vessels

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2014-07 Title 13](#)

Date	Ver.	Action By	Action	Result
3/25/2014	1	City and Borough Assembly		

## **POSSIBLE MOTION**


**I MOVE TO** approve Ordinance 2014-07  
on second and final reading.

## MEMORANDUM

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To: Mayor Mim McConnell and Members of the Assembly

Through: Mark Gorman, City Administrator

From: Stan Eliason, Harbormaster 

Date: March 20<sup>th</sup>, 2014

Subject: SGC title 13 revision

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The Port and Harbor Commission voted and approved the revision of SCG Title 13, on March 12<sup>th</sup> 2014. The previous title was not current with Maritime Law, pertaining to vessel impoundment and lien procedures. We now have a legal process for vessel impoundment. The new title is very easy to navigate, after being cleaned up. Several ordinances were either completely stricken or modified, to meet our current needs.

Stan Eliason, Harbormaster

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-07

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA  
GENERAL CODE TITLE 13 ENTITLED "PORT AND HARBORS" BY REPEALING  
AND REENACTING CERTAIN SECTIONS TO SUBSTANTIALLY UPDATE THE  
LAWS GOVERNING CONDUCT AND USE OF SITKA MUNICIPAL HARBOR  
FACILITIES BY ADOPTING CLEAR REQUIREMENTS FOR VESSEL  
MAINTENANCE AND CARE AND PROCEDURES FOR IMPOUNDING NUISANCE  
VESSELS

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

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

3. **PURPOSE.** The purpose of this ordinance is to modify SGC Title 13 to provide detailed and clear impoundment procedures for vessels declared as nuisances in the City and Borough of Sitka ("CBS") and to protect harbor facilities in CBS and the health, safety, and welfare of the CBS community. SGC currently provides cursory direction regarding impoundment and disposal of nuisance vessels and does not provide vessel owners with post-impoundment hearings when a vessel poses clear and present danger to CBS nor does it provide for notification to lien holders before a vessel is sold. In addition, SGC currently contains numerous outdated provisions and requires reorganization to reflect more detailed and expansive impoundment and disposition procedures as provided for in maritime regulations and laws and the laws and regulations of the State of Alaska.

The proposed changes will give CBS procedures and enforcement by making SGC consistent with maritime regulations and the laws of the State of Alaska for all vessels, registered and not registered, as well as cleaning up and/or removing old SGC provisions that are outdated or unenforceable. A copy of current SGC Chapter 13 is attached to this ordinance.

Adding –

- SGC 13.06.050 entitled "Delinquent accounts;"
- SGC 13.06.060 entitled "Lien created;"
- SGC 13.06.070 entitled "Other remedies;"
- SGC Chapter 13.07 entitled "Harbor Use Privileges and Prohibitions;"
- SGC 13.08.015 entitled "Safe condition of vessel"
- SGC Chapter 13.13 entitled "Nuisances;"
- SGC Chapter 13.14 entitled "Vessel Impoundment and Disposition;" And
- SGC Chapter 13.15 entitled "(Reserved – Float Houses)."

- 49 • Modify SGC 13.02.020 to clarify and expand harbormaster's authority to raise a
- 50 sunken vessel and authority to board a vessel;
- 51 • Delete SGC 13.04.030 "Derelict" and SGC 13.04.200 entitled "Vessel
- 52 seaworthiness" and adding SGC 13.04.070 entitled "Float houses;" Move SGC
- 53 13.08.010 entitled "Registration required" to SGC 13.08.005 and rename it "Duty
- 54 to register;" and
- 55 • Modify SGC Chapters 13.09 and 13.10 to reflect other changes within Title 13.
- 56

57 This ordinance is recommended by the Port and Harbors Commission by unanimous vote

58 on March 12, 2014.

59

60 4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of

61 the City and Borough of Sitka that Title 13 of the Code entitled "Ports and Harbors" is repealed

62 and reenacted as follows:

63

64 **Title 13**  
**PORT AND HARBORS**

65 **Chapters:**

- 66 **13.02 General Provisions**
- 67 **13.04 Definitions**
- 68 **13.06 Charges/Fees**
- 69 **13.07 Harbor Use Privileges and Prohibitions**
- 70 **13.08 Reserved Mooring Staffs**
- 71 **13.09 Anchoring**
- 72 **13.10 Float Regulations**
- 73 **13.11 Enforcement**
- 74 **13.12 Nuisances**
- 75 **13.14 Vessel Impoundment and Disposition**
- 76 **13.15 (Reserved – Float Houses)**
- 77

78 **Chapter 13.02**  
**GENERAL PROVISIONS**

79 **Sections:**

- 81 **13.02.010 Purpose.**
- 82 **13.02.020 Harbormaster.**
- 83 **13.02.030 Port and harbors commission.**
- 84 **13.02.040 Jurisdiction limits.**
- 85

86 **13.02.010 Purpose.**

87 The purpose of these regulations is to provide for orderly development, management,

88 protection, safety and efficient use of all harbor spaces and port facilities within the municipal

89 harbor system by commercial vessels, government vessels, pleasure vessels and the boating

90 public. By the mooring of any vessel within the harbor system, the owner, operator, or master

91 of any vessel agrees to follow the rules and requirements of all the provisions within this title.

92

93 **13.02.020 Harbormaster.**

94 There is created a port and harbors department which will be operated under a harbormaster  
95 and staff. The harbormaster will have supervision responsibility and authority to administer all  
96 city and borough owned or operated floats, harbor spaces and port facilities, subject to  
97 supervision by the municipal administrator. The harbormaster will have the powers to assign  
98 to all vessels, aircraft and other waterborne structures; places for docking, berthing, mooring  
99 and anchoring within the floats and docks and within all water area in the designated harbor  
100 system and to reassign any such stall or space should conditions warrant the same. It is illegal  
101 to moor, dock or anchor in any area within harbor jurisdiction unless specifically authorized by  
102 the harbormaster. The harbormaster will have the authority to impound or seize any vessel  
103 within the system for improper moorage activities or dead storage. Without any obligation or  
104 liability on the harbormaster's part or that of the municipality for his failure to do so, or duty to  
105 do so, the harbormaster may replace defective mooring lines, pump boats which are found in a  
106 dangerous condition, move any boat found endangering other vessels or raise any sunken  
107 vessel. The harbormaster will have the authority to board, inspect for infractions of the law and  
108 require compliance prior to the vessel owner continuing the activity that resulted in the  
109 infraction. (The responsible boat owner will be billed actual costs associated with any  
110 emergency services.)  
111

112 **13.02.030 Port and harbors commission.**

113 There exists a port and harbors commission consisting of seven members who act as an  
114 advisory body to the assembly on matters concerning the harbor system. Their duties will  
115 include: working with the harbormaster and administrator planning for new harbors;  
116 evaluating needs for harbor services; examining and updating harbor ordinances; review of  
117 current harbor operations and annual budgets; recommending priorities, moorage rates and  
118 other charges; receiving and evaluating formal and informal advice on harbor operations from  
119 citizens and preparing a yearly report to the assembly on the status of the municipal harbor  
120 system. The commission will meet nine times per year with additional meetings as needed at  
121 the discretion of the chairperson.  
122

123 **13.02.040 Jurisdiction limits of the Sitka Harbor System.**

124 The geographic boundaries of jurisdiction for the harbormaster will be: that area seaward of  
125 the western shore of Baranof Island from the south end of Crescent Harbor to the southern  
126 point of the Sitka Airport runway, then continuing north and east along the southerly and  
127 easterly shores of Charcoal and Alice Island and continuing northerly and westerly along the  
128 easterly shore of Japonski Island to the northwesterly side of the breakwater established in  
129 Western Anchorage. Then continuing north and easterly along said breakwater to the westerly  
130 shore of Baranof Island, thence continuing southerly and easterly along the shores of Sitka  
131 Channel through Crescent Harbor and back to the point of beginning, including Sitka Channel  
132 and the Western Anchorage area to the breakwater. Within these geographic confines are  
133 contained the municipally owned or operated Crescent Harbor, Sealing Cove Harbor, ANB  
134 Harbor, Seaplane Float, Thomsen Harbor, Eliason Harbor, Japonski work float, as well as any  
135 and all other public spaces, parking lots, ramps, restrooms, docks or port facilities. (See  
136 jurisdiction map, Exhibit A, set out at the end of this title.) The entire area described in this  
137 section shall be referred to as the Sitka Harbor system in this Title. The harbormaster shall

138 have the authority to post such signs as are necessary to facilitate the safe and orderly  
139 movement of vessels, vehicles and pedestrians.

141 **Chapter 13.04**  
142 **DEFINITIONS**

143 **Sections:**

- 144 **13.04.010 Anchor.**
- 145 **13.04.020 Charter/vessel for hire.**
- 146 **13.04.040 Dinghy/lighter.**
- 147 **13.04.050 Distress.**
- 148 **13.04.060 Emergency.**
- 149 **13.04.070 Float Houses.**
- 150 **13.04.080 Harbor.**
- 151 **13.04.090 Harbormaster.**
- 152 **13.04.100 Hot berth.**
- 153 **13.04.110 Liveaboard.**
- 154 **13.04.120 Moor.**
- 155 **13.04.130 Permanent transient.**
- 156 **13.04.140 Person.**
- 157 **13.04.150 Qualifying interest.**
- 158 **13.04.160 Stall.**
- 159 **13.04.170 Transient vessel.**
- 160 **13.04.180 Transfer of cargo.**
- 161 **13.04.190 Traffic lanes.**
- 162 **13.04.200 Vessel.**
- 163 **13.04.210 Vessel length.**
- 164 **13.04.220 Waterborne structures.**

165  
166 **13.04.010 Anchor.**

167 “Anchor” means to secure a vessel to a bed or body of water by dropping a weighted ground  
168 line or tackle or by use of a buoy or other means to prevent more than a measurable movement  
169 of the vessel.

170  
171 **13.04.020 Charter/vessel for hire.**

172 “Charter/vessel for hire” means any vessel licensed to carry passengers for hire; “bare boat” is  
173 a boat rented with or without crew or operator.

174  
175 **13.04.040 Dinghy/lighter.**

176 “Dinghy/lighter” means a small vessel normally carried aboard a larger vessel or towed as a  
177 life boat or tender.

178  
179 **13.04.050 Distress.**

180 “Distress” means a state of disability or a present or obvious imminent danger which if unduly  
181 prolonged could endanger life or property.



183 **13.04.060 Emergency.**

184 “Emergency” means a state of immediate danger to life or property in which time is of the  
185 essence.

186  
187 **13.04.070 Float Houses.**

188 “Float houses” means a floating structure used wholly as a dwelling unit, which is not  
189 designed to travel on water and which is otherwise not a vessel, as defined herein.

190  
191 **13.04.080 Harbor.**

192 “Harbor” means the Sitka Harbor system or all waters, tidal areas and adjacent uplands areas,  
193 together with all facilities of a port or maritime nature publicly owned that are primarily used  
194 by or for the service of vessels, including docks, pilings, ramps, hoists, parking areas, leased  
195 water areas, concessions and/or service facilities located within.

196  
197 **13.04.090 Harbormaster.**

198 “Harbormaster” means the individual described in Section 13.02.020 and any assistant  
199 harbormaster or other person designated to act in the harbormaster’s place.

200  
201 **13.04.100 Hot berth.**

202 “Hot berth” means the practice of allowing a vessel to temporarily occupy a stall or space not  
203 reserved to said vessel.

204  
205 **13.04.110 Liveaboard.**

206 “Liveaboard” means any vessel used by one or more persons as a primary residence while  
207 moored in the Sitka harbor system, which meets the following requirements. A liveaboard  
208 vessel must comply with all requirements imposed on any vessel moored in the harbor system  
209 including the requirement that the vessel be powered by an engine of sufficient size to propel  
210 the vessel at a speed allowing normal steerage and to maneuver out of and into the harbor. A  
211 liveaboard vessel must be registered as such with the harbor department. A liveaboard vessel  
212 must have a safe heating system, and food preparation system, and berthing accommodations  
213 for all occupants.

214  
215 **13.04.120 Moor.**

216 “Moor” means to secure a vessel by the use of lines to a dock, pier or other object providing a  
217 more secure fastening to a particular location than by anchoring.

218  
219 **13.04.130 Permanent transient.**

220 “Permanent transient” means a vessel which is on the wait list (Section 13.08.040). The vessel  
221 will not have a permanent stall assignment but will be provided moorage and be billed for  
222 permanent moorage under Section 13.06.010.

223  
224 **13.04.140 Person.**

225 “Person” means any natural person, individual, partnership, corporation or governmental  
226 agency. A corporation and natural person or individual will be considered the same if the  
227 natural person has control over the former.

228 **13.04.150 Qualifying interest.**  
229 “Qualifying interest” in a vessel means the interest of a person who owns the vessel, or under  
230 provisions of written charter or lease, has exclusive control over the operation and navigation  
231 of the vessel. A person who transfers title to a vessel or enters into a charter or lease of the  
232 vessel to another, seasonally or permanently, thereby relinquishes exclusive control over the  
233 use and operation of said vessel and ceases to have a qualifying interest in said vessel.  
234

235 **13.04.160 Stall.**  
236 “Stall” means a place to moor individual vessels in the harbor.  
237

238 **13.04.170 Transient vessel.**  
239 “Transient vessel” means any vessel occupying space in the Sitka Harbor system for which a  
240 regular reserved stall has not been assigned.  
241

242 **13.04.180 Transfer of cargo.**  
243 “Transfer of cargo” means all types of loading, unloading, transfer and/or containerization of  
244 any type of cargo including, but not limited to, fish, shellfish and other seafood products  
245 thereof.  
246

247 **13.04.190 Traffic lanes.**  
248 “Traffic lanes” (navigation lanes) means those areas specifically set aside for movement to and  
249 from other locations and which will be kept open, free of obstructions and not for use for  
250 anchoring or mooring.  
251

252 **13.04.200 Vessel.**  
253 “Vessel” means any ship, boat, skiff, barge, dredge and craft of every kind or description,  
254 whether used for commercial or pleasure purposes, which is on the water and is capable of  
255 being used as a means of transportation on or through the water, excluding seaplanes.  
256

257 **13.04.210 Vessel length.**  
258 The method of determining vessel length within the harbor system: Vessel length will be  
259 computed as the actual overall length of any vessel, including bow sprits, outboards (in down  
260 position) or other extensions.  
261

262 **13.04.220 Waterborne structures.**  
263 “Waterborne structures” means other than a vessel. Examples include but are not limited to  
264 barges, float houses, or other, usually unpowered, structures.  
265

266 **Chapter 13.06**  
267 **CHARGES/FEES**

268 **Sections:**

- 269 **13.06.010 Moorage charges and fees.**
- 270 **13.06.030 Nonpayment.**
- 271 **13.06.040 Unpaid stalls.**
- 272 **13.06.050 Delinquent accounts.**

273           **13.06.060 Lien Created.**

274           **13.06.070 Other remedies.**

275

276           **13.06.010 Moorage charges and fees.**

277           There is established, determined, and levied upon all vessels and waterborne structures  
278           moored, tied to, or in any other way attached by rope, cable, gangplank or other means to any  
279           float, piling, dock, mooring buoy or other harbor improvement which is owned, constructed,  
280           maintained or operated by the city and borough of Sitka a rental charge and/or fee for the  
281           privilege and use of such facilities. The charges and fees shall be reviewed annually by the  
282           port and harbors commission in the month of January.

283

284           A. Moorage fees and charges shall be established by resolution and approved by the  
285           Assembly.

286

287           B. Rates, fees, charges and a description of other available services, such as electricity,  
288           recreational vehicles and boat trailer parking, launch ramp fees and grid fees shall be published  
289           and available at the harbormaster's office and city hall.

290

291           **13.06.030 Nonpayment.**

292           It is unlawful for any person to moor, berth, tie, attach or in any other manner connect to any  
293           harbor improvement or facility with any vessel or airplane, for a period not to exceed one day,  
294           without paying the prescribed rental charges previously listed. Any delinquent personal  
295           property tax or sales tax on a vessel will be paid prior to any mooring or being placed on a  
296           municipal waiting list. A late or penalty fee will be assessed after thirty days, if in arrears, as  
297           prescribed by the municipal code.

298

299           **13.06.040 Unpaid stalls.**

300           If the applicable moorage fees have not been paid by the date due, following delinquent  
301           notification within thirty days, the harbormaster may declare the stall released and it may be  
302           reassigned to the next person on the waiting list for that appropriate sized boat.

303

304           **13.06.050 - Delinquent accounts.**

305           Delinquent accounts shall be subject to collection procedures as followed by the city and  
306           borough and as allowed by federal and state laws. Delinquent accounts shall accrue interest at  
307           a rate of twelve percent per year on the unpaid delinquent balance.

308

309           **13.06.060 - Lien created.**

310           In addition to any other remedy provided for herein or at law, all mooring, grid and other  
311           miscellaneous harbor fees shall constitute a lien against the vessel, its tackle, gear,  
312           appurtenances and other similar property of the owner or operator, under federal and state law.  
313           Fees and charges delinquent ninety days or longer may be foreclosed on by impounding and  
314           selling the vessel against which the lien has vested under federal law and the provisions of this  
315           title.

316

317

318 **13.06.070 –Other remedies.**  
319 All liens created shall not be exclusive remedies. A proceeding to foreclose any lien or suit  
320 thereon by the city and borough shall not preclude any other remedy, including impoundment  
321 as above, at law or in equity. The procedure for foreclosure or suit thereon of any lien shall be  
322 as set out in applicable state or federal law.  
323

324 **Chapter 13.07**  
325 **Harbor Use Privileges and Prohibitions**

326 **Sections:**

- 327 **13.07.005 Penalties.**
- 328 **13.07.010 Prohibited Acts.**
- 329 **13.07.020 Vessel seaworthiness.**
- 330 **13.07.030 Safeguarding.**
- 331 **13.07.040 Speed limits.**
- 332 **13.07.050 Accident reports.**
- 333 **13.07.060 Responsibility for property damage.**
- 334 **13.07.070 Fire hazards prohibited.**

335  
336 **13.07.005 Penalties.**

337 All violations herein are subject to regulation and enforcement guidelines as set forth in  
338 Sections 13.12.010 and 13.12.040.  
339

340 **13.07.010 Prohibited acts.**

341 In addition to other prohibited actions under this title, the following conduct is prohibited:  
342

343 A. Generating loud or boisterous noises, including that which occurs while working on  
344 vessels, that disturb the reasonable peace and privacy of others;  
345

346 B. Obstructing or interfering with the harbormaster and/or harbor staff in the performance of  
347 their duties or refusing to comply with a lawful order of the harbormaster;  
348

349 C. Challenging or intending to provoke another to fight, or engaging in fighting;  
350

351 D. Consuming alcohol, except on licensed premises or private vessels, or engaging in the use  
352 of, or being an instrument in the exchange of, illicit drugs or narcotics; and  
353

354 E. Anyone violating this section may be ordered verbally by the harbormaster, or designee, to  
355 leave the harbor immediately.  
356

357 **13.07.020 Vessel seaworthiness.**

358 All vessels moored or docked in the Sitka Harbor system must meet the following criteria:  
359

360 A. Be capable of getting underway under its own power at all times;  
361

362 B. Be a watercraft constructed and maintained for the primary purpose of navigating the  
363 waterways of Alaska and not solely for the specific purposes of maintaining a stationary place  
364 of residence, floating storage, shop, office or other non-navigational purposes.  
365

366 **13.07.030 - Safeguarding.**

367 Every vessel owner and operator shall use all reasonable effort and precautions in keeping the  
368 vessel in his charge well-secured with mooring lines in reasonable fit condition, sufficiently  
369 pumped at all times to keep afloat, free from fire hazards of any kind, and to otherwise attend  
370 to the needs of the vessel.  
371

372 **13.07.040 Speed limits.**

373 It is unlawful for any person to operate any vessel or taxiing aircraft, except during takeoff and  
374 landing, in excess of the following speed limits:  
375

376 A. No person shall operate a vessel within the area between the Crescent Harbor breakwater  
377 entrance to the south tip of Aleutski Island to the south tip of Love Island and the north end of  
378 the channel at the rubblemound breakwater at a speed which produces a wake, wash, or wave  
379 action which may or could reasonably be expected to damage any other vessels or harbor  
380 facilities or create discomfort to an occupant by causing such other boats to pitch or heave  
381 because of such wake, wash or wave.  
382

383 B. Three miles per hour within the inner harbors of ANB Harbor, Sealing Cove Harbor,  
384 Crescent Harbor, Eliason Harbor and Thomsen Harbor.  
385

386 **13.07.050 Accident reports.**

387 The operator of any vessel involved in an accident resulting in the death or injury of any  
388 person or damage to property in excess of five hundred dollars shall immediately give oral  
389 notice of the accident to the harbormaster, or if he is unavailable to receive the notice, to the  
390 Sitka police department. In addition, the operator shall, within twenty-four hours after the  
391 accident, file a written report with the harbormaster containing the name of the vessel, the  
392 name of the vessel owner and operator, a description of the accident, a description of the  
393 resulting injuries or damage, a description of possible causes or contributing factors, and such  
394 other information as the harbormaster may require.  
395

396 **13.07.060 Responsibility for property damage.**

397 A person damaging city and borough docks, floats, ramps or other property of the city and  
398 borough shall be responsible for cost of repairs. A boat owner is strictly liable for the damages  
399 caused by a fire originating in his vessel to any municipal property.  
400

401 **13.07.070 Fire hazards prohibited.**

402 A. No person may leave a fire or flame unattended aboard a vessel in the Sitka Harbor system,  
403 this includes oil, gas, wood stoves and other fuel burning appliances.  
404

405 B. No person may store, deposit or leave on any float, dock or other harbor facility any  
406 gasoline, lubricating oil or other combustible liquid of any nature or description, except for  
407 temporary purposes in conjunction with the loading or unloading of a vessel.  
408

409 C. A person using a grinder, torch or flame-producing device in or upon any vessel, dock,  
410 float or other boat harbor facility shall provide a fire extinguisher adequate for putting out any  
411 fire which may result. Any grinding or cutting must be done in such a way that sparks and  
412 other debris shall not come into contact with the property of another.  
413

414 D. A person shall not ignite or detonate fireworks or flares within the boundaries of the Sitka  
415 Harbor system, except by permit from the fire chief.  
416

417 **Chapter 13.08**  
418 **RESERVED MOORING STALLS**

419 **Sections:**

420 **13.08.005 Duty to register.**

421 **13.08.015 Safe condition of vessel.**

422 **13.08.020 Reserved moorage.**

423 **13.08.030 Moorage space assignments.**

424 **13.08.040 Waiting list.**

425 **13.08.050 Retention of a waiting list priority and stall transfer list fee.**

426 **13.08.060 Utilizing a reserved stall.**

427 **13.08.070 Stall—Sale of boat.**

428 **13.08.080 Transfer of reserved mooring.**

429 **13.08.090 Nonuse of a stall.**  
430

431 **13.08.005 Duty to register.**

432 A. Every owner, operator, agent of any vessel using the harbor for any period of time is  
433 required to register the name, address and telephone number of the registered owner and the  
434 operator of the vessel, if the vessel is operated by anyone other than the owner; the vessel's  
435 length, breadth, registered tonnage (if any) description and uses, the vessel's name and home  
436 port, and any other information required by the harbormaster on forms provided for that  
437 purpose, and pay the required fees immediately, but no later than 12 hours after first entering  
438 the harbor.  
439

440 B. Every owner, operator, agent of any vessel using the facilities of the harbor shall execute a  
441 moorage agreement providing for payment of moorage fees and other charges.  
442

443 C. In the event of a change of ownership or in operator, a new vessel mooring agreement shall  
444 be signed within thirty days after the change.  
445

446 **13.08.015 Safe Condition of Vessel**

447 A. To qualify or remain qualified for moorage space a vessel must:

- 448 1. At all times meet United States Coast Guard standards which include those pertaining  
449 to navigational and safety equipment;

- 450           2. Have a fixed propulsion system and have sufficient mode of power to permit the vessel  
451           to be maneuvered and controlled safely while transiting, entering or leaving the small  
452           boat harbors under wind and water conditions which are not unusual;  
453           3. Be completely seaworthy and ready for immediate cruising in local waters in  
454           compliance with Section 13.07.020; and  
455           4. Shall not discharge sewage into the waters of the city and borough.  
456

457           B. Whenever the harbormaster has probable cause to believe that a vessel is not qualified  
458           under this section, the harbormaster may require the owner or operator of a vessel to  
459           demonstrate that the vessel meets the qualifications in subsection A within seventy-two hours  
460           from receiving notification from the harbormaster.  
461

462           C. The harbormaster may refuse mooring space to any vessel which does not meet the  
463           qualifications of this chapter and may terminate the moorage agreement for any mooring space  
464           occupied by an unqualified vessel under this section. The harbormaster may require, upon  
465           notice to the owner or operator of an unqualified vessel that the moorage agreement has been  
466           terminated, the vessel is illegally moored and such vessel must be removed from the harbor  
467           within seven days. Any vessel remaining in the harbor after the time specified in the notice  
468           shall be subject to impoundment or removal as a nuisance under this title.  
469

470           D. Any person whose vessel's moorage agreement is terminated under this section, shall not  
471           be allowed to tie to any municipally owned harbor infrastructure, or anchor within the  
472           jurisdiction of the Sitka harbor system.  
473

474           **13.08.020 Reserved moorage.**

475           Reserved moorage may be obtained, as available, at locations designated or assigned by the  
476           harbormaster. Reserved space will be assigned based on a waiting list which will be  
477           maintained in the harbor office and will be on a first-come, first-served basis determined upon  
478           the date the application was received, the type and size boat space required and the availability  
479           of such spaces.  
480

481           **13.08.030 Moorage space assignments.**

482           Moorage spaces may be held in the names of individual persons, government agencies,  
483           educational institutions, and nonprofit organizations. Corporations may hold moorage spaces,  
484           however if a corporation is sold or taken over by another corporation, individual, or business  
485           entity the moorage space will be forfeit. Partners may hold a moorage space equally, but if the  
486           space holder wishes to add a partner's name to the space assignment, the new partner must go  
487           on the wait list and will be added to the space assignment when his/her name comes up for  
488           assignment. Partnerships must be true partnerships and both names must be on the vessel  
489           documentation or registration. Should a partnership dissolve, it will be up to the partner  
490           retaining the moorage space to submit a release from the other partner indicating their  
491           agreement to the retention. The stall will then transfer to the individual retaining the stall. The  
492           harbormaster retains the right to review and obtain a copy if necessary of U.S. Coast Guard  
493           documentation papers of ownership or state of Alaska vessel title or registration. Moorage  
494           spaces may only be assigned to vessel owners. Vessel owners may not lease their vessels and

495 hold a moorage space after six months without the approval of the harbormaster. Any holder  
496 of a reserved mooring stall shall not sublease, rent, or in any other manner permit or allow any  
497 other vessel to occupy said space, unless specifically permitted and approved by the  
498 harbormaster for sufficient reason given.  
499

500 **13.08.040 Waiting list.**

501 There will be a moorage waiting list maintained by the harbormaster and displayed in the  
502 harbor office for public inspection. The list will be based on receipt of a nonrefundable  
503 administrative fee, equivalent to the first quarter's mooring fee based on the overall length of  
504 the listed vessel. The nonrefundable administrative fee will not be applied to the first quarter's  
505 moorage fee when a stall is assigned. All permanent moorage vacancies will be filled by the  
506 first applicant on the list who has a vessel of the required length, beam, electrical needs or  
507 other overall factors deemed by the harbormaster to be most suitable for the empty berth.  
508

509 **13.08.050 Retention of a waiting list priority and stall transfer list fee.**

510 An applicant who does not respond to a written notice sent by the harbormaster, by certified  
511 mail, to the last address in the files of the harbor department, will be removed from the waiting  
512 list. Upon accepting a stall assignment and payment of a twenty-five-dollar nonrefundable stall  
513 transfer list fee, the applicant may be placed on a stall transfer list for the same vessel.  
514

515 **13.08.060 Utilizing a reserved stall.**

516 The municipality reserves the right to provide temporary moorage or "hot berthing" of another  
517 vessel within a reserved mooring space when said space is unoccupied. A holder of a reserved  
518 stall or space within the Sitka Harbor system should provide a usage plan to the harbormaster,  
519 if he/she knows he/she will be absent for any reasonable extended length of time more than  
520 twenty-four hours, giving his/her estimated time of departure and return. The stall holder will  
521 not have the right to designate any specific vessel to use the stall. Should the reserved stall  
522 holder return earlier than expected, the holder will contact the harbormaster, as early as  
523 possible, to facilitate time to remove the temporary vessel from the reserved space. If the  
524 harbormaster is not available, the reserved stall holder will moor at the transient area until  
525 he/she can contact the harbor department. The harbormaster will inform temporary users of  
526 any absent holder's reserved mooring space that said use will continue only for the duration of  
527 the holder's boat's absence and that the harbormaster is authorized to move the temporary  
528 vessel to another location upon return of the holder's boat. Any temporary stall user will  
529 therefore be required to keep the harbormaster notified of his/her whereabouts. Any boat  
530 owner desiring to moor temporarily in a reserved but vacant stall will apply to the  
531 harbormaster. No such stall or space will be utilized unless authorized by the harbormaster.  
532 The boat owner temporarily assigned to a reserved mooring space will not utilize the utilities  
533 which may have been provided for the reserved stall holder unless authorized by the  
534 harbormaster. If electricity is used, the stall holder will be credited to his current usage for that  
535 month. Nothing in this section limits the harbormaster's authority to move any moored boat to  
536 another location in the event of a fire or other emergency requiring such action.  
537



538 **13.08.070 Stall – Sale of boat.**

539 When a person sells his/her boat, he/she will notify the harbormaster within one week of the  
540 sale and state whether the stall will be released. A change of ownership occurs when a name is  
541 changed, added, or dropped from a vessel’s documentation. A stall is not transferable by the  
542 holder. Persons who sell their boat but intend to purchase another one which is of a proper size  
543 to fit into the existing stall may retain their stall for a period of up to six months. If, at the end  
544 of that time, they have not obtained ownership of another boat or furnished proof of intent to  
545 procure a boat within a reasonable extended period of time as determined by the harbormaster,  
546 the reserved space will be forfeited. Any such person wishing to retain the stall will be  
547 responsible for the continued mooring rate fee as established by Section 13.06.010. The fee  
548 will be based on the length of the stall.

549  
550 **13.08.080 Transfer of reserved mooring.**

551 Any person holding a reserved mooring space or a position on the approved waiting list may  
552 not transfer such space or list position to any other person except that a preferential annual slip  
553 assigned to a vessel may be retained if the transfer is between husband and wife, to a natural or  
554 legally adopted son or daughter or grandson or granddaughter or is legally inherited by a  
555 member of the owner’s family and documented as such to the satisfaction of the harbormaster.

556  
557 **13.08.090 Nonuse of a stall.**

558 If the owner of a vessel, to which a reserved mooring space is assigned, does not use that space  
559 or slip for at least three months of each calendar year, the reserved mooring space will be  
560 forfeited and the harbormaster will notify said owner, in writing, subject to written appeal for  
561 an extension to the Ports and Harbor Commission. The harbormaster may waive this  
562 requirement, on a case-by-case basis, under exceptional circumstances such as extended ocean  
563 voyages or major vessel repair.

564  
565 **Chapter 13.09**  
566 **ANCHORING**

567 **Sections:**

568 **13.09.010 Anchored vessels and waterborne structures.**

569  
570 **13.09.010 Anchored vessels and waterborne structures.**

571 Anchoring within western anchorage will be permitted from March 1 to September 30. Unless  
572 it is a float house, authorized under SGC 13.15, any anchored vessel or waterborne structure  
573 must meet vessel seaworthiness requirements under Section 13.07.020, if applicable, and shall  
574 not be a nuisance as defined in this title. Any anchored vessel or waterborne structure that does  
575 not meet the applicable requirements or is declared a nuisance:

576  
577 A. may be subject to impoundment under chapter 13.14 of this code and any other applicable  
578 enforcement actions under law;

579  
580 **Chapter 13.10**  
581 **FLOAT REGULATIONS**

582 **Sections:**

- 583           **13.10.010 Notice to owners.**
- 584           **13.10.020 Dead storage.**
- 585           **13.10.030 Minimum-maximum length.**
- 586           **13.10.040 Vehicles and parking.**
- 587           **13.10.045 Vehicles prohibited.**
- 588           **13.10.046 Boat launch ramp and trailer parking.**
- 589           **13.10.047 Recreational vehicle park rules and regulations.**
- 590           **13.10.048 Recreational vehicle/boat trailer winter storage rules and regulations.**
- 591           **13.10.050 General requirements.**
- 592           **13.10.060 Harbor electrical system.**
- 593           **13.10.070 Notices – Bulletin Boards.**
- 594           **13.10.080 Distribution of commercial or political handbill and leaflets – Permit**
- 595                           **required.**
- 596           **13.10.090 Skiffs or secondary vessel mooring.**
- 597           **13.10.100 Pets within the Sitka Harbor system.**
- 598           **13.10.110 Unlawful disposal in Sitka Harbor system.**
- 599           **13.10.140 Cleaning fish.**
- 600           **13.10.150 Storage prohibited.**
- 601           **13.10.160 Grid.**
- 602           **13.10.170 Gear/cargo loading float.**
- 603           **13.10.180 Work float.**
- 604           **13.10.185 Sealing Cove boat trailer area.**
- 605           **13.10.190 Airplane float.**
- 606           **13.10.195 Regulations for airplanes operating within the Sitka Harbor system.**
- 607           **13.10.200 Garbage facilities.**
- 608           **13.10.210 Children.**
- 609           **13.10.220 Swimming.**
- 610           **13.10.230 Restriction on offloading more than five hundred pounds of commercially**
- 611                           **caught raw fish in the harbor system.**

**13.10.010 Notice to owners.**

By the mooring of any vessel within the Sitka harbor system, the owner, operator, or master of any vessel agrees to all of the provisions contained within this title.

**13.10.020 Dead storage.**

It is declared that city and borough owned or operated floats, mooring spaces or other facilities have been installed and are operated for the convenience and use of fishermen and pleasure boat owners and are not for the purposes of providing dead storage. Moorage of any type of waterborne structure, houseboat, flatboat or barge is specifically prohibited except float houses as authorized under SGC 13.15. This prohibition extends to the entire area of jurisdiction of the harbor system but will exclude those fishing scows specifically owned or operated by on-shore cold storage plants which are brought into the city and borough for maintenance or off-season storage only.

627 **13.10.030 Minimum-maximum length.**

628 The minimum-maximum length of any boat or ship or any other vessel which moors at any  
629 city and borough harbor float, will be based on the length of the stall, and will be subject to the  
630 harbormaster's discretion based on safety.

631  
632 **13.10.040 Vehicles and parking.**

633 No vehicle will be allowed or permitted to park on the approach to any float so as to obstruct  
634 said approach except as a necessary purpose of discharging passengers or freight.

635  
636 **13.10.045 Vehicles prohibited.**

637 It is unlawful for any person to ride a bicycle, motor scooter, motorcycle, skateboard, roller  
638 skates, roller blades, or other similar device on any municipal float.

639  
640 **13.10.046 Boat launch ramp and trailer parking.**

641 A. The city and borough boat launch facility shall be open to the public. It is unlawful to  
642 block access to either of the launch ramps at Sealing Cove or Crescent Harbor.

643  
644 B. Short-term parking is available for trailers. There is also a three-day and a ten-day area.

645  
646 The harbor department will issue citations and impound trailers that exceed the time limit.

647  
648 **13.10.047 Recreational vehicle park rules and regulations.**

649 The facility is intended to service short-term visitors to Sitka. It is not intended to become a  
650 location for permanent occupants.

651  
652 A. The RV park is open annually from April 1st through September 30th. Occupancy is  
653 limited to a maximum of thirty consecutive days.

654  
655 B. The registration and fee shall be collected by harbor department personnel or park host  
656 and shall be paid in advance.

657  
658 C. Each occupant shall be responsible for keeping their assigned space neat and clean.

659  
660 D. No tents, wannigans, sheds, additions, or extensions to the RV, camper or trailer  
661 occupying the space are allowed.

662  
663 E. Recreational vehicles with holding tanks may dump free of charge at the municipal  
664 wastewater treatment disposal facility.

665  
666 **13.10.048 Recreational vehicle/boat trailer winter storage rules and regulations.**

667 A. The recreational vehicle/boat trailer park at Sealing Cove will be open for winter storage  
668 of recreational vehicles, boat trailers, boats on boat trailers, and motor vehicles from October  
669 1st through March 31st of each year, after paying appropriate fees at harbormaster's office.

670

- 671 B. No recreational vehicle, boat trailer, or motor vehicle may be stored or remain at the  
672 recreational vehicle trailer park unless:  
673 1. The recreational vehicle, boat trailer, boat on boat trailer, or motor vehicle has  
674 required license plate(s), current vehicle registration, and current license tags; and  
675 2. The recreational vehicle, boat trailer, or motor vehicle is operational.  
676  
677 C. Any recreation vehicle, boat trailer, boat on boat trailer, or motor vehicle not removed by  
678 March 31st will be impounded at the owner's expense.  
679

680 **13.10.050 General requirements.**

681 The following rules are intended to minimize adverse effects on neighboring shore side  
682 properties adjacent to the harbors within the Sitka Harbor system:  
683

- 684 A. To the extent allowed by safety considerations, harbor lights, all bright lights, including  
685 vessel deck lights will be directed away from the shoreline.  
686  
687 B. The use of crab lights (sodium, mercury, crab, flood, etc.) is prohibited within the harbors  
688 within the Sitka Harbor system and between the breakwaters and O'Connell Bridge between  
689 the hours of eight p.m. and seven a.m.  
690  
691 C. The use of any sound system, public address and/or paging systems of any sort will be  
692 limited to the hours of seven a.m. and eight p.m. The performance of any vessel repairs  
693 requiring noisy activities, including the revving of vessel engines will be limited to the same  
694 hours. In case of emergencies contact the harbormaster.  
695

696 **13.10.060 Harbor electrical system.**

697 The following regulations govern the use of electricity within the Sitka Harbor system:  
698

- 699 A. Connections to any vessel moored within the Sitka Harbor system are under the direction  
700 of the harbormaster and are subject to the following:  
701 1. Use of nonmarine battery chargers is strictly prohibited. All chargers used within the  
702 system must contain an isolator circuit or be run through an isolator so that no current is  
703 discharged into the municipal system.  
704 2. Use of extension cords, plugs, caps and other components between the vessel's  
705 private system and the municipal shore side system will comply with the electrical code  
706 of the city and borough and be of a specific marine design recognized and approved by  
707 the city and borough.  
708 3. Only heating lamps with porcelain type sockets may be used.  
709 4. Any onboard heater capable of causing a fire if overturned, must be equipped with a  
710 safety switch which will automatically disconnect the electrical power, if so overturned.  
711  
712 B. The harbormaster will, by permission of vessel owner or agent, have the authority to enter  
713 any vessel connected to the municipal electrical system to inspect electrical equipment to  
714 assure compliance with this and other applicable codes. If permission is not granted, the  
715 harbormaster may disconnect said shore power from the offending vessel.

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C. It is unlawful for any person to interfere, tamper with, or connect any wires, plugs or other devices to any of the electrical wiring or electrical outlets upon any of the docks, floats or gangways maintained, constructed or owned by the city and borough without the permission of the harbormaster.

D. Violation of any of the provisions of this section is punishable up to the maximum of five hundred dollars.

**13.10.070 Notices – Bulletin Boards.**

Except in those areas designated by the harbormaster, it is unlawful for any person, firm or corporation to post any matter upon any bulletin board or to create any writing or printed material and post it to any float, piling, dock or any other portion of the Sitka Harbor system, except in those areas designated by the harbormaster. Any unauthorized material will be immediately removed by the harbormaster and destroyed. All material will be dated and is limited to thirty days.

**13.10.080 Distribution of handbill and leaflets – Permit required.**

Distribution of handbills and leaflets is forbidden within the Sitka Harbor system and in the adjacent public parking areas. Persons intending to distribute handbills and leaflets within the Sitka Harbor system will be required to obtain a permit from the municipality. A condition for the issuance of such permits shall be that the permittee agree to clean up any discarded handbills and leaflets in the harbor area and adjacent parking lot areas at the end of each day. Failure to properly clean up the area shall result in revocation of such permits by the city and borough of Sitka.

**13.10.090 Skiffs or secondary vessel mooring.**

No skiff or other secondary vessel will be separately moored to the Sitka Harbor system except at a berth specifically assigned for moorage to the owner of that skiff and with appropriate fees paid. No floating skiff will be tied or otherwise moored to any other vessel moored to that berth in any way as to protrude into the passage lane to another berth or in such a way as to block passage from any other vessel.

**13.10.100 Pets within the Sitka Harbor system.**

Any dog, cat or other pet living aboard any boat in the Sitka harbor system, or crossing the floats to a vessel shall be subject to the entirety of Title 8 as enforcement guidelines.

**13.10.110 Unlawful disposal in Sitka Harbor system.**

It is unlawful to:

- A. Dump garbage or trash into any boat harbor, harbor uplands or associated tidelands;
- B. Abandon or leave old boats, hulks or wrecks within the Sitka Harbor system;

760 C. Spill, dump, discharge or in any other manner dispose of flammable waste such as  
761 gasoline, lubricating oil, or other combustible liquids into any boat harbor, uplands, or  
762 associated tidelands; and  
763

764 D. Leave or dispose of spoiled fish, bait, or gear on the city and borough floats. Vessel  
765 owners will tend to their gear promptly after each commercial opening. Any failure to provide  
766 necessary cleanup action will be considered a nuisance.  
767

768 **13.10.140 Cleaning fish.**

769 It is unlawful to:

770  
771 A. Dispose of any fish, shellfish or other animal, or waste parts of fish, shellfish or other  
772 animal, into the Sitka Harbor system waters, so as to not attract birds which could create a  
773 hazard with aircraft near the Rocky Gutierrez Airport.  
774

775 B. To clean fish on any portion of a city and borough dock or float, except at designated fish  
776 cleaning stations. Waste bins are available at the harbor from June through September. Any  
777 waste outside of those dates shall be disposed of in a way not to attract vermin, birds, sea lions,  
778 bears, etc. in accordance with both SGC 9.24.050 and SGC 13.12.  
779

780 **13.10.150 Storage prohibited.**

781 It is unlawful for any person to use any harbor for storage, on any floats, docks or gangways or  
782 any other portion of the municipal harbor system, of any pipes, nets, wares, merchandise, or  
783 gear of any sort or type without the permission of the harbormaster. Even when permission is  
784 given, it is for a specific, short length of time to facilitate gear changing, loading or other  
785 necessary activity and not as a convenient place of storage of personal items. Should a skiff or  
786 other item having value be found stored on the docks or floats in violation of this section, the  
787 harbormaster will impound said items and dispose of them as follows:  
788

789 A. They will be stored for thirty days.  
790

791 B. The owner will be notified, if known, by certified mail, that the items have been  
792 impounded and must be reclaimed within the thirty days, after paying reasonable storage and  
793 associated costs, or they will be subject to sale at the end of thirty days with the owner  
794 responsible for any unrecovered costs. Public and owner notification shall run concurrently.  
795

796 **13.10.160 Grid.**

797 No boat more than thirty-five tons per bent will be allowed on the south grid. No boat more  
798 than six tons per bent will be allowed on the north end grid. If persons wishing to exceed the  
799 above limits wish to use the grid, they must contact the harbormaster for special consideration.  
800 Maximum time on grid is ninety-six hours.  
801

802 **13.10.170 Gear/cargo loading float.**

803 Unless other arrangements have been made with the harbormaster, for activity other than  
804 loading or unloading, the following rules apply to the gear/cargo loading float:

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- A. The time limit on the loading float is two hours;
- B. Vehicle access shall be for vessels tied to the gear/cargo loading float only, when there is actual loading between vessel and vehicle; and
- C. Parking is not for casual access to vessels tied in the harbor. Improper use of the gear/cargo loading float is unlawful and subject to penalties in SGC 13.12.

**13.10.180 Work float.**

A year round work float is available for use and located on Sitka Channel across from ANB Harbor. The intent for this work float is gear work only and is subject to 72 hour consecutive use unless prior permission is given by harbormaster. Vessel must be removed for 24 hours before another 72 hours can be used. This float is equipped with water and electricity. No overnight moorage is permitted without the harbormaster's permission. No storage of any gear, nets or materials is permitted without the harbormaster's permission and only in case of an emergency. The Crescent Harbor, Float 4 work float is available for temporary winter moorage from September 15th until April 15th. Penalties for violating this section are specified in SGC 13.12.

**13.10.185 Sealing Cove boat trailer area.**

Parking of boat trailers in the Sealing Cove boat trailer area is limited to ten days. Changing parking stalls in the parking area shall not initiate a new ten-day period. A trailer must be removed from the parking lot for forty-eight hours before another ten days of parking may be allowed. Penalties for violation of this section are specified in SGC 11.40.170D.4 for overtime parking.

**13.10.190 Airplane float.**

The municipal airplane float shall be administered and enforced by the harbormaster but subject to:

- A. Commercial operations shall be allowed at the municipal airplane float with the harbormaster's approval and proper permitting. Such operations shall be charged an appropriate user fee.
- B. The municipal plane floats are for the use of active planes.
- C. Only repair and maintenance work of a minor nature shall be allowed on the float, which is defined as that work which would ordinarily be completed in one twenty-four-hour period. The harbormaster shall have discretion in enforcing this provision.
- D. No person may moor a vessel at any municipal plane float.

**13.10.195 Regulations for airplanes operating within the Sitka Harbor system.**

Airplanes operating within the Sitka Harbor system shall:

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- A. Follow international navigation rules while operating on the water;
- B. Not taxi on step in the channel except during take-off and landing. There is to be a no wake zone in affect in Sitka Channel from O'Connell Bridge to the rubble mound breakwater north of Eliason Harbor;
- C. Use the take-off and landing corridor located on the southwest side of Western Anchorage, paralleling Japonski Island, from the government pier, out to the breakwater. Pilots have the option to use other areas when wind and weather conditions require, but must maintain adequate separation from vessel traffic. Approximately eighty percent of seaplane operations will be conducted in the designated area;
- D. Do not fly within five hundred feet of any structures, except as necessary for take-off and landing. This includes the O'Connell Bridge.

**13.10.200 Garbage facilities.**

Objects too large to fit into the litter container shall be disposed of at the municipal landfill by the owner at his/her expense.

**13.10.210 Children.**

Children under the age of twelve are prohibited on the docks unless in the immediate presence of a parent, guardian or responsible adult.

**13.10.220 Swimming.**

Swimming and diving (with the exception of authorized commercial scuba diving or snorkeling and special events approved by the harbormaster) from any city and borough owned or managed float, dock, or wharf is prohibited.

**13.10.230 Restriction on offloading more than five hundred pounds of commercially caught raw fish in the harbor system.**

- A. The city and borough-owned hoist is the only place more than five hundred pounds of commercially caught raw fish, taken by one vessel, on one fishing trip, may be offloaded in the harbor system. Anyone committing a violation of this section is liable for up to a five hundred dollar fine. See, fines, SGC 13.12.050B.
- B. If the hoist is unavailable, commercially caught raw fish may be taken to another area after consultation with the harbormaster.

**Chapter 13.12  
ENFORCEMENT**

**Sections:**

- 13.12.010 General.**
- 13.12.040 Written warning.**
- 13.12.050 Fines.**



895 **13.12.010 General.**

896 A. The harbormaster has the authority to order vessels, occupants or visitors to leave the  
897 harbor for violations of any portion of this title. Moorage and berthing is a privilege which  
898 may be revoked for violations of this title. The harbormaster is granted the authority to  
899 impound vessels and remove vessels from the harbor system either temporarily or permanently  
900 under the provisions of this title. The owner of record and/or the person in charge of the vessel  
901 will be responsible for any and all infractions charged against the vessel.  
902

903 B. Persons utilizing the harbor facilities shall obey all municipal, state and federal laws and  
904 regulations, as well as those generally accepted safety standards, as well as refrain from  
905 engaging in prohibited acts under this title.  
906

907 **13.12.040 Written warning.**

908 If, at the discretion of the harbormaster, an infraction of the rules of the harbor system may be  
909 resolved with a written warning to the offending vessel owner, he/she may do so, retaining a  
910 copy for the harbor files. Said written warning will specify the infraction and notify the owner  
911 that further action will be taken if the offense is repeated or does not cease immediately. Any  
912 such written warning will be hand delivered in person or mailed by certified mail.  
913

914 **13.12.050 Fines.**

915 The maximum penalty will be five hundred dollars, minimum will be \$50 and a standard  
916 penalty for violations will be as follows:  
917

918 A. Cleaning fish – waste (SGC 13.10.140):  
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920 First offense - \$100.00  
921 Second or subsequent offense - \$250.00  
922

923 B. Excessive wake (SGC 13.07.040):  
924

925 First offense - \$ 50.00  
926 Second or subsequent offense- \$100.00  
927

928 C. Offloading more than 500 pounds – commercially caught raw fish (SGC 13.10.230) within  
929 a 5-year period:  
930

931 First offense – \$250.00  
932 Second or subsequent offense - \$500.00  
933

934 D. Nuisance violations (SGC 13.13.025 – soot) within one year:  
935

936 First offense – \$50.00  
937 Second offense - \$100.00  
938 Third or subsequent offense - \$300.00  
939

- 940 E. Harbor electrical violations (SGC 13.10.060.A) within one year:  
941  
942 First offense - Written warning  
943 Second offense - \$100.00 and shut off power to vessel  
944 Third or subsequent offenses - \$300.00 and shut off power to vessel  
945  
946 F. Harbor electrical violations (SGC 13.10.060.C) within one year:  
947  
948 First offense - \$250.00  
949 Second or subsequent offenses - \$500.00 and subject to removal from Sitka harbor  
950 system  
951  
952 G. Violations of vehicle loading and unloading area regulations (SGC 13.10.170) shall be  
953 \$25.00 per offense.  
954  
955 H. Violations of work float usage (SGC 13.10.180) shall be up to \$500.00 per offense.  
956

957 **Chapter 13.13**  
958 **NUISANCES**

959 **Sections:**

- 960 **13.13.010 Nuisances declared.**  
961 **13.13.020 Other nuisances.**  
962 **13.13.025 Emission of soot from an oil stove in a vessel.**  
963 **13.13.030 Abatement or disposal.**  
964 **13.13.040 Abandoned property.**  
965 **13.13.050 Sunken or obstructive vessels.**  
966 **13.13.060 Floating objects.**  
967 **13.13.070 No custody of derelicts.**  
968

969 **13.13.010 Nuisances declared.**

- 970 A. For the purposes of this title, a vessel is a nuisance if:  
971 1. The vessel is in violation of the mooring or traffic regulations of the Sitka Harbor  
972 system;  
973 2. The stall rent or any other fee or charge due the city and borough for the vessel has not  
974 been paid thirty days after the due date of the rent, fee or charge owed;  
975 3. The vessel causes an obstruction to navigation;  
976 4. The vessel is unfit, unseaworthy or maintained in such a manner as to make it liable to  
977 sink;  
978 5. The vessel is unqualified under the provisions of Section 13.08.015;  
979 6. The vessel constitutes a fire hazard; or  
980 7. The vessel is sunken or is in imminent danger of sinking  
981  
982 B. A vessel declared to be a nuisance is subject to abatement and removal from the Sitka  
983 Harbor system or other municipal waters by the city and borough or its agents, without

984 liability to the city and borough or its agents for any damage done by virtue of the removal or  
985 for any of its consequences.

986  
987 C. Any vessel declared to be a nuisance under this section shall be considered a derelict vessel  
988 for purposes of Alaska Statute 30.30.

989  
990 **13.13.020 Other nuisances.**  
991 Refuse of all kinds, structures or pieces of any structure, dock sweepings, dead animals or  
992 parts thereof, timber, logs, piles, boomsticks, lumber, boxes, paint, plastic bags, empty  
993 containers and oil of any kind floating uncontrolled on the water, and all other substances or  
994 articles of a similar nature are declared to be public nuisances, and it shall be unlawful for any  
995 person to throw or place in or permit to be thrown, or placed any of the above-named articles  
996 or substances within in the Sitka Harbor system or the municipal waters, either by high tides,  
997 storms, floods or otherwise. Nets, gear and other material left on any float or dock for more  
998 than twenty-four hours are declared a nuisance, and shall be tagged with a warning tag by the  
999 harbormaster. Any person causing or permitting the nuisances placed shall remove the same  
1000 and upon his failure to do so within twenty-four hours of tagging may be removed by the  
1001 harbormaster. When the harbormaster has authorized such nuisances to be removed, all costs  
1002 of such removal or storage shall be paid by and recoverable from the person creating the  
1003 nuisance.

1004  
1005 **13.13.025 Emission of soot from an oil stove in a vessel.**  
1006 Each owner and operator of a vessel in the harbor system shall take all reasonable measures to  
1007 prevent the emission of soot from oil stoves. If a vessel's oil stove emits soot that settles onto  
1008 or touches another vessel, the owner or operator of the vessel from which the soot came shall  
1009 face a correctional citation, and if not corrected shall pay the fine imposed in SGC 13.12.050C.  
1010 The first and second offenses shall be bailable. A person cited for a third offense of emission  
1011 of soot from an oil stove shall be declared a nuisance.

1012  
1013 **13.13.030 Abatement or disposal.**  
1014 A. Nuisances described under this chapter constituting a clear and present danger to the public  
1015 health, safety or general welfare may be summarily abated without notice prior to  
1016 impoundment subject to Section 13.14.050.

1017  
1018 B. Vessels declared nuisances which do not constitute a clear and present danger to the public  
1019 health, safety or general welfare may be removed, impounded and disposed of as provided in  
1020 Section 13.14.040.

1021  
1022 C. Other nuisances under Section 13.13.010-.025 may be impounded, disposed of by  
1023 destruction, private sale, or any other means deemed reasonable by the harbormaster. Such  
1024 disposition is to be made without liability of the city to the owner of the nuisance.

1025  
1026 **13.13.040 Abandoned property.**

1027 Any vessel in the Sitka Harbor system which is abandoned but has not been declared a  
1028 nuisance may be impounded, sold or otherwise disposed of as provided in Alaska Statute  
1029 30.30.

1030

1031 **13.13.060 Floating objects.**

1032 All vessels, watercraft, logs, piling, building material, scows, houseboats or any other article of  
1033 value found adrift within the Sitka Harbor system may be taken in charge by the harbormaster  
1034 and may be subject to the reclamation by the owner thereof on payment by him to the city and  
1035 borough of any expenses incurred by the city and borough, and in case of a failure to reclaim  
1036 may be sold or disposed of as abandoned property.

1037

1038 **13.13.070 No custody of nuisances.**

1039 The Sitka Harbor system shall not accept ownership or custody of nuisance or abandoned  
1040 vessels or any nuisance as declared under Section 13.13.010-.025 unless expressly accepted by  
1041 the harbormaster in writing.

1042

1043

**Chapter 13.14**

1044

**VESSEL IMPOUNDMENT AND DISPOSITION**

1045

**Sections:**

1046

**13.14.010 Impoundment of boats or vessels for violations.**

1047

**13.14.020 Storage charge.**

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**13.14.030 Notice to owner.**

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**13.14.040 Right to Pre-impoundment hearing.**

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**13.14.050 Post-impoundment notice and hearing.**

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**13.14.060 Appeals.**

1052

**13.14.070 Notice of disposition.**

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**13.14.080 Form of disposition.**

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1055

**13.14.010 Impoundment of boats or vessels for violations.**

1056

The harbormaster may, pursuant to this section, impound a vessel by immobilizing it or  
1057 removing or having it towed from the water and placed in city and borough or commercial  
1058 storage with all expenses and risks of haul-out and storage to be borne by the owner of the  
1059 vessel.

1060

1061

**13.14.020 Storage charge.**

1062

The owner or person entitled to possession of a vessel impounded by the city and borough  
1063 shall be subject to and liable for actual storage charge and shall be subject to and liable for all  
1064 costs incurred by the city and borough by reason of the impounding or removal.

1065

1066 **13.14.030 Notice to owner.**

1067 Except as provided in Section 13.13.030(A), at least thirty days prior to impounding any  
1068 vessel, the city and borough shall cause to be posted on the vessel, in the harbormaster's office,  
1069 in the City Hall and on the bulletin board at the United States Post Office, notice of such action  
1070 to be taken by the city and borough. A copy of the notice shall be mailed to the owner,  
1071 operator or agent of the vessel at his last known address, which address shall be the same as  
1072 that furnished in accordance with the provisions of Section 13.08.010. The notice shall contain  
1073 the name and/or number of the vessel, the name and address, if known, of the owner and the  
1074 location of vessel.

1075  
1076 **13.14.040 Right to Pre-impoundment hearing.**

1077 A. Except as provided in Section 13.13.030(A), the owner of a vessel or person entitled to  
1078 possession of the vessel has the right to a pre-impoundment administrative hearing to  
1079 determine whether there is probable cause to impound the vessel if the owner or person  
1080 entitled to possession of the vessel files a written demand for such a hearing with the  
1081 municipal clerk within fifteen days after the mailing of the notice required by Section  
1082 13.14.030.

1083  
1084 B. A hearing shall be conducted before a hearing officer designated by the municipal  
1085 administrator within forty-eight hours of receipt of a written demand for a pre-impoundment  
1086 hearing from the person seeking the hearing unless such person waives the right to a speedy  
1087 hearing. Saturdays, Sundays and city and borough holidays are excluded from the calculation  
1088 of the forty-eight-hour period. Pre-impoundment hearing request forms are available at the  
1089 harbormaster's office.

1090  
1091 C. The hearing officer shall be someone other than the persons who will direct the  
1092 impounding and storage of the vessel. The sole issue before the hearing officer shall be  
1093 whether there is probable cause to impound the vessel in question. "Probable cause to  
1094 impound" shall mean such a state of facts as would lead a person of ordinary care and  
1095 prudence to believe that there was a breach of law rendering the vessel subject to  
1096 impoundment. The hearing officer shall conduct the hearing in an informal manner and shall  
1097 not be bound by technical rules of evidence.

1098  
1099 D. The person demanding the hearing shall carry the burden of establishing his right to  
1100 possession of the vessel in question. The harbormaster shall carry the burden of establishing  
1101 that there is probable cause to impound the vessel.

1102  
1103 E. After the pre-impoundment hearing, the hearing officer shall prepare a written decision and  
1104 certificate of probable cause if probable cause exists. A copy of the decision and the certificate  
1105 shall be provided to the harbormaster, the vessel owner, and the person demanding the hearing.  
1106 The decision of the hearing officer is final.

1107  
1108 F. Failure of the owner or person entitled to possession of the vessel to request or attend a  
1109 scheduled pre-impoundment hearing shall be deemed a waiver of the right to such hearing.

1110 G. Upon receipt of a Certificate of probable cause, the harbormaster may proceed with  
1111 impoundment and disposition of the vessel by removal, sale or destruction as authorized by  
1112 this chapter.  
1113

1114 **13.14.050 Post-impoundment Notice and Hearing.**

1115 A. Unless otherwise provided, the procedure set forth in this section shall apply whenever a  
1116 vessel has been impounded or removed or a nuisance vessel abated pursuant to Section  
1117 13.13.030(A) or the pre-impoundment hearing procedures under Section 13.14.040 were not  
1118 followed.  
1119

1120 B. When action is taken to impound, remove, or otherwise abate a nuisance vessel that poses  
1121 clear and present danger to the public health, safety or general welfare, notice shall be  
1122 personally delivered or mailed to the owner of the vessel, if the name and location of the  
1123 owner is known, within twenty-four hours after the impoundment, removal or abatement.

1124 C. The owner of the vessel or person entitled to possession of the vessel has a right to a post-  
1125 impoundment hearing if that person submits a written demand for a post-impoundment hearing  
1126 to the municipal clerk within fifteen days after the city and borough mailed the notice of  
1127 impoundment.  
1128

1129 D. A post-impoundment hearing shall be conducted before a hearing officer designated by the  
1130 municipal administrator within forty-eight hours of receipt of a written demand for a post-  
1131 impoundment hearing from the person seeking the hearing unless such person waives the right  
1132 to a speedy hearing. Saturdays, Sundays and city and borough holidays are excluded from the  
1133 calculation of the forty-eight-hour period. Post-impoundment hearing request forms are  
1134 available at the harbormaster's office.  
1135

1136 E. A post-impoundment hearing officer shall determine whether there was probable cause to  
1137 impound the vessel. If the hearing officer determines that there was not probable cause to  
1138 impound the vessel, the vessel shall be released to the owner without payment of the towing,  
1139 storage or other accrued storage, impoundment, and abatement charges or the owner shall be  
1140 entitled to a refund or reimbursement of the charges if they were paid. If the hearing officer  
1141 determines that there was probable cause for the impoundment of the vessel, the harbormaster  
1142 may proceed to dispose of the vessel as provided in this Chapter.  
1143

1144 F. Failure of the owner or person entitled to possession of the vessel to request or attend a  
1145 scheduled post-impoundment hearing shall be deemed a waiver of the right to such hearing.  
1146

1147 **13.14.060 Appeals.**

1148 Any appeal from the decision by the hearing officer in a pre-impoundment or post-  
1149 impoundment hearing must be filed within thirty days of the decision to the Alaska Superior  
1150 Court at Sitka in accordance with Alaska Rules of Appellate Procedure.  
1151

1152 **13.14.070 - Notice of Disposition.**

1153 A. After impounding a nuisance vessel, the city and borough shall publish a notice of  
1154 disposition once in a newspaper of general circulation and, if possible, post a notice of  
1155 disposition on the vessel at least thirty days before disposing of the vessel.  
1156

1157 B. A duplicate of the notice must be served by certified mail, with return receipt, on:

1158 1. the registered owner of the vessel, if known, at the address on record with the United  
1159 States Coast Guard; and

1160 2. all lienholders who have filed a financing statement indexed in the name of the  
1161 registered owner, or who are shown on the records of a state agency or the United States Coast  
1162 Guard.  
1163

1164 C. The notice of disposition must include a description of the vessel, the name and/or number  
1165 of the vessel, if any, the name and address of the owner, if known, the location of the vessel,  
1166 and the means of disposition. If a public auction will be held, the location, date, and time of  
1167 the auction shall be included in the notice of disposition.  
1168

1169 **13.14.080 Form of Disposition.**

1170 A. If the vessel is not repossessed within thirty days after the publication or mailing of the  
1171 notice required under Section 13.14.070, the vessel may be disposed of by negotiated sale  
1172 except that when two or more prospective purchasers indicate an interest in purchasing the  
1173 vessel, the vessel will be sold at public auction to the highest bidder. The city and borough  
1174 may conduct the public auction under this chapter or execute the city and borough's lien  
1175 against the vessel in federal court and subject the vessel to a public auction conducted by the  
1176 U.S. Marshall's service.  
1177

1178 B. The proceeds of any sale of the vessel at a public auction under this chapter shall be first  
1179 applied to the costs of conducting the sale, then to impoundment fees and storage charges, and  
1180 the balance, if any, shall be forwarded to the registered owner of the vessel, if the owner can  
1181 be found. If the owner cannot be found, the balance shall be deposited with the commissioner  
1182 of the state of Alaska department of administration and shall be paid out in accordance with  
1183 state law. The proceeds of any sale of the vessel at a public auction sanctioned by federal law  
1184 shall be dispersed in accordance with federal law. A lienholder shall receive priority of  
1185 payment from the balance of the proceeds to the extent of the lien. A registered owner has one  
1186 year to make a claim for the remaining proceeds from the sale.  
1187

1188 C. If no prospective purchaser indicates a desire to purchase the vessel within thirty days after  
1189 the publication or mailing of the notice required under Section 13.14.070, the vessel may be  
1190 disposed of as junk, donated to a government agency, or destroyed.  
1191

1192 D. Any disposition of the vessel is to be made without liability of the city and borough, its  
1193 employees or agents to the owner, operator or lienholder of the vessel.  
1194

1195 **13.15 (Reserved – float houses).**  
1196

1197           5. **EFFECTIVE DATE.** This ordinance shall become effective 30 days after the date of  
1198 its passage.

1199  
1200           **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of  
1201 Sitka, Alaska this 11th day of April, 2014.

1202  
1203  
1204  
1205  
1206  
1207  
1208  
1209  
1210

\_\_\_\_\_  
Mim McConnell, Mayor

**ATTEST:**

\_\_\_\_\_  
Colleen Ingman, MMC  
Municipal Clerk



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**Title 13**  
**PORT AND HARBORS** Revised 1/14

**Chapters:**

**13.02 General Provisions**

**13.04 Definitions**

**13.06 Charges/Fees** Revised 1/14

**13.08 Reserved Mooring Stalls**

**13.09 Anchoring**

**13.10 Float Regulations**

**13.12 Enforcement**

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The Sitka General Code is current through Ordinance 13-46,  
passed December 23, 2013.

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**Chapter 13.02  
GENERAL PROVISIONS****Sections:**

- 13.02.010 Purpose.
- 13.02.020 Harbormaster.
- 13.02.030 Port and harbors commission.
- 13.02.040 Jurisdiction limits.

**13.02.010 Purpose.**

The purpose of these regulations is to provide for orderly development, management, protection, safety and efficient use of all harbor spaces and port facilities within the municipal harbor system by commercial vessels, government vessels, pleasure vessels and the boating public. By the mooring of any vessel within the harbor system, the owner, operator, or master of any vessel agrees to follow the rules and requirements of all the provisions within this title. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.02.020 Harbormaster.**

There is created a port and harbors department which will be operated under a harbormaster and staff. The harbormaster will have supervision responsibility and authority to administer all city and borough owned or operated floats, harbor spaces and port facilities, subject to supervision by the city and borough administrator. The harbormaster will have the powers to assign to all vessels, aircraft and other waterborne structures; places for docking, berthing, mooring and anchoring within the floats and docks and within all water area in the designated harbor system and to reassign any such stall or space should conditions warrant the same. The harbormaster will have the municipal police powers in the enforcement of this title and places within the harbor system but the use of said power is limited to the harbor system unless specifically designated and authorized by the chief of police. It is illegal to moor, dock or anchor in any area within harbor jurisdiction unless specifically authorized by the harbormaster. The harbormaster will have the authority to issue harbor tickets and to impound or seize any vessel within the system for improper moorage activities or dead storage. Without any obligation or liability on the harbormaster's part or that of the municipality for his failure to do so, or duty to do so, the harbormaster may replace defective mooring lines, pump boats which are found in a dangerous condition, move any boat found endangering other vessels or raise any sunken vessel found to be endangering others. The harbormaster will have the authority to board, inspect for Title 13 infractions and require compliance prior to the vessel owner continuing the activity that resulted in the infraction. (The responsible boat owner will be billed actual costs associated with any emergency services.) (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.02.030 Port and harbors commission.**

There exists a port and harbors commission consisting of seven members who act as an advisory body to the assembly on matters concerning the harbor system. Their duties will include: working with the harbormaster and administrator planning for new harbors; evaluating needs for harbor services;

examining and updating harbor ordinances; review of current harbor operations and annual budgets; recommending priorities, moorage rates and other charges; receiving and evaluating formal and informal advice on harbor operations from citizens and preparing a yearly report to the assembly on the status of the municipal harbor system. The commission will meet nine times per year with additional meetings as needed at the discretion of the chairperson. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.02.040 Jurisdiction limits.**

The geographic boundaries of jurisdiction for the harbormaster will be: that area seaward of the western shore of Baranof Island from the south end of Crescent Harbor to the southern point of the Sitka Airport runway, then continuing north and east along the southerly and easterly shores of Charcoal and Alice Island and continuing northerly and westerly along the easterly shore of Japonski Island to the northwesterly side of the breakwater established in Western Anchorage. Then continuing north and easterly along said breakwater to the westerly shore of Baranof Island, thence continuing southerly and easterly along the shores of Sitka Channel through Crescent Harbor and back to the point of beginning, including Sitka Channel and the Western Anchorage area to the breakwater. Within these geographic confines are contained the municipally owned or operated Crescent Harbor, Sealing Cove Harbor, ANB Harbor, Seaplane Float, Thomsen Harbor, Japonski work float, as well as any and all other public spaces, parking lots, ramps, restrooms, docks or port facilities. (See jurisdiction map, Exhibit A, set out at the end of this title.) The harbormaster shall have the authority to post such signs as are necessary to facilitate the safe and orderly movement of vessels, vehicles and pedestrians. (Ord. 04-21 § 4 (part), 2004; Ord. 97-1445 § 4(A), 1997; Ord. 96-1394 § 4 (part), 1996; Ord. 96-1366 § 4 (part), 1996.)

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**Chapter 13.04  
DEFINITIONS**

## Sections:

- 13.04.010 Anchor.
- 13.04.020 Charter/vessel for hire.
- 13.04.030 Derelict.
- 13.04.040 Dinghy/lighter.
- 13.04.050 Distress.
- 13.04.060 Emergency.
- 13.04.070 Harbor.
- 13.04.080 Harbormaster.
- 13.04.090 Hot berth.
- 13.04.100 Liveaboard.
- 13.04.110 Moor.
- 13.04.120 Nuisance or hazardous.
- 13.04.125 Permanent transient.
- 13.04.130 Person.
- 13.04.140 Qualifying interest.
- 13.04.150 Stall.
- 13.04.160 Transient vessel.
- 13.04.170 Transfer of cargo.
- 13.04.180 Traffic lanes.
- 13.04.190 Vessel.
- 13.04.200 Vessel seaworthiness.
- 13.04.210 Vessel length.
- 13.04.220 Waterborne structures.

**13.04.010 Anchor.**

"Anchor" means to secure a vessel to a bed or body of water by dropping a weighted ground line or tackle or by use of a buoy or other means to prevent more than a measurable movement of the vessel. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.020 Charter/vessel for hire.**

"Charter/vessel for hire" means any vessel licensed to carry passengers for hire; "bare boat" is a boat rented with or without crew or operator. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.030 Derelict.**

"Derelict" means any vessel which is or reasonably appears to be forsaken, abandoned, deserted, cast off, unsound, unseaworthy or unfit for its use or occupation. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.040 Dinghy/lighter.**

"Dinghy/lighter" means a small vessel normally carried aboard a larger vessel or towed as a life boat or tender. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.050 Distress.**

"Distress" means a state of disability or a present or obvious imminent danger which if unduly prolonged could endanger life or property. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.060 Emergency.**

"Emergency" means a state of immediate danger to life or property in which time is of the essence. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.070 Harbor.**

"Harbor" means all waters, tidal areas and adjacent uplands areas, together with all facilities of a port or maritime nature publicly owned that are primarily used by or for the service of vessels, including docks, pilings, ramps, hoists, parking areas, leased water areas, concessions and/or service facilities located within. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.080 Harbormaster.**

"Harbormaster" means the individual described in Section 13.02.020 and any assistant harbormaster or other person designated to act in the harbormaster's place. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.090 Hot berth.**

"Hot berth" means the practice of allowing a vessel to temporarily occupy a stall or space not reserved to said vessel. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.100 Liveaboard.**

"Liveaboard" means any vessel used by one or more persons as a primary residence while moored in the Sitka harbor system, which meets the following requirements. A liveaboard vessel must comply with all requirements imposed on any vessel moored in the harbor system including the requirement that the vessel be powered by an engine of sufficient size to propel the vessel at a speed allowing normal steerage and to maneuver out of and into the harbor. A liveaboard vessel must be registered as such with the harbor department. A liveaboard vessel must have a safe heating system, and food preparation system, and berthing accommodations for all occupants. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.110 Moor.**

"Moor" means to secure a vessel by the use of lines to a dock, pier or other object providing a more secure fastening to a particular location than by anchoring. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.120 Nuisance or hazardous.**

"Nuisance" or "hazardous" means a derelict or a vessel which is not kept and regularly pumped free of excess water inside its hull, or is submerged, or which constitutes a fire, health, safety or navigation hazard. A vessel is presumed to constitute a "nuisance" if: the vessel is sunk; in immediate danger of sinking; obstructing a waterway; endangering life or property; the vessel has been moored or otherwise left in the harbor and has expired vessel registration numbers; the registered owner no longer resides at the address listed on same registration or other marine documentation papers, or the last known registered owner disclaims ownership and the current owner cannot be determined, or if other means of identification have been obliterated or removed in a manner which precludes identification; or if the vessel does not clear the harbor, under its own power, at least four times per year. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.125 Permanent transient.**

"Permanent transient" means a vessel which is on the wait list (Section 13.08.040). The vessel will not have a permanent stall assignment but will be provided moorage and be billed for permanent moorage under Section 13.06.010. (Ord. 04-21 § 4 (part), 2004; Ord. 99-1531 § 4A, 1999.)

#### **13.04.130 Person.**

"Person" means any natural person, individual, married couple, partnership, corporation or governmental agency. A corporation and natural person or individual will be considered the same person if the natural person has control over the former. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.140 Qualifying interest.**

"Qualifying interest" in a vessel means the interest of a person who owns the vessel, or under provisions of written charter or lease, has exclusive control over the operation and navigation of the vessel. A person who transfers title to a vessel or enters into a charter or lease of the vessel to another, seasonally or permanently, thereby relinquishes exclusive control over the use and operation of said vessel and ceases to have a qualifying interest in said vessel. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.150 Stall.**

"Stall" means a place to moor individual vessels in the harbor. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.160 Transient vessel.**

"Transient vessel" means any vessel occupying space in the Sitka Harbor system for which a regular reserved stall has not been assigned. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.170 Transfer of cargo.**

"Transfer of cargo" means all types of loading, unloading, transfer and/or containerization of any type of cargo including, but not limited to, fish, shellfish and other seafood products thereof. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.180 Traffic lanes.**

"Traffic lanes" (navigation lanes) means those areas specifically set aside for movement to and from other locations and which will be kept open, free of obstructions and not for use for anchoring or mooring. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.190 Vessel.**

"Vessel" means any ship, boat, skiff, barge, dredge and craft of every kind or description, whether used for commercial or pleasure purposes, which is on the water and is capable of being used as a means of transportation on or through the water, excluding seaplanes. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.200 Vessel seaworthiness.**

"Vessel seaworthiness" means a state of readiness or safety which all vessels moored or docked in the Sitka Harbor system must meet including the following criteria:

- A. Be capable of getting underway under its own power at all times;
- B. Meet all U.S. Coast Guard requirements;
- C. Be a watercraft constructed and maintained for the primary purpose of navigating the waterways of Alaska and not solely for the specific purposes of maintaining a stationary place of residence, floating storage, shop, office or other nonnavigational purposes;
- D. Any vessel found to be in violation of the above requirements shall be given ninety days to comply. Noncompliance shall result in the cancellation of moorage and/or removal from the harbor system.

(Ord. 04-21 § 4 (part), 2004; Ord. 97-1445 § 4(B), 1997; Ord. 96-1366 § 4 (part), 1996.)

#### **13.04.210 Vessel length.**

The method of determining vessel length within the harbor system: Vessel length will be computed as the actual overall length of any vessel, including bow sprits, outboards or other extensions. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.04.220 Waterborne structures.**

"Waterborne structures" means other than a vessel. Examples include but are not limited to barges, float houses, or other, usually unpowered, structures. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

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**Chapter 13.06  
CHARGES/FEES** Revised 1/14

Sections:

- 13.06.010 Moorage charges and fees. Revised 1/14
- 13.06.020 Review of charges.
- 13.06.030 Nonpayment.
- 13.06.040 Unpaid stalls.

**13.06.010 Moorage charges and fees.** Revised 1/14

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

A. Permanent Moorage.

- 1. Rates and Fees. Permanent moorage charges shall be assessed per foot per month (or portion thereof) of overall vessel length, or stall length, whichever is greater, as set forth in the table below. The permanent moorage is inclusive of the standard moorage rate to cover operations and a capital improvement projects plan in accordance with the harbor system master plan, as set forth in the table below.

**Moorage Rates and Charges  
(per foot per month)**

Total Permanent Moorage	\$2.80
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- 2. Payment Schedule. Payments may be made in advance quarterly, semiannually or annually, but not to exceed one year (January to December).

B. Daily Transient Moorage.

- 1. Rates. Daily transient moorage charges shall be assessed per foot per day of overall vessel length, as set forth in the table below. If billing is required, the moorage rate assessed will be double the rates listed below.

**Moorage Rates (per foot per day)**

	10/1/2012
Daily Transient Rate (0—80 feet)	\$0.87
Daily Transient Rate (81—150 feet)	\$1.49
Daily Transient Rate (151 feet or more)	\$2.24

2. **Payment Schedule.** All charges shall be paid in advance and are nonrefundable, even if the vessel does not use transient moorage for any of the pre-paid time period.

C. **Liveaboard Vessels.** Liveaboard vessels will pay the regular monthly mooring fee. In addition, they will pay the minimum residential user's fees for garbage, water, and sewer on a monthly basis.

D. **Monthly Transient Moorage.**

1. **Rates.** Monthly transient moorage charges shall be assessed per foot per month (or portion thereof) of overall vessel length, as set forth in the table below. If billing is required, the moorage rate assessed will be double the rates listed below.

**Moorage Rates (per foot per month)**

	10/1/2012
Monthly Transient Rate (0—150 feet)	\$14.94
Monthly Transient Rate (151 feet or longer)	\$22.41

2. **Payment Schedule.** Each month of moorage charges shall be paid in advance, and are nonrefundable, even if the vessel does not use transient moorage for any of the pre-paid time period.

E. **Wait-List Moorage.** Vessels on the wait list moored in any of the Sitka harbors shall be charged the same rates and fees as for permanent moorage, payable in advance, quarterly. Payments will be nonrefundable. If a person is delinquent in the payment of moorage for more than thirty days, the vessel will be removed from the wait list and the vessel shall be required to pay transient moorage.

F. **Transient Electricity.** The fee for using an electrical meter other than a meter in the vessel owner's name will be five dollars per day for thirty amp service. For fifty amp service and above, the fee will be as follows: a ten-dollar in and ten-dollar out meter reading fee plus the cost of the electricity used.

G. **Tour Ship Lightering Fees.** The fee for the use of the lightering floats will be:

1. Nine hundred sixteen dollars and seventy cents per ship, per day, plus applicable city sales tax for the 2013 through 2015 seasons.
2. Future lightering fees will be negotiated prior to the 2016 season.

H. Airplane Float Fees. Fees will be fifty dollars per month for aircraft mooring at the airplane float. A transient aircraft fee of five dollars per day or a thirty-day permit for one hundred dollars will be assessed. It is unlawful for any boat to moor at, or in any way obstruct, the airplane float.

1. The fee for use of the floatplane facility (airplane float) by commercial aircraft is two hundred dollars per year. This fee shall be in addition to the fee for use of the airplane float for aircraft mooring set out in this subsection.

I. Summer Recreational Vehicle/Boat Trailer Parking Fee. The rate is thirty-five dollars plus applicable city sales tax per calendar day per stall.

J. Winter Recreational Vehicle/Boat Trailer Park Storage Fees. The rates are as follows for winter storage (October 1st through March 31st) at Sealing Cove recreational vehicle/boat trailer park, based on the overall length of the recreational vehicle, boat trailer, or motor vehicle:

1. Daily rate of fifteen cents per foot per day;
2. Monthly rate of three dollars and ten cents per foot per month;
3. Winter seasonal rate (October 1st through March 31st) of sixteen dollars per foot;
4. A two hundred dollar deposit will be collected before any vehicle is stored, to be refunded whenever the vehicle is moved out.

K. Grid Fee. The fee for use of the harbor grid is ten dollars per day per vessel.

L. Launch Ramp Fees. The fee for the use of a launch ramp is as follows:

1. Daily rate of ten dollars per day; or
2. Annual rate of seventy-five dollars per year for an annual permit.

M. Large Vessel with Reservations for End-Ties and O'Connell Lightering Facility.

1. Rates. Charges for large vessel with reservation for end-ties or for the O'Connell Lightering Facility when it is not being used as a lightering float shall be assessed per foot per day of overall vessel length or float length, whichever is greater, as set forth in the table below. If billing is required, the moorage fee assessed will be double the rates listed below.

**Moorage Rates (per foot)**

Moorage Type	10/1/2012
Large Vessel Daily Reservation, End-Tie	\$2.50
Large Vessel Daily Reservation, O'Connell Lightering	\$3.00

2. Payment Schedule. All charges shall be paid in advance and are nonrefundable, even if the vessel does not use transient moorage for any of the pre-paid time period.

(Ord. 13-46 § 4, 2013; Ord. 13-15 § 4, 2013; Ord. 12-21A § 4, 2012; Ord. 10-26 § 4, 2010; Ord. 07-01 § 4 (part), 2007; Ord. 06-15 § 4, 2006; Ord. 06-10 (A-1) § 4(A), 2006; Ord. 05-12 § 4(A), 2005; Ord. 04-21 § 4 (part), 2004; Ord. 03-1726 § 4, 2003; Ord. 02-1708 § 4, 2003; Ord. 00-1569 § 4, 2000; Ord. 99-1552 § 4, 1999; Ord. 99-1531 §§ 4A-4E, 1999; Ord. 96-1394 § 4 (part), 1996; Ord. 96-1366 § 4 (part), 1996.)

#### **13.06.020 Review of charges.**

The rates stated in this title are determined to be fair, just and reasonable rates. All rates charged or assessed by the harbormaster will be paid by the owner, master or other person having charge of the vessel, but will be subject to review for fairness by the municipal administrator. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.06.030 Nonpayment.**

It is unlawful for any person to moor, berth, tie, attach or in any other manner connect to any harbor improvement or facility with any vessel or airplane, for a period not to exceed one day, without paying the prescribed rental charges previously listed. Any delinquent personal property tax or sales tax on a vessel will be paid prior to any mooring or being placed on a municipal waiting list. A late or penalty fee will be assessed after thirty days, if in arrears, as prescribed by the municipal code. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.06.040 Unpaid stalls.**

If the applicable moorage fees have not been paid by the date due, following delinquent notification within thirty days, the harbormaster may declare the stall released and it may be reassigned to the next person on the waiting list for that appropriate sized boat. (Ord. 04-21 § 4 (part), 2004; Ord. 97-1445 § 4(C), 1997; Ord. 96-1366 § 4 (part), 1996.)

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## Chapter 13.08 RESERVED MOORING STALLS

### Sections:

- 13.08.010 Registration required.
- 13.08.020 Reserved moorage.
- 13.08.030 Moorage space assignments.
- 13.08.040 Waiting list.
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- 13.08.070 Stall—Sale of boat.
- 13.08.080 Transfer of reserved mooring.
- 13.08.090 Nonuse of a stall.
- 13.08.100 Transient vessels.

### **13.08.010 Registration required.**

Every owner, master or managing agent of a vessel using the harbor, even temporarily, will be required to register with the office of the harbormaster within eight hours of entering the harbor system. Said registration will contain the following information: owner's or managing agent's name, address and phone number, the vessel's name and home port, official documentation or state I.D. number, color, length, breadth and draft. If a different phone number or contact person is required for an emergency phone number or contact person it will also be listed. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

### **13.08.020 Reserved moorage.**

Reserved moorage may be obtained, as available, at locations designated or assigned by the harbormaster. Reserved space will be assigned based on a waiting list which will be maintained in the harbor office and will be on a first-come, first-served basis determined upon the date the application was received, the type and size boat space required and the availability of such spaces. (Ord. 04-68 § 4, 2004; Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

### **13.08.030 Moorage space assignments.**

Moorage spaces may be held in the names of individual persons, government agencies, educational institutions, and nonprofit organizations. Corporations may hold moorage spaces, however if a corporation is sold or taken over by another corporation, individual, or business entity the moorage space will be forfeit. Partners may hold a moorage space equally, but if the space holder wishes to add a partner's name to the space assignment, the new partner must go on the wait list and will be added to the space assignment when his/her name comes up for assignment. Partnerships must be true partnerships and both names must be on the vessel documentation or registration. Should a partnership dissolve, it will be up to the partner retaining the moorage space to submit a release from the other partner indicating their agreement to the retention. The stall will then transfer to the individual retaining the stall. The harbormaster retains the right to review and obtain a copy if

necessary of U.S. Coast Guard documentation papers of ownership or state of Alaska vessel title or registration. Moorage spaces may only be assigned to vessel owners. Lease vessels do not comply with the requirements of this title. Vessel owners may not lease their vessels and hold a moorage space after six months without the approval of the harbormaster. Any holder of a reserved mooring stall shall not sublease, rent, or in any other manner permit or allow any other vessel to occupy said space, unless specifically permitted and approved by the harbormaster for sufficient reason given. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.08.040 Waiting list.**

There will be a moorage waiting list maintained by the harbormaster and displayed in the harbor office for public inspection. The list will be based on receipt of a nonrefundable administrative fee, equivalent to the first quarter's moorage fee based on the overall length of the listed vessel. The nonrefundable administrative fee will not be applied to the first quarter's moorage fee when a stall is assigned, unless the applicant paid the waitlist fee prior to February 15, 2007. All permanent moorage vacancies will be filled by the first applicant on the list who has a vessel of the required length, beam, electrical needs or other overall factors deemed by the harbormaster to be most suitable for the empty berth. (Ord. 07-01 § 4 (part), 2007; Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.08.050 Retention of a waiting list priority and stall transfer list fee.**

An applicant who does not respond to a written notice sent by the harbormaster, by certified mail, to the last address in the files of the harbor department, will be removed from the waiting list. Upon accepting a stall assignment and payment of a twenty-five-dollar nonrefundable stall transfer list fee, the applicant may be placed on a stall transfer list for the same vessel. (Ord. 07-01 § 5, 2007; Ord. 04-21 § 4 (part), 2004; Ord. 02-1696 § 4, 2002; Ord. 96-1366 § 4 (part), 1996.)

#### **13.08.060 Utilizing a reserved stall.**

The municipality reserves the right to provide temporary moorage or "hot berthing" of another vessel within a reserved moorage space when said space is unoccupied. A holder of a reserved stall or space within the city and borough of Sitka harbor system should provide a usage plan to the harbormaster, if he/she knows he/she will be absent for any reasonable extended length of time more than twenty-four hours, giving his/her estimated time of departure and return. The stall holder will not have the right to designate any specific vessel to use the stall. Should the reserved stall holder return earlier than expected, the holder will contact the harbormaster, as early as possible, to facilitate time to remove the temporary vessel from the reserved space. If the harbormaster is not available, the reserved stall holder will moor at the transient area until he/she can contact the harbor department. The harbormaster will inform temporary users of any absent holder's reserved moorage space that said use will continue only for the duration of the holder's boat's absence and that the harbormaster is authorized to move the temporary vessel to another location upon return of the holder's boat. Any temporary stall user will therefore be required to keep the harbormaster notified of his/her whereabouts. Any boat owner desiring to moor temporarily in a reserved but vacant stall will apply to the harbormaster. No such stall or space will be utilized unless authorized and the appropriate fee is paid in advance. The boat owner temporarily assigned to a reserved moorage space will not utilize the

utilities which may have been provided for the reserved stall holder unless authorized by the harbormaster. If electricity is used, the stall holder will be credited to his current usage for that month. Nothing in this section limits the harbormaster's authority to move any moored boat to another location in the event of a fire or other emergency requiring such action. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.08.070 Stall – Sale of boat.**

When a person sells his/her boat, he/she will notify the harbormaster within one week of the sale and state whether the stall will be released. A change of ownership occurs when a name is changed, added, or dropped from a vessel's documentation. A stall is not transferable by the holder. Persons who sell their boat but intend to purchase another one which is of a proper size to fit into the existing stall may retain their stall for a period of up to six months. If, at the end of that time, they have not obtained ownership of another boat or furnished proof of intent to procure a boat within a reasonable extended period of time as determined by the harbormaster, the reserved space will be forfeited. Any such person wishing to retain the stall will be responsible for the continued mooring rate fee as established by Section 13.06.010. The fee will be based on the length of the stall plus ten feet. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.08.080 Transfer of reserved mooring.**

Any person holding a reserved mooring space or a position on the approved waiting list may not transfer such space or list position to any other person except that a preferential annual slip assigned to a vessel may be retained if the transfer is between husband and wife, to a natural or legally adopted son or daughter or grandson or granddaughter or is legally inherited by a member of the owner's family and documented as such to the satisfaction of the harbormaster. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.08.090 Nonuse of a stall.**

If the owner of a vessel, to which a reserved mooring space is assigned, does not use that space or slip for at least three months of each calendar year, the reserved mooring space will be forfeited and the harbormaster will notify said owner, in writing. The harbormaster may waive this requirement, on a case-by-case basis, under exceptional circumstances such as extended ocean voyages or major vessel repair. (Ord. 04-21 § 4 (part), 2004; Ord. 02-1697 § 4, 2002; Ord. 96-1366 § 4 (part), 1996.)

#### **13.08.100 Transient vessels.**

No transient vessel shall moor at ANB Harbor Float No. 4 for more than ten consecutive days except by special permission of the harbormaster. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

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## Chapter 13.09 ANCHORING

### Sections:

13.09.010 Anchoring permits.

13.09.020 Anchored vessels and waterborne structures.

#### **13.09.010 Anchoring permits.**

A. Any operator or owner of a vessel or waterborne structure that is anchored within the water area in the jurisdictional limits of the harbormaster as identified in Section 13.02.040 is required to apply for an anchoring permit from the harbormaster within twenty-four hours after anchoring. The anchoring permit shall be effective for no more than seven consecutive days unless an extended anchoring period is approved by the harbormaster. The anchoring location shall be specified on the permit application, and is subject to approval by the harbormaster.

B. This chapter applies to vessels or waterborne structures that are anchored as defined in Section 13.04.010, but not to those vessels or waterborne structures that are moored as defined in Section 13.04.110.

(Ord. 06-46 § 4 (part), 2006.)

#### **13.09.020 Anchored vessels and waterborne structures.**

A. Any anchored vessel must meet vessel seaworthiness requirements under Section 13.04.200, and not be a hazard or nuisance as defined by Section 13.04.120. Any anchored vessel that does not meet the vessel seaworthiness requirements or is a hazard or nuisance is subject to impound under Section 13.04.200(D) and other applicable enforcement actions under Chapter 13.12, is not eligible for any anchoring permit, and any issued anchoring permit shall be cancelled.

B. Any anchored waterborne structure may not be a hazard or nuisance under Section 13.04.120. Any anchored vessel that is a hazard or nuisance is subject to impound under Section 13.04.200(D) and other applicable enforcement actions under Chapter 13.12, is not eligible for any anchoring permit, and any issued anchoring permit shall be cancelled.

(Ord. 06-46 § 4 (part), 2006.)

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The Sitka General Code is current through Ordinance 13-46,  
passed December 23, 2013.

Disclaimer: The City Clerk's Office has the official version of the  
Sitka General Code. Users should contact the City Clerk's Office  
for ordinances passed subsequent to the ordinance cited above.



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**Chapter 13.10  
FLOAT REGULATIONS**

## Sections:

- 13.10.010 Notice to owners.
- 13.10.020 Dead storage.
- 13.10.030 Minimum-maximum length.
- 13.10.040 Vehicles and parking.
- 13.10.045 Vehicles prohibited.
- 13.10.046 Boat launch ramp and trailer parking.
- 13.10.047 Recreational vehicle park rules and regulations.
- 13.10.048 Recreational vehicle/boat trailer winter storage rules and regulations.
- 13.10.050 General requirements.
- 13.10.060 Harbor electrical system.
- 13.10.070 Notices – Billboards.
- 13.10.080 Distribution of commercial handbill and leaflets – Permit required.
- 13.10.090 Skiffs or secondary vessel mooring.
- 13.10.100 Pets within the harbor system.
- 13.10.110 Unlawful disposal in Sitka Harbor system.
- 13.10.120 Fires.
- 13.10.130 Liveboards in Crescent Harbor.
- 13.10.140 Cleaning fish.
- 13.10.150 Storage prohibited.
- 13.10.160 Grid.
- 13.10.170 Gear/cargo loading float.
- 13.10.180 Work float.
- 13.10.185 Sealing Cove boat trailer area.
- 13.10.190 Airplane float.
- 13.10.195 Regulations for airplanes operating within the Sitka Harbor system.
- 13.10.200 Garbage facilities.
- 13.10.210 Children.
- 13.10.220 Swimming.
- 13.10.230 Restriction on offloading more than five hundred pounds of commercially caught raw fish in the harbor system.

**13.10.010 Notice to owners.**

By the mooring of any vessel within the Sitka harbor system, the owner, operator, or master of any vessel agrees to all of the provisions contained within this title. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.10.020 Dead storage.**

It is declared that the city and borough of Sitka owned or operated floats, mooring spaces or other facilities have been installed and are operated for the convenience and use of fishermen and

pleasure boat owners and are not for the purposes of providing a source of inexpensive alternative housing or dead storage. Moorage of any type of waterborne structure, houseboat, flatboat or barge is specifically prohibited. This prohibition extends to the entire area of jurisdiction of the harbor system but will exclude those fishing scows specifically owned or operated by on-shore cold storage plants which are brought into Sitka for maintenance or off-season storage only. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.030 Minimum-maximum length.**

The minimum-maximum length of any boat or ship or any other object which moors at any city and borough of Sitka harbor float, will be based on the length of the stall. For stalls twenty feet to fifty feet in length, the minimum will be three feet under stall length and the maximum will be ten feet in excess of stall length. For stalls less than twenty feet there will be no minimum and the maximum length will be set by the harbormaster depending on the stall in question. This size restriction does not apply to the municipal port development area, Thomsen Harbor floating breakwater or other specific areas where oversize packers, tour vessels or large visiting yachts are specifically permitted. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1394 § 4 (part), 1996; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.040 Vehicles and parking.**

No vehicle will be allowed or permitted to park on the approach to any float so as to obstruct said approach except as a necessary purpose of discharging passengers or freight. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.045 Vehicles prohibited.**

It is unlawful for any person to ride a bicycle, motor scooter, motorcycle, skateboard, roller skates, roller blades, or other similar device on any municipal float. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.046 Boat launch ramp and trailer parking.**

A. The city and borough of Sitka boat launch facility shall be open to the public. It is unlawful to block access to either of the launch ramps at Sealing Cove or Crescent Harbor.

B. Short-term parking is available for trailers. There is also a three-day and a ten-day area. The harbor department will issue citations and impound trailers that exceed the time limit.

(Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.047 Recreational vehicle park rules and regulations.**

The facility is intended to service short-term visitors to Sitka. It is not intended to become a location for permanent occupants.

A. The RV park is open annually from April 1st through September 30th. Occupancy is limited to a maximum of thirty consecutive days.

- B. The registration and fee shall be collected by harbor department personnel or park host and shall be paid in advance. (See Section 13.06.010(l) for fee.)
- C. Each occupant shall be responsible for keeping their assigned space neat and clean.
- D. No tents, wannigans, sheds, additions, or extensions to the RV, camper or trailer occupying the space are allowed.
- E. Recreational vehicles with holding tanks may dump free of charge at the municipal wastewater treatment disposal facility.

(Ord. 04-21 § 4 (part), 2004; Ord. 97-1445 § 4(D), 1997; Ord. 96-1394 § 4 (part), 1996.)

#### **13.10.048 Recreational vehicle/boat trailer winter storage rules and regulations.**

- A. The recreational vehicle/boat trailer park at Sealing Cove will be open for winter storage of recreational vehicles, boat trailers, boats on boat trailers, and motor vehicles from October 1st through March 31st of each year.
- B. No recreational vehicle, boat trailer, or motor vehicle may be stored or remain at the recreational vehicle trailer park unless:
  - 1. The recreational vehicle, boat trailer, boat on boat trailer, or motor vehicle has required license plate(s), current vehicle registration, and current license tags; and
  - 2. The recreational vehicle, boat trailer, or motor vehicle is operational.
- C. Any recreation vehicle, boat trailer, boat on boat trailer, or motor vehicle not removed by March 31st will be impounded at the owner's expense.

(Ord. 06-10 (A-1) § 4(B), 2006.)

#### **13.10.050 General requirements.**

The following rules are intended to minimize adverse effects on neighboring shore side properties adjacent to the harbors:

- A. To the extent allowed by safety considerations, harbor lights, all bright lights, including vessel deck lights will be directed away from the shoreline.
- B. The use of crab lights (sodium, mercury, crab, flood, etc.) is prohibited within the harbors and between the breakwaters and O'Connell Bridge between the hours of eight p.m. and seven a.m.
- C. The use of any sound system, public address and/or paging systems of any sort will be limited to the hours of seven a.m. and eight p.m. The performance of any vessel repairs requiring noisy activities, including the revving of vessel engines will be limited to the same hours. In case of emergencies contact the harbormaster.

(Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.060 Harbor electrical system.**

The following regulations govern the use of electricity within the harbor system:

- A. Connections to any vessel moored within the municipal system are under the direction of the harbormaster and are subject to the following:
1. Use of nonmarine battery chargers is strictly prohibited. All chargers used within the system must contain an isolator circuit or be run through an isolator so that no current is discharged into the municipal system.
  2. Use of extension cords, plugs, caps and other components between the vessel's private system and the municipal shore side system will comply with the electrical code of the city and borough and be of a specific marine design recognized and approved by the city and borough of Sitka.
  3. Only heating lamps with porcelain type sockets may be used.
  4. Any onboard heater capable of causing a fire if overturned, must be equipped with a safety switch which will automatically disconnect the electrical power, if so overturned.
  5. Violation of any of the provisions of this section is punishable up to the maximum of five hundred dollars.
- B. The harbormaster will, by permission of vessel owner or agent, have the authority to enter any vessel connected to the municipal electrical system to inspect electrical equipment to assure compliance with this and other applicable codes. If permission is not granted, the harbormaster may disconnect said shore power from the offending vessel.
- C. It is unlawful for any person to interfere, tamper with, or connect any wires, plugs or other devices to any of the electrical wiring or electrical outlets upon any of the docks, floats or gangways maintained, constructed or owned by the city and borough of Sitka without the permission of the harbormaster.
- D. Violation of any of the provisions of this section is punishable up to the maximum of five hundred dollars.

(Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.070 Notices – Billboards.**

It is unlawful for any person, firm or corporation to post any matter upon any bulletin board or to create any writing or printed material and post it to any float, piling, dock or any other portion of the municipal harbor system, except in those areas designated by the harbormaster. Any unauthorized material will be immediately removed by the harbormaster and destroyed. All material will be dated and is limited to thirty days. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.080 Distribution of commercial handbill and leaflets – Permit required.**

Distribution of commercial handbills and leaflets is forbidden in harbor facility areas and in the adjacent public parking areas except in those locations designated by the municipality for such

distribution. Persons intending to distribute commercial handbills and leaflets in the harbor area will be required to obtain a permit from the municipality. A condition for the issuance of such permits shall be that the permittee agree to clean up any discarded handbills and leaflets in the harbor area and adjacent parking lot areas at the end of each day. Failure to properly clean up the area may result in revocation of such permits by the administrator or his/her agent. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.090 Skiffs or secondary vessel mooring.**

No skiff or other secondary vessel will be separately moored to the municipal harbor system except at a berth specifically assigned for moorage to the owner of that skiff and with appropriate fees paid. No floating skiff will be tied or otherwise moored to any other vessel moored to that berth in any way as to protrude into the passage lane to another berth or in such a way as to block passage from any other vessel. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.100 Pets within the harbor system.**

Any dog, cat or other pet living aboard any boat in the Sitka harbor system, or crossing the floats to a vessel shall be subject to the entirety of Title 8 as enforcement guidelines and to include "three strikes and you're out" rule. Any person who observes an animal defecating, spraying, exhibiting excessive aggressive behavior or otherwise creating a problem on the floats or another vessel other than where the animal originated which is not immediately corrected by its owner will:

- A. For an animal defecating or spraying, report the incident to the office of the harbormaster. An employee of the harbor department will contact the owner of the animal and explain the offense observed and prepare a written report for the record. In the case of an animal exhibiting excessive aggressive behavior, a "notice of potentially dangerous and dangerous dog" form will be completed by the harbor department and the animal control officer for the city and borough will be notified regarding this action.
- B. For a second incident with the same animal defecating or spraying, the harbormaster will prepare a citation and will inform the owner the pet will be subject to removal from the harbor system if the problem is not corrected. In regards to an animal exhibiting excessive aggressive behavior, a second offense involving such behavior will result in the issuance of a citation and the animal will be banned from the harbor system. The animal control officer for the city and borough of Sitka will also be contacted and provided with all the information in regards to a second violation for exhibiting excessive aggressive behavior.
- C. If the same animal is observed for the third time, defecating, spraying, or otherwise displaying improper behavior within the harbor system, a written letter will be sent to the owner declaring the particular animal is barred from the harbor system. The owner will be granted ten days to remove the animal, if existing on a liveaboard, or be prohibited from accompanying the owner to their vessel through the harbor system floats. Any owner having an animal barred from the harbor system may appeal the harbormaster's decision to the administrator of the city and borough of Sitka. If not resolved, an appeal may be presented to the port and harbors commission, acting as a recommending body for the assembly. The assembly may then hear any additional appeal not

resolved. As with any other appeal of an administrative decision, this may be appealed to a court of competent jurisdiction.

(Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.110 Unlawful disposal in Sitka Harbor system.**

It is unlawful to:

- A. Dispose of any fish, shellfish or other animal, or waste parts of fish, shellfish or other animal, into the waters of the Sitka Harbor system or waters within one-half mile of any boat harbor. The fine for any violation is set out in Section 13.12.050(D);
- B. Dump garbage or trash into any boat harbor, harbor uplands or associated tidelands;
- C. Abandon or leave old boats, hulks or wrecks within the Sitka Harbor system;
- D. Spill, dump, discharge or in any other manner dispose of flammable waste such as gasoline, lubricating oil, or other combustible liquids into any boat harbor, uplands, or associated tidelands;
- E. Leave or dispose of spoiled fish, bait, or gear on the city floats. Vessel owners will tend to their gear promptly after each commercial opening. Any failure to provide necessary cleanup action will be considered a nuisance.

(Ord. 09-64 § 4 (part), 2009; Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.120 Fires.**

A boat owner is strictly liable for the damages caused by a fire originating in his vessel to any municipal floats or structures. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.130 Liveboards in Crescent Harbor.**

Limited liveboards shall be allowed in Crescent Harbor, as permitted by the harbor department, based on criteria recommended by the port and harbors commission. It is also recognized that on an occasional basis, vessels moored in Crescent Harbor may desire to leave very early in the morning due to a fisheries opening. Owners will notify the harbormaster on those times when they feel they must nap on the boat in preparation for an early departure. (Ord. 07-26 § 4, 2007; Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.140 Cleaning fish.**

It is unlawful to clean fish on any portion of a city and borough dock or float, except at designated fish cleaning stations. See Exhibit A, set out at the end of this title. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.150 Storage prohibited.**

It is unlawful for any person to use any harbor for storage, on any floats, docks or gangways or any other portion of the municipal harbor system, of any pipes, nets, wares, merchandise, or gear of any sort or type without the permission of the harbormaster. Even when permission is given, it is for a specific, short length of time to facilitate gear changing, loading or other necessary activity and not as a convenient place of storage of personal items. Should a skiff or other item having value be found stored on the docks or floats in violation of this section, the harbormaster will impound said items and dispose of them as follows:

- A. They will be stored for thirty days.
- B. The owner will be notified, if known, by certified mail, that the items have been impounded and must be reclaimed within the thirty days, after paying reasonable storage and associated costs, or they will be subject to sale at the end of thirty days with the owner responsible for any unrecovered costs. Public and owner notification shall run concurrently.

(Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.160 Grid.**

No boat more than thirty-five tons per bent will be allowed on the south grid. No boat more than six tons per bent will be allowed on the north end grid. If persons wishing to exceed the above limits wish to use the grid, they must contact the harbormaster for special consideration. Maximum time on grid is ninety-six hours. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.170 Gear/cargo loading float.**

Unless other arrangements have been made with the harbormaster, the following rules apply to the gear/cargo loading float:

- A. The time limit on the loading float is two hours;
- B. Vehicle access shall be for vessels tied to the gear/cargo loading float only, when there is actual loading between vessel and vehicle;
- C. Parking is not for casual access to vessels tied in the harbor. Improper use of the gear/cargo loading float is unlawful.

(Ord. 04-21 § 4 (part), 2004; Ord. 97-1445 § 4(E), 1997; Ord. 96-1366 § 4 (part), 1996.)

#### **13.10.180 Work float.**

A year round work float is available for use and located on Sitka Channel across from ANB Harbor. The intent for this work float is gear work only. This float is equipped with water and electricity. No overnight moorage is permitted without the harbormaster's permission. No storage of any gear, nets or materials is permitted without the harbormaster's permission and only in case of an emergency. The Crescent Harbor, Float 4 work float is available for temporary winter moorage from September 15th until April 15th. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.10.185 Sealing Cove boat trailer area.**

Parking of boat trailers in the Sealing Cove boat trailer area is limited to ten days. Changing parking stalls in the parking area shall not initiate a new ten-day period. A trailer must be removed from the parking lot for forty-eight hours before another ten days of parking may be allowed. The penalties for violation of this section and Section 13.10.180 shall be as specified in Chapter 11.40 for overtime parking. (Ord. 04-21 § 4 (part), 2004; Ord. 99-1537 § 4, 1999.)

**13.10.190 Airplane float.**

The municipal airplane float shall be administered and enforced by the harbormaster but subject to:

- A. Commercial operations shall be allowed at the municipal airplane float with the harbormaster's approval and proper permitting in place until such time as a new floatplane facility is constructed or December 31, 2006, whichever is earlier. Such operations shall be charged an appropriate user fee.
- B. The municipal plane floats are for the use of active planes.
- C. Only repair and maintenance work of a minor nature shall be allowed on the float, which is defined as that work which would ordinarily be completed in one twenty-four-hour period. The harbormaster shall have discretion in enforcing this provision.
- D. It is unlawful for the owner or person in charge of any boat to moor it at any municipal plane float.

(Ord. 05-18 § 4, 2005; Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.10.195 Regulations for airplanes operating within the Sitka Harbor system.**

Airplanes operating within the Sitka Harbor system shall:

- A. Follow international navigation rules while operating as a vessel (i.e., on the water);
- B. Not taxi on step in the channel except during take-off and landing. This is to be a no wake zone in affect in Sitka Channel from O'Connell Bridge to the rubble mound breakwater north of Thomsen Harbor;
- C. Use the take-off and landing corridor located on the southwest side of Western Anchorage, paralleling Japonski Island, from the government pier (USCG cutter Woodrush), out to the breakwater. Pilots have the option to use other areas when wind and weather conditions require, but must maintain adequate separation from vessel traffic. Approximately eighty percent of seaplane operations will be conducted in the designated area;
- D. Pilots are reminded not to fly within five hundred feet of any structures, except as necessary for take-off and landing. This includes the O'Connell Bridge.

(Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.10.200 Garbage facilities.**

Objects too large to fit into the litter container shall be disposed of at the municipal landfill by the owner at his/her expense. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)



**13.10.210 Children.**

Unless walking with or otherwise closely accompanied by parents or a responsible adult, it is unlawful for any child under the age of twelve to be on the city and borough owned floats, docks or wharves unless wearing a life preserver. Parents and guardians shall be responsible for compliance with this regulation. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.10.220 Swimming.**

Swimming and diving (with the exception of authorized commercial scuba diving or snorkeling and special events approved by the administrator) from any city and borough of Sitka owned or managed float, dock, or wharf is prohibited. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.10.230 Restriction on offloading more than five hundred pounds of commercially caught raw fish in the harbor system.**

The only place more than five hundred pounds of commercially caught raw fish taken by one vessel on one fishing trip may be offloaded in the harbor system is the city and borough-owned hoist. Anyone committing a violation of this section is liable for a fifty dollar fine unless either of the next two sentences applies. Anyone committing a violation after having been found to have committed a previous violation of this section is liable for a fine of one thousand dollars. Anyone committing a violation after having been found to have committed more than one previous violations of this section is liable for a fine of two thousand five hundred dollars. (Ord. 05-23 § 4, 2005; Ord. 04-48 § 4(B), 2004.)

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**The Sitka General Code is current through Ordinance 13-46, passed December 23, 2013.**

Disclaimer: The City Clerk's Office has the official version of the Sitka General Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.

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**Chapter 13.12  
ENFORCEMENT**

## Sections:

- 13.12.010 General.
- 13.12.015 Prohibited acts.
- 13.12.020 Negligent operation.
- 13.12.030 Reckless operation.
- 13.12.035 Speed limits.
- 13.12.040 Written warning.
- 13.12.050 Fines.
- 13.12.060 Impoundment.
- 13.12.065 Penalties for emission of soot from an oil stove in a vessel.
- 13.12.070 Notice to owner.
- 13.12.080 Right to hearing.
- 13.12.090 Hearing procedure.
- 13.12.100 Assembly oversight.

**13.12.010 General.**

A. The harbormaster has the authority to order vessels, occupants or visitors to leave the harbor for violations of any portion of this title. Moorage and berthing is a privilege which may be revoked for violations of this title. The harbormaster is granted the authority to issue citations, impound vessels and remove vessels from the harbor system either temporarily or permanently under the provisions of this title. The owner of record and/or the person in charge of the vessel will be responsible for any and all infractions charged against his/her vessel.

B. Persons utilizing the harbor facilities shall obey all municipal, state and federal laws and regulations, as well as those generally accepted safety standards, as well as refrain from engaging in prohibited acts under Section 13.12.015. (Ord. 13-21 § 4 (part), 2013; Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.12.015 Prohibited acts.**

In addition to certain other actions noted within other chapters, the following actions are also prohibited:

- A. Generating loud or boisterous noises that disturb the reasonable peace and privacy of others;
- B. Obstructing or interfering with the harbormaster and/or harbor staff in the performance of their duties or refusing to comply with a lawful order of the harbormaster;
- C. Challenging or intending to provoke another to fight, or engaging in fighting;
- D. Consuming alcohol, except on licensed premises or private vessels, or engaging in the use of, or being an instrument in the exchange of, illicit drugs or narcotics; and

E. Anyone violating this section may be ordered verbally by the harbormaster, or designee, to leave the harbor immediately. (Ord. 13-21 § 4 (part), 2013.)

#### **13.12.020 Negligent operation.**

It is unlawful for any person in charge of a vessel to operate or propel the boat in a negligent manner. A person who operates a vessel in a manner which creates an unjustifiable risk of harm to any person or property and who, as a result of the creation of that risk actually endangers a person or property is guilty of negligent operation. That a defendant actually endangered a person or property is established by showing that, as a result of the defendant action, an accident occurred or evasive action was required or a person was forced to dramatically slow down or stop to avoid an accident or a person or property was otherwise endangered. The offense of negligent operation is a lesser offense than, and is included in the offense of reckless operation. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.12.030 Reckless operation.**

It is unlawful for any person in charge of operating or propelling any boat within the Sitka Harbor system to do so in a reckless manner. A person who operates a vessel in a manner which creates a substantial and unjustifiable risk of harm to a person or property is guilty of reckless operation. A substantial and unjustifiable risk of harm to a person or property is a risk of such a nature and degree that the conscious disregard of it or a failure to perceive it constitutes a gross deviation from the standards of conduct a reasonable person would observe in the situation. Any damage to other boats moored at floats in the harbor system will be prima facie evidence of reckless operation. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.12.035 Speed limits.**

A. It is unlawful for any person to operate any vessel or taxiing aircraft, except during takeoff and landing, in excess of the following speed limits:

1. No person shall operate a vessel within the area between the Crescent Harbor breakwater entrance to the south tip of Aleutski Island to the south tip of Love Island and the north end of the channel at the rubblemound breakwater at a speed which produces a wake, wash, or wave action which may or could reasonably be expected to damage any other vessels or harbor facilities or create discomfort to an occupant by causing such other boats to yaw, pitch, shear or heave because of such wake, wash or wave.
2. Three miles per hour within the inner harbors of ANB Harbor, Sealing Cove Harbor, Crescent Harbor, and Thomsen Harbor.

(Ord. 04-21 § 4 (part), 2004; Ord. 98-1484 § 4, 1998; Ord. 97-1445 § 4(H), 1997; Ord. 96-1383 § 4, 1996.)

#### **13.12.040 Written warning.**

If, at the discretion of the harbormaster, an infraction of the rules of the harbor system may be resolved with a written warning to the offending vessel owner, he may do so, with a copy for the

harbor files. Said written warning will specifically spell out the infraction and notify the owner that further action will be taken if the offense is repeated or does not cease immediately. Any such written warning will be hand delivered or mailed by certified mail so proof of delivery is assured. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

### **13.12.050 Fines.**

The maximum penalty will be five hundred dollars. Bail schedule and a standard penalty for violations will be as follows:

- A. Negligent operation of vessel: minimum penalty of one hundred dollars;
- B. Reckless operation of vessel: minimum penalty of two hundred dollars;
- C. The bailable amount for violations of the vehicle loading and unloading area regulations, not otherwise specified, shall be ten dollars for the first violation, twenty dollars for the second violation, and fifty dollars for the third and subsequent violations.
- D. Violation of Section 13.10.110(A):

First offense	Written warning
Second offense	\$100.00
Third offense	\$200.00
Fourth offense and subsequent offenses	\$400.00

- E. All other violations: minimum penalty of fifty dollars. A person cited for a third violation of speeding, negligent operation or reckless operation shall be required to appear in court and if convicted shall be subject to a minimum fine of five hundred dollars.

(Ord. 09-64 § 4 (part), 2009; Ord. 04-21 § 4 (part), 2004; Ord. 97-1445 § 4(F), 1997; Ord. 96-1366 § 4 (part), 1996.)

### **13.12.060 Impoundment.**

The harbormaster is authorized to impound a vessel under any of the following circumstances: the vessel is a derelict, nuisance or abandoned as defined in this title; the moorage or other fees imposed by the municipality are delinquent; the vessel is improperly located in violation of this title or the vessel is improperly or incorrectly identified. Impounded vessels will be processed by the harbor department as follows:

- A. The vessel will be stored.
- B. Notice will be given to the owner, if known, as impounded and that unless the vessel is reclaimed within thirty days of such notice by paying the impound storage and other costs in full, it will be sold and the owner or operator will be responsible for any unrecovered costs.

C. After the expiration of the required notice period, the vessel will be sold at auction with the proceeds to be applied to impound, storage, and other associated costs. The owner or operator shall be liable for any unrecovered costs.

(Ord. 04-21 § 4 (part), 2004; Ord. 97-1445 § 4(G), 1997; Ord. 96-1366 § 4 (part), 1996.)

#### **13.12.065 Penalties for emission of soot from an oil stove in a vessel.**

Each owner and operator of a vessel in the harbor system shall take all reasonable measures to prevent the emission of soot from oil stoves. If a vessel's oil stove emits soot that settles onto or touches another vessel, the owner or operator of the vessel from which the soot came shall face a correctional citation, and if not corrected shall pay a fine of fifty dollars for the first offense and a fine of one hundred dollars for the second offense within a one-year period. For a third or subsequent offense within a one-year period, the owner or operator shall pay a fine of three hundred dollars. The first and second offenses shall be bailable. A person cited for a third offense of emission of soot from an oil stove shall be required to appear in court. (Ord. 04-21 § 4 (part), 2004; Ord. 01-1655 § 4, 2001.)

#### **13.12.070 Notice to owner.**

The notice will contain: the name and/or official number of the vessel; the name and address, if known, of the owner, operator, master or managing agent; the reason for the impoundment, the actual date of impoundment and the reserved moorage space that will be forfeited when the vessel is impounded. The notice will be hand delivered or mailed, by certified U.S. Mail, return receipt requested, to the last known address. In addition, a copy of the same notice of impoundment will be physically placed on the subject vessel at the most logically appearing point of entry to the inside of the boat. A third copy will be posted in the harbormaster's office on a visible bulletin board. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.12.080 Right to hearing.**

The owner, operator, master or managing agent in lawful possession of a vessel given notice for impoundment has the right to an administrative hearing to determine whether there is just cause to impound the vessel. Any person desiring such an appeal must file a written request with the municipal clerk within ten days after mailing and posting of said notice. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

#### **13.12.090 Hearing procedure.**

The hearing will be conducted by the port and harbors commission, acting as a board of inquiry on behalf of the municipality and will be held at its next meeting following receipt of said request. The person will have the right to submit written evidence or provide a list of witnesses or persons who will speak on his or her behalf. The harbormaster will likewise prepare written material outlining previous steps taken to resolve this issue, earlier correspondence, and reasoning leading up to the impoundment. Following the hearing, the port and harbors commission will cause to have prepared a

written decision outlining the rationale and results of its findings. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

**13.12.100 Assembly oversight.**

As with any administrative action, if the owner, operator or master of said vessel involved in the hearing, still disagrees with the decision to impound, they may file a formal appeal, through the administrator, to the assembly of the city and borough of Sitka. The report or findings, prepared by the port and harbors commission, along with all written or presented oral or visual testimony, will be forwarded to the assembly, who will review the report and uphold or overturn the recommendation. (Ord. 04-21 § 4 (part), 2004; Ord. 96-1366 § 4 (part), 1996.)

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**The Sitka General Code is current through Ordinance 13-46, passed December 23, 2013.**

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## Legislation Details

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File #: ORD 14-08    Version: 1    Name:

Type: Ordinance    Status: SECOND READING

File created: 3/19/2014    In control: City and Borough Assembly

On agenda: 4/8/2014    Final action:

Title: Revising Chapter 4.09 of the SGC, at Subsection 4.09.110 entitled "Residence Construction Tax Refund" to extend the time period for applying for the refund to two years after the issuance of the building permit, and, to clarify that only one refund per building permit will be issued

Sponsors: Administrator's Office

Indexes:

Code sections:

Attachments: [ORD 2014-08 Residence Construction](#)

Date	Ver.	Action By	Action	Result
3/25/2014	1	City and Borough Assembly		

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2014-08  
on second and final reading.



## Ordinance 2014-08

A proposed ordinance is attached.

The Administrator has asked that the sales tax code be revised to incorporate a change to the period of time an individual can apply for a residential construction sales tax refund. The reasoning behind the change is that some seasonally-employed individuals take longer than a year to finish their homes, working only in the off season. This change helps bring fairness in regards to the refund. I agree with, and support, the changes.

Note that we put a limitation on the refund. Once you apply for one, you can't apply a second time, even if you pay additional taxes. One refund per building permit only.

This version adds two additional points recommended by Marj:

- 1) Clarifying in a new section 4.09.110 D 3 that the refund can include sales taxes paid on the expenditures made to construct the home or prepare the lot for construction, and
- 2) Putting a provision requiring the invoices to be organized and the amount of the refund totaled. This is to prevent against people bringing a shopping bag of invoices in and expecting CBS to total the taxes for them.

Jay

This second revision of the ordinance addresses the issues William raised, all of which are valid. Please let us know if any other tweaks need to be made.

Jay

A couple of things come to mind.

1. Projects are usually started with a grading permit which is followed by a foundation permit. A building permit is issued after these steps have been completed. Taxes paid on lot prep and concrete would not be eligible for refund since they were paid before building permit was issued.
2. Removing the provision requiring occupancy could allow a non-contractor home builder to sell a house before two years, get a tax refund and the city would receive no taxes. I may be mistaken but I thought a contractor pays no sales tax on products to be resold but there is a one time sales tax paid when the home is "sold" by the contractor to the owner.

William Stortz

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-08

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA REVISING CHAPTER 4.09 SALES TAX OF THE SITKA GENERAL CODE, UNDER SUBSECTION 4.09.110 ENTITLED "RESIDENCE CONSTRUCTION TAX REFUND," TO EXTEND THE TIME PERIOD FOR APPLYING FOR THE REFUND TO TWO YEARS AFTER THE ISSUANCE OF THE BUILDING PERMIT, AND, TO CLARIFY THAT ONLY ONE REFUND PER BUILDING PERMIT WILL BE ISSUED

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

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

2. SEVERABILITY. If any provision of this ordinance or any application 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 revise Section 4.09.110 of the Sitka General Code, Residence Construction Tax Refund, to extend the period to apply for the refund to up to two years after the issuance of the building permit to clarify which permits begin the two year time period, to provide for a mechanism for collecting tax on the sale of a home completed within the two year period, and, to clarify that only one refund per building permit will be issued.

4. ENACTMENT. The Assembly of the City and Borough of Sitka hereby revises Section 4.09.110 of the Sitka General Code (eliminated language is struck through and new language is in bold and underlined).

Chapter 4.09
Sales Tax

\*\*\*

4.09.110 Residence construction tax refund.

36 Upon proper application the city and borough will refund sales tax paid on the construction of an  
37 owner-occupied single-family dwelling or duplex.

38 A. The dwelling must be a new dwelling unit, not merely an extension of an existing unit.

39 B. At the time of refund application, ~~applicant must be residing in the dwelling, the dwelling~~  
40 ~~must be certified ready for occupancy by the building official and less~~ **no more than one two**  
41 **years** shall have passed since the issuance **of either a grading permit, foundation permit, or**  
42 **building permit. The applicant may choose which permit issuance date begins the two year**  
43 **period.** No refund shall be made for items purchased prior to the issuance of the ~~building~~ permit  
44 **selected by the applicant.** No sales tax paid to businesses outside of the city and borough shall  
45 be refunded.

46 C. The refund shall be the amount of sales tax actually paid for materials and services used in  
47 the construction of the dwelling. This shall include lumber, building materials, electrical and  
48 plumbing supplies or services, furnace and other heating apparatus and permanent carpeting and  
49 major appliances, such as kitchen stove, refrigerator, washer, dryer and freezer. Items not  
50 included are throw rugs, televisions, furniture, drapery, pictures and minor appliances, not built  
51 into the building. Also not included are tools and machinery purchased to use in the construction  
52 of the dwelling, nor shall it include spare material(s) not used.

53 D. Upon application for a refund the applicant shall certify, under penalty of perjury:

54 1. The sales tax requested to be refunded has actually already been paid to the  
55 supplier;

56 2. That all items for which a refund is requested were consumed in the  
57 construction of the dwelling or have actually been installed in the dwelling.

58 **3. That all services were used to prepare the lot for construction, construct the**  
59 **dwelling, or install materials in the dwelling.**

60 E. Applications for refund shall be made to the finance director and shall be supported by  
61 detailed invoices. **Such invoices must be presented in an orderly fashion with the total**

62 **amount of refund being applied for totaled.** The finance director will disallow unsupported  
63 application or portions thereof. Appeals may be made to the assembly.

64 **F. Only one refund will be issued in conjunction with the same building permit. If a**  
65 **builder chooses to apply for a refund prior to completion of construction during the two**  
66 **year period commencing with the issuance of the building permit and subsequently incurs**  
67 **additional construction costs after the issuance of a refund, sales taxes paid on those**  
68 **additional costs will not be refunded, even if incurred within two years after the issuance of**  
69 **the building permit.**

70 **G. If a non-contractor home builder completes and sells a home prior to the end of the**  
71 **two-year time period for refunds, the amount of applicable sales tax will be deducted from**  
72 **the amount of the refund. This is the amount of sales tax applicable to the sale of the home**  
73 **in affect at that time.**

74  
75 **EFFECTIVE DATE.** This ordinance shall become effective the day after the date of passage.  
76

77 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka,  
78 Alaska this 8<sup>th</sup> day of April, 2014.  
79

80  
81 \_\_\_\_\_  
82 **Mim McConnell, Mayor**

82 **ATTEST:**  
83  
84 \_\_\_\_\_  
85 **Colleen Ingman, MMC**  
86 **Municipal Clerk**



## Legislation Details

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File #: ORD 14-06    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 3/5/2014    In control: City and Borough Assembly

On agenda: 4/8/2014    Final action:

Title: Authorizing Sublease of space by Island Girl Coffee LLC at the Sitka Rocky Gutierrez Airport Terminal Building

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2014-06 Island Girl Lease](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

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**I MOVE TO** approve Ordinance 2014-06 on first reading



# City and Borough of Sitka

## PUBLIC WORKS

100 LINCOLN STREET • SITKA, ALASKA 99835

PHONE (907) 747-1804 • FAX (907) 747-3158

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

**From:** Michael Harmon, Public Works Director *MHA*  
Gary E. Baugher Jr., Maintenance and Operations Superintendent *GEB*

**cc:** Jay Sweeney, Finance Director

**Date:** 31 March 2014

**Subject:** Island Girl Coffee, LLC Sublease

---

### Background

City and Borough of Sitka owns the Airport Terminal Building ("Terminal Building"), which is built on land leased from the State of Alaska. Island Girl Coffee, LLC is a coffee shop that is requesting to sublease L-4 and L-5 of the subleased spaces at the terminal building, based on a tenant sublease agreement with the City and Borough of Sitka. Island Girl, LLC purchased the assets (inventory and equipment) from Runway 29 coffee shop, Ostrov Enterprises. The owners of Island Girl Coffee, LLC are Kara and Marie Kesanooksisk.

### Analysis

The new sublease term commences on April 1, 2014 to Feb. 28, 2018, unless terminated or extended as herein provided. Tenant shall have the right to exercise options to renew for two successive terms of three (3) years each upon the same terms and conditions as this sublease agreement.

The terms of the tenant lease requires Assembly written approval for any assignment, with approval not to be arbitrarily withheld. The State of Alaska "Sublease Guidelines for Tenants" also requires approval by the State of Alaska, Department of Transportation and Public Facilities, of any assignment of the terminal tenant leases. Further, the assignee must obtain and provide proof of the required Insurance coverage in accordance with the tenant Lease Agreement.

### Fiscal Note:

The terminal building sublease rate for the Island Girl Coffee Lease shall be \$693.60 per month computed at the rate of \$1.70 per square foot per month, plus the City and Borough of Sitka Sales Tax.



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

**Recommendation:**

Approve sublease agreement with the owner of the Island Girl Coffee, LLC contingent on receipt of proof of the required insurance coverage, and approval from the State of Alaska, Department of Public Facilities of the assignment.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-06

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AUTHORIZING SUBLEASE OF SPACE BY ISLAND GIRL COFFEE LLC AT THE SITKA ROCKY GUTIERREZ AIRPORT TERMINAL BUILDING

1. CLASSIFICATION. This ordinance is not of a permanent nature and is not 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. State of Alaska owns the Sitka Rocky Gutierrez Airport Terminal Building ("Terminal Building") in Sitka, Alaska. City and Borough of Sitka ("CBS") has a 30-year lease agreement with the State of Alaska, Lease No. ADA-50103, which began on July 1, 1994 and expires on June 30, 2024.

Island Girl Coffee LLC recently purchased the on-hand merchandise, supplies, inventory, equipment, fixtures and appliances of Runway 29 at the Sitka Rocky Gutierrez Airport. Island Girl Coffee LLC would like to sublease the spaces known as L-4 and L-5, consisting of 408 square feet, to continue the operation of an espresso stand that has been in that location since March 5, 2004. The Sublease Agreement would be a sublease, beginning April 1, 2014, and ending on February 28, 2018, with an option for two 3-year extensions. The Sublease Agreement ending date of February 28, 2018, is consistent with current sublease agreements at the airport terminal and allows for all options of renewals to be done at the same time in 2018.

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

A. The Assembly finds that competitive bidding is inappropriate under SGC 18.12.010E for Terminal Building space as Island Girl Coffee LLC is willing to pay fair market value for the space as determined by the Municipal Assessor, and will execute the new standardized Terminal Building Sublease Agreement;

B. Execution of the attached sublease is authorized; and

1 C. Approval of this sublease agreement is contingent on the State of  
2 Alaska DOT&PF approval and consent to the Sublease Agreement.  
3

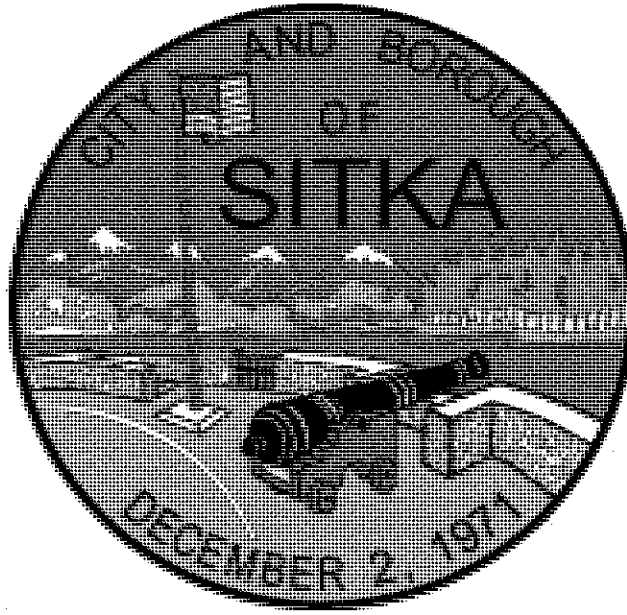
4 5. **EFFECTIVE DATE.** This ordinance shall become retroactive and  
5 effective April 1, 2014.  
6

7 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and  
8 Borough of Sitka, Alaska this 22<sup>nd</sup> day of April, 2014.  
9

10  
11  
12  
13 \_\_\_\_\_  
Mim McConnell

14 ATTEST:

15  
16 \_\_\_\_\_  
17 Colleen Ingman, MMC  
18 Municipal Clerk



# **SUBLEASE AGREEMENT**

**BETWEEN**

**THE  
CITY AND BOROUGH OF SITKA**

**AND**

**ISLAND GIRL COFFEE LLC**

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Exhibits

- Exhibit A – Diagram of Sublease Area
- Exhibit B - Lease between the State of Alaska Department of Transportation and Public Facilities and City and Borough of Sitka
- Exhibit C – State of Alaska Department of Transportation Consent to Sublease
- Exhibit D – State of Alaska Department of Transportation Sublease Guidelines

## **SUBLEASE AGREEMENT**

### **PREAMBLE**

City and Borough of Sitka, 100 Lincoln Street, Sitka, Alaska 99835 ("CBS") and Island Girl Coffee LLC, 108 Osprey Street, Sitka, Alaska 99835-9720 ("Tenant"), enter into this Sublease Agreement ("Sublease"). This Sublease is subject to all requirements and conditions of CBS's prime lease ADA-50103 with the State of Alaska, Department of Transportation and Public Facilities ("DOT&PF") and consists of the Special Provisions, the General Provisions, and the following attached Exhibits:

- Exhibit A - Pictorial representation of the areas subleased in the Sitka Rocky Gutierrez Airport terminal building, ("Terminal Building"), including sublease spaces L-4 and L-5, at 600 Airport Road, Sitka, Alaska 99835 ("Subject Property").
- Exhibit B - Lease between CBS and DOT&PF of the Terminal Building at Lot 3, Block 600.
- Exhibit C - DOT&PF document authorizing CBS to sublease any Terminal Building area.
- Exhibit D - Sublease Guidelines For Tenants, required by DOT&PF.

### **SPECIAL PROVISIONS**

#### **ARTICLE I: SUBLEASE, TERM OF SUBLEASE, AND TERMINATION OF SUBLEASE**

##### **Section 1.1 Conveyance of Estate in Sublease.**

CBS, for and in consideration of the Rents received and of the covenants and agreements made by Tenant, does sublease to Tenant, and Tenant subleases from CBS, the Subject Property as shown on Exhibit A. Exhibit A shows an approximately 408 square feet of Terminal Building space.

##### **Section 1.2 Authorized Uses.**

Tenant is authorized to use the premises as an espresso stand.

##### **Section 1.3 Sublease Term.**

The Sublease term commences on April 1, 2014, and ends on February 28, 2018, unless sooner terminated or extended as hereinafter provided. The Sublease Term may be extended, based on the Options to Renew in Section 1.3.

##### **Section 1.4 Options to Renew.**

Provided there does not then exist a continuing material default by Tenant under this Sublease at the time of exercise of this right or at commencement of any extended term, Tenant shall have the right to exercise options for two successive terms of three (3) years each upon the same terms and conditions as this Sublease (except Section 1.2), with the Sublease payments during the



extension terms as described in Article II. Each of these options is effective only if (a) Tenant makes a written request to exercise such option not more than one year or less than six months from the end of the immediately preceding term; and (b) Tenant is in compliance with law and this Sublease and is not in default under this Sublease. Options to renew must be approved by the CBS Assembly and DOT&PF.

### **Section 1.5 Disposition of Improvements and Tenant's Personal Property Following Term of Sublease.**

With the exception of such improvements described in the next sentence, Tenant shall remove from the Subject Property any personal property or improvements constructed, installed, or deposited on the Subject Property at the termination of this Sublease or any extension unless Tenant makes a separate written agreement with CBS to do otherwise. Subject to the provisions of the next sentence, Tenant shall leave behind at no cost to CBS improvements including: bollards, ladders, drains and drain lines; toilets; bathroom sinks; building systems and their components such as plumbing, piping, and fixtures; building structural components; non-structural improvements such as walls and ceilings; devices not used for processing or manufacturing such as but not limited to electrical service entrance equipment, electrical distribution panels, electrical cables, feeders, branch circuit wiring, and appurtenances such as light fixtures, switches, and other devices; portable fire extinguishers, smoke detectors, and fire and life safety equipment attached or fastened in ways integral to the building in which Subject Property is located. Any improvements or personal property not removed after thirty (30) days have passed after termination of this Sublease shall be deemed abandoned and at CBS's option shall become the property of CBS, and Tenant shall repay to CBS any costs of removing such improvements or personal property from the Subject Property if CBS does not exercise such option. Any holes that may be left in walls, ceilings, or floors as a result of removal of improvements shall be repaired by Tenant in a manner that meets all existing requirements of local, state, and federal law and matches the existing materials of Subject Property. Subject to CBS's obligations under Subsection 3.1 below, Tenant agrees to leave Subject Property in a neat, clean, and weather-tight condition at the end of the term of the Sublease.

### **Section 1.6 Covenants to Perform.**

This Sublease is made upon the above and the following terms and conditions, each of which the Party bound by such covenants and conditions agrees to perform, irrespective of whether the particular provision is in the form of a covenant, an agreement, a condition, a direction, or otherwise, and each Party agrees to provide the other Party with documents or further assurances as may be required to carry out the expressed intentions.

## **ARTICLE II RENT**

### **Section 2.1 Calculation & Method of Payment of Rent During the Initial Five-Year Term of the Sublease.**

The first year of the Sublease begins on the commencement date of this Sublease set out in Article I. Each successive year of the Sublease begins on the corresponding anniversary commencement date of the Sublease. Notwithstanding any other provision of this Sublease, on the term start date set out in Article I, Tenant shall pay the full Sublease Rent for the year. Subject to the provision in the previous sentence, Tenant shall pay the Sublease payments for

subsequent years each month in advance on the first day of each and every month for which Rent is due throughout the term of the Sublease without the necessity of any billing by CBS. Tenant will sublease the space as shown in Exhibit A for \$8,323.20/year payable at a rate of \$693.60/month plus applicable cost of living adjustments referred to in Section 2.2 and extension option adjustments in Section 2.3.

**Section 2.2 Cost of Living Adjustment to Sublease Rate.**

The Sublease rate will be adjusted annually based on the percentage difference between the "All Items" figure for Anchorage, Alaska in the "Consumer Price Index for All Urban Consumers," beginning with the edition published the soonest after January 1. The adjustment shall occur annually on March 1, and shall apply to all subsequent month's sublease payments. The adjustment shall be determined by dividing the most recent CPI by the preceding year CPI, and multiplying the result times the monthly sublease payment and add the result to current sublease payments. Tenant is required to make such adjustments on its own each year.

**Section 2.3 Calculation and Method of Payment of Rent During Successive Optional Three-Year Renewal Periods of the Sublease.**

If Tenant decides to exercise the option to renew for successive three-year terms under Section 1.3, Tenant must notify CBS of their intent no less than six (6) months before the end of the current term of the Sublease. CBS may commission a professional market appraisal of the Subject Property in its "as is" condition. The appraisal will not take into consideration improvements made to the property by Tenant but may take into consideration improvements made by CBS. Subject to the provision of the next sentence, the Rental rate for each month of the successive three-year terms (beginning the Eighth and Eleventh Years) shall be equal to one-twelfth of ten percent (10%) of the appraised value as determined by the appraisal described in the this section. Notwithstanding any other provision of this Sublease, the Sublease rate for Tenant during the Eighth and through Eleventh Years shall not increase by more than ten percent (10%) per year over what the Sublease rate was during the Eighth Year if the appraisal described in this section shows that the Sublease rate for the Eight through Eleventh Years should increase over the Sublease rate for the Eighth Year.

**Section 2.4 Property Tax Responsibility.**

Beginning with the term of this Sublease and each calendar year after, Tenant will be responsible to pay CBS property taxes for its possessory interest in the building, land, and equipment to the extent taxable as determined by the Municipal Assessor.

**ARTICLE III: RESTRICTIONS UPON USE OF SUBJECT PROPERTY**

**Section 3.1 Tenant's Obligations as to Construction, Maintenance, Repair and Safety.**

(a) Except as provided in this Section, Tenant acknowledges the Subleasehold is in an "as is" condition and includes the building, fixtures, appurtenances and municipal-provided equipment. At the sole cost and expense of Tenant and in compliance with all legal requirements, Tenant may purchase, construct, develop, repair, and/or maintain any improvements, personal property, fixtures, and other items on the interior Subject Property in a first-class manner using materials of good quality. Any protrusions, extensions, doors, drains through the roof, walls or floor of the

building for the purpose of drains, access, venting equipment or space within Tenant Subleasehold shall be the responsibility of Tenant including any water leaks or blockages caused by those protrusions, extensions or drains.

(b) CBS shall repair and maintain the subject property and CBS-provided equipment. Tenant shall repair and maintain its areas of use at its sole expense including interior improvements, fixtures appendages and facilities constructed by the Tenant in its use area. This shall include but is not limited to such items as counters, painting, floor coverings and decorations. CBS reserves the right to expand or modify the facility. In that event, the CBS and Tenant will work together to complete such expansion or modification in a manner that minimizes disruption to Tenant's use of the facility. Some anticipated disruptions could be the use of space for construction activities, the interruption in facility utilities (i.e., power, water and sewer and operational disturbances from noise, dust and other construction activities).

(c) Tenant acknowledges that CBS has made no representation or warranty with respect to Tenant's ability to obtain any permit, license, or approval.

(d) Tenant shall also use the Subject Property and any improvements placed thereon only for lawful uses.

(e) Tenant shall confine its equipment, storage and operation to the Subleasehold area. An exception to this is the use of common spaces. Tenant will cooperate with other Subleaseholders in the facility with regards to use of common spaces in the building and grounds. CBS Facilities Manager will act as arbitrator between Subleaseholders on questions on cooperative use.

(f) Tenant shall not permit the accumulation of waste or refuse matter on the Subject Property, and Tenant shall not obstruct or permit the obstruction of the streets, sidewalks, access ways, or alleys adjoining the Subject Property except as may be permitted by CBS or other municipal authorities having jurisdiction. Tenant shall do all things necessary during the term of this Sublease to remove any dangerous condition from time to time existing on the Subject Property as the result of the use by Tenant.

(g) Tenant may erect outdoor signage at its expense with the permission of the CBS Public Works Director and which is in compliance with applicable zoning laws. The style, size and physical placement location of the sign will be approved on a case-by-case basis.

### **Section 3.2 CBS's Approval of Certain Alterations or Improvements.**

Tenant shall not make or permit to be made any alteration of, addition to, or change in, structures and improvements, nor demolish all or any part of the structures or improvements without the prior written consent of CBS, which consent shall not be unreasonably withheld. The phrase "structures and improvements" in the previous sentence includes water and wastewater systems and electrical systems. In requesting consent Tenant shall comply with all applicable laws and ordinances, and shall submit to the CBS Public Works Director or his or her written designee detailed plans and specifications of proposed work, an explanation of the needs and reasons for the work, and a plan of full payment of the costs of the work. CBS shall notify Tenant of its approval or objections no later than 30 days after receiving the information described in the

previous sentence. In approving or objecting CBS shall be acting in its proprietary function and not its regulatory function. Any such approval in this proprietary function does not relieve Tenant of any obligation to obey the law, including obtaining any required building permits. Nothing in this Section shall be interpreted to prevent Tenant from removing at the termination of this Sublease any improvements or personal property as described in Section 1.4.

**Section 3.3 Rights of Access to Subject Property.**

(a) CBS reserves for itself and any public utility company the right to access the Subject Property at all reasonable times in a reasonable manner for the purposes of opening, inspecting, repairing, replacing, reconstructing, maintaining, or servicing the public utilities, if any, located on the Subject Property, as well as for the purposes of constructing or installing new public utilities. CBS also reserves for itself and the Alaska Department of Environmental Conservation the right to access the Subject Property at all reasonable times in a reasonable manner for the purposes of regulation and enforcement of this Sublease. CBS also reserves for itself the right to access the Subject Property at all reasonable times in a reasonable manner for the purposes of (1) inspection of all work being performed in connection with the construction of improvements; (2) showing Subject Property for exhibiting Subject Property in connection with renting or subleasing Subject Property in a matter that will not unreasonably interfere with Tenant's business; and (3) placing "For Sale" or "For Rent" signs on Subject Property. Tenant shall not charge for any of the access allowed in the situations described in this subsection.

(b) Tenant shall not construct any permanent improvements over or within the boundary lines of any easement for public utilities without receiving the written prior consent of CBS and any applicable utility company.

(c) Tenant acknowledges that the Subject Property is or shall be subject to agreements for ingress and egress, utilities, parking, and maintenance of common areas as described on attached Exhibit A. Tenant agrees that it shall comply with the terms of such cooperative agreements, in accordance with the terms of such agreements, those portions of such maintenance expenses that are attributable to the Subject Property, as more fully set forth in this Agreement and its exhibits.

**Section 3.4 Additional Conditions of Subleasing.**

Tenant recognizes and shall cause all beneficiaries of Tenant and all permitted successors in interest in or to any part of the Subject Property to recognize that:

(a) Tenant will cooperate with CBS equipment and building maintenance contractor and will notify CBS of any maintenance deficiencies or of any equipment failures that require maintenance or repair. Tenant will be provided a 24 hour telephone number to notify CBS of any event that requires immediate response by CBS.

(b) Sublease payments will be made in monthly installments in advance in cash or by check, bank draft or money order made available to the City and Borough of Sitka. Installments to be delivered or mailed to 100 Lincoln Street, Sitka, Alaska 99835, by or on the first day of each calendar month.

- (c) Sublease payments shall become delinquent if not paid within ten (10) days after the due date. Delinquent payments are subject to a late charge of \$25 and interest accrued from the due date at 12% annum.
- (d) The charges and fees paid by Tenant to CBS must be separated according to the CBS accounting standards.
- (e) CBS will only invoice if Sublease payments are delinquent. CBS will only invoice if failure to make Sublease payment within 30 days of due date. CBS at their option can terminate the Sublease for Tenant's failure to make payment, and in accordance with this Sublease.
- (f) Tenant covenants and agrees that as it relates to use of the facility, it will not, on the grounds of race, color or national origin, discriminate or permit discrimination against any person or group of person in any manner prohibited by Federal, State or local laws or regulations promulgated under such laws, and Tenant further grants CBS the right to take such action to enforce such covenant as it deems necessary or as it is directed pursuant to any Federal, State or local laws or regulations.
- (g) CBS may sell the Terminal Building in the future and all agreements regarding the Subject Property, including this Sublease between CBS and Tenant, shall be completely transferable to the new owner. A transfer of the Terminal Building to any such entity shall not create any restrictions upon use of the Subject Property in addition to those stated in this Sublease.
- (h) CBS may, upon at least 10 days prior written notice to Tenant, temporarily suspend the supply of water, wastewater service, the supply of electric power, the use of pipelines, or the use of the Improvements in order to perform routine maintenance and, in all events, subject to unavoidable delays, as provided in Section 4.2. Such interruptions shall be of as short duration as necessary to perform such maintenance, and CBS shall not be responsible for any such costs or expenses as a result of suspending such utilities.
- (i) Tenant shall pay the CBS Fire Marshal or Building Inspector fees and other building permit fees, and shall also pay all applicable property taxes and assessments when due. These include any Local Improvement District costs that may be assessed.
- (j) Tenant shall be responsible for taking any measures that Tenant deems necessary to provide security for their property. CBS is not responsible for theft or vandalism.
- (k) CBS sales tax applies to Sublease payments. Sales tax rates, limits, exemptions, and exclusions are subject to change by the CBS Assembly.
- (l) CBS shall have the authority to allow vending machines to be placed in the Terminal Building. All commissions from vending machines shall be deposited by CBS in the Terminal Building account. Any vending machines proposed to be placed in an area under sublease to the Tenant shall be with the concurrence of the Tenant.

(m) Tenant acknowledges that the Nugget Restaurant shall have a right of first refusal with regard to any other limited food or drink sales operations proposed within the Terminal Building and that no other restaurant or lounge business shall be allowed in the Terminal Building. This provision is based on the current sublease with Nugget Restaurant, which expires on March 31, 2014, unless terminated or extended sooner.

(n) Tenant agrees not to install any radio transmitting equipment without the written approval of CBS Facilities Manager and to discontinue upon request of CBS Facilities Manager use of any machinery or installation causing interference to City, State, or Federal government radio receiving or transmitting equipment until the cause of such interference has been eliminated.

(o) Tenant agrees that CBS may modify this Sublease to meet revised requirements for Federal or State grants, regulations or laws, or to conform to the requirements of any CBS revenue bond requirements. However, this agreement to modify the Sublease to conform to the requirements of any revenue bond requirements shall not reduce the rights or privileges granted the Tenant by this Sublease, nor cause the Tenant financial loss in its Sublease options.

(p) FAA requires CBS to file an annual concessionaires' report with the FAA, including a list of individual concessionaires' gross revenues. Tenant grants permission to CBS Finance Director to release this information from sales tax returns in order to comply with FAA reporting requirements.

**(q) Tenant agrees that the first priority use of the Terminal Building is to accommodate aircraft for passenger use. Tenant agrees to relocate to comparable space within the Terminal Building or expanded Terminal Building, if required to accommodate this priority at no cost to CBS.**

(r) Tenant agrees not to install any radio transmitting equipment without the written approval of the CBS Public Works Director, and to discontinue upon request of the Public Works Director the use of any machinery or installation causing interference to City, State, or Federal government radio receiving or transmitting equipment until the cause of such interference has been eliminated.

(s) Tenant shall submit a non-refundable \$55 processing fee payable to the State of Alaska upon execution of this Sublease.

### **Section 3.5 Control of Rodents and Other Creatures on Subject Property.**

Tenant shall take reasonable affirmative measures to ensure that its operations do not attract to Subject Property or any portion of the Terminal Building, Sublease spaces L-4 and L-5, at 600 Airport Road, Sitka, Alaska 99835 any of the following creatures: rodents, vermin, insects, eagles, crows, ravens, seagulls, mink, otters, or bears.

## **ARTICLE IV UTILITY SERVICES & RATES.**

### **Section 4.1 Provision of Utility Services.**

CBS will provide utility services of heat and electric. Water and sewer services will be provided by the CBS in other sections of the Terminal Building.

### **Section 4.2 CBS Not Liable for Failure of Utilities or Building.**

Except to the extent that any such failure, injury, or other casualty is due to CBS's negligence or breach of any obligation under this Sublease, CBS shall not be liable for any failure of building roof, water supply, sewer, or electric current, or for any injury or damages to person or property caused by or resulting from any natural disaster, natural condition, gasoline, oil, steam, gas, electricity, or hurricane, tornado, flood, wind or similar storms or disturbances, or water, rain, or snows which may leak or flow from the street, sewer, or from any part of the Terminal Building or the Subject Property, or leakage of gasoline or gas from pipes, appliances, sewer, or plumbing works therein, or from any other place, or for sewer or plumbing works therein, or from any other place. CBS shall not be held responsible or liable for any claim or action due to or arising from any suspension of operation, breakage, unavoidable accident or injury of any kind occurring to, or caused by the sewer mains by an act of God, beyond CBS's control, or caused by the elements, strikes, riots, or a terrorist or terrorists.

### **Section 4.3 Janitorial**

Janitorial for common areas in the Terminal Building is provided by CBS. Tenant will provide janitorial for its Subject Property.

## **ARTICLE V INDEMNIFICATION**

### **Section 5.1 Liability of and Indemnification by Tenant.**

Tenant agrees to indemnify, defend, and save harmless CBS against and from any and all claims by or on behalf of any person, firm, or corporation arising, other than due to acts or omissions of CBS, from the conduct or management of or from any work or thing whatsoever done in or about the Subject Property and structures and improvements, including liability arising from products produced on the property. Tenant also agrees to indemnify, defend, and save CBS harmless against and from any and all claims and damages arising, other than due to acts or omissions of CBS, during the term of this Sublease from: (a) any condition of the Subject Property or improvements placed on it; (b) any breach or default on the part of Tenant regarding any act or duty to be performed by Tenant pursuant to the terms of this Sublease; (c) any act or negligence of Tenant or any of its agents, contractors, servants, employees or licensees; and (d) any accident, injury, death or damage caused to any person occurring during the Term of this Sublease in or on the Subject Property. Tenant agrees to indemnify, defend, and save harmless CBS from and against all costs, counsel and legal fees, expenses, and liabilities incurred, other than due to acts or omissions of CBS, in any claim or action or proceeding brought asserting claims of or asserting damages for any alleged act, negligence, omission, conduct, management, work, thing, breach, default, accident, injury, or damage described in the previous two sentences. The above agreements of indemnity are in addition to and not by way of limitation of any other covenants in this Sublease to indemnify CBS. The agreements of indemnity by Tenant do not apply to any claims of damage arising out of the failure of CBS to perform acts or render

services in its municipal capacity. The Tenant agrees to provide to the State the same level of indemnity that the Tenant would provide to the State if the Tenant were a direct Lessee under the Prime Lease.

### **Section 5.2 Liability of and Indemnification by CBS.**

Except to the extent of liabilities arising from Contractor's acts or omissions, CBS indemnifies, defends, and holds Tenant harmless for liabilities to the extent that they were incurred by reason of conditions existing on the site as of the date of execution of this Sublease or by reasons of CBS's acts or omissions. CBS also agrees to indemnify, defend, and save Tenant harmless against and from any and all claims and damages arising, other than due to acts or omissions of Tenant, during the Sublease Term from (a) any condition of the Subject Property or improvements placed on it; (b) any breach or default on the part of the CBS regarding any act or duty to be performed by CBS pursuant to the terms of the Sublease; (c) any act or negligence of CBS or any of its agents, contractors, servants, employees, or licensees; and (d) any accident, injury, death, or damage caused to any person occurring during the Sublease Term in or on the Subject Property. CBS agrees to indemnify, defend, and save harmless Tenant from and against all costs, counsel and legal fees, expenses, and liabilities incurred, other than due to acts or omissions of Tenant, in any claim or action or proceeding brought asserting claims of or asserting damages for any alleged act, negligence, omission, conduct, management, work, thing, breach, default, accident, injury, or damage described in the previous two sentences. The above agreements of indemnity are in addition to and not by way of limitation of any other covenants in this Sublease to indemnify the Tenant.

### **Section 5.3 Reimbursement of Costs of Obtaining Possession.**

Each Party agrees to pay and to indemnify the other Party prevailing in any dispute under this Sublease against all costs and charges, including full reasonable counsel and legal fees lawfully and reasonably incurred in enforcing any provision of this Sublease including obtaining possession of the Subject Property and establishing CBS's title free and clear of this Sublease upon expiration or earlier termination of this Sublease.

## **GENERAL PROVISIONS**

### **ARTICLE VI DEFINITIONS**

#### **Section 6.1 Defined Terms.**

For the purposes of this Sublease, the following words shall have the meanings attributed to them in this Section:

- (a) "Event of Default" means the occurrence of any action specified in Section 14.1.
- (b) "Imposition" means all of the taxes, assessments, utility rates or charges, levies and other governmental charges, levied or assessed against the Subject Property or on any part of the Subject Property, any right or interest regarding the Subject Property, or any Rent and income received from the Subject Property, including sales taxes on Rent.



(c) "Improvements" or "improvements" means all buildings, structures and improvements of any nature now or hereafter located upon the Subject Property by Tenant, as well as all of the Tenant's apparatus and equipment necessary for the complete and comfortable use, occupancy, enjoyment and operation of the Subject Property, including fittings, appliances, machinery, garage equipment, heating equipment, lighting equipment, cooling equipment, air conditioning and ventilating equipment, wiring, controls, communications equipment, plumbing, switchboards, antennae, floor coverings, refrigerating equipment, hot water heating and all other appliances and equipment; excepting only in each case articles of personal property appurtenances and fixtures (including trade fixtures) owned by Tenant, sublessees, or others, which can be removed without defacing or materially injuring the improvements remaining on the Subject Property, from the property with the portion of the property from which such items are removed being returned to a condition at least as good as that existing on the date of this Sublease. "Improvements" also includes fill, grading, asphalt, and other non-building land improvements.

(d) "Personal Property" means tangible personal property owned or leased and used by Tenant or any subtenant, in connection with and located upon the Subject Property.

(e) "Premises" means the "Subject Property."

(f) "Rent" means the Sublease rate, which is the amount Tenant periodically owes and is obligated to pay CBS as Sublease payments under this Sublease for the use of the Subject Property.

(g) "Subject Property" is the area Subleased as shown on Exhibit A.

(h) "Subtenant" shall mean any subtenant, concessionaire, licensee, or occupant of space in or on the Subject Property holding by or through Tenant.

(i) "Term" means the period of time Tenant Rents or Subleases the Subject Property from CBS.

## **ARTICLE VII INSURANCE**

### **Section 7.1 Insurance.**

Tenant shall maintain property damage and comprehensive general liability insurance in the amount of one million dollars (\$1,000,000), including for Subleasehold improvements. CBS shall be named as an additional insured. CBS shall maintain for the Terminal Building a policy of standard fire and extended coverage insurance.

### **Section 7.2 Notification of Claim, Loss, or Adjustment.**

Tenant shall advise CBS of any claim, loss, adjustment, or negotiations and settlements involving any loss under all policies of the character described in Section 7.1.

### **Section 7.3 Waiver of Subrogation.**

Whenever: (i) any loss, cost, damage or expense resulting from fire, explosion or any other casualty or occurrence is incurred by either of the Parties to this Sublease, or anyone claiming

under it in connection with the Subject Property or Improvements; and (ii) the Party is then covered in whole or in part by insurance with respect to loss, cost, damage or expense or is required under this Sublease to be so insured, then the Party so insured (or so required) releases the other Party from any liability the other Party may have on account of the loss, cost, damage or expense to the extent of any amount recoverable by reason of insurance and waives any right of subrogation which might otherwise exist in or accrue to any person on account of it, provided that the release of liability and waiver of the right of subrogation shall not be operative in any case where the effect is to invalidate the insurance coverage or increase its cost (provided that, in the case of increased cost, the other Party shall have the right, within thirty (30) days following written notice, to pay the increased cost keeping the release and waiver in full force and effect.

## **ARTICLE VIII RESTRICTIONS REGARDING ASSIGNMENT, SUBLEASES, AND TRANSFERS OF SUBJECT PROPERTY**

### **Section 8.1 Tenant Without Power to Assign Sublease or Transfer or Encumber Subject Property.**

Tenant has no power under this Sublease to assign the Sublease, except with approval of the CBS Assembly and DOT&PF. Tenant has no power under this Sublease to transfer the Subject Property, except with approval of the CBS Assembly and DOT&PF. Tenant has no power to encumber Subject Property or pledge its interest in Subject Property as collateral for a loan or mortgage.

### **Section 8.2 Limitations on Subleases.**

Tenant shall not sublease the Subject Property or any portion of it without the prior written approval of the CBS Assembly and DOT&PF. All subleases entered into demising all or any part of the Improvements or the Subject Property shall expressly state that it is subject to and subordinate to this Sublease. CBS's and DOT&PF's consent to a sublease of the Subject Property shall not release Tenant from its obligations under this Sublease. CBS's and DOT&PF's consent to a sublease shall not be deemed to give any consent to any subsequent subletting.

## **ARTICLE IX USE AND PROTECTION OF THE SUBJECT PROPERTY**

### **Section 9.1 Subject Property As Is - Repairs.**

Tenant acknowledges that it has examined the Subject Property and the present improvements including any public improvements presently located there and knows the condition of them and accepts them in the present condition and without any representations or warranties of any kind or nature whatsoever by CBS as to their condition or as to the use or occupancy which may be made of them. Tenant assumes the sole responsibility for the condition of the improvements located on the Subject Property. The foregoing shall not be deemed to relieve CBS of its general municipal obligations, or of its obligations under Section 3.1 above.

### **Section 9.2 Compliance with Laws.**

Tenant shall throughout any term of this Sublease, at Tenant's sole expense, promptly comply with all the laws and ordinances and the orders, rules, regulations, and requirements of all federal, state, and municipal governments and appropriate departments, commissions, boards,

and officers (whether or not the same require structural repairs or alterations) and all other legal requirements that may be applicable to the use of the Subject Property. Nothing in the foregoing sentence shall be deemed to relieve CBS of its general obligations required in its municipal capacity.

**Section 9.3 Notification of CBS Public Works Director of Discovery of Contamination.**

Tenant shall promptly notify the CBS Public Works Director within 24 hours if any contaminated soils or other media that require special handling are encountered during construction activities or at any other time.

Tenant shall be responsible for all clean-up costs associated with contamination of soils of subject property, adjoining property, and/or buildings. In the event of Tenant's failure to clean-up to applicable regulatory standards or to the satisfaction of the CBS Public Works Director, CBS may perform clean-up or contract for clean-up, and all charges for such work shall be payable by Tenant.

**Section 9.4 Use of Utility Lines.**

Tenant shall connect or otherwise discharge to such utility lines as are approved by the CBS Directors of Public Works and/or Electric Department, and shall obtain any permits and comply with any conditions specified by the Directors of Public Works and/or Electric Department for such connections.

**Section 9.5 Permits and Approvals for Activities.**

Tenant shall be responsible for obtaining all necessary permits and approvals for its activities unless otherwise specifically allowed by CBS. Not less than ten (10) days in advance of applying for permits to any public entity other than the CBS, Tenant shall provide copies of all permit applications and associated plans and specifications to the CBS Public Works Director to facilitate review by departments of the CBS. CBS is not obligated to comment on the permit applications and plans, and the result of any review by the CBS does not affect Tenant's obligation to comply with any applicable laws.

**ARTICLE X CBS'S RIGHT TO PERFORM TENANT'S COVENANTS; REIMBURSEMENT OF CBS FOR AMOUNTS SO EXPENDED**

**Section 10.1 Performance of Tenant's Covenants To Pay Money.**

Tenant covenants that if it shall at any time default or shall fail to make any other payment (other than Rent) due and the failure shall continue for ten (10) days after written notice to Tenant, then CBS may, but shall not be obligated so to do, and without further notice to or demand upon Tenant and without releasing Tenant from any obligations of Tenant under this Sublease, make any other payment in a manner and extent that CBS may deem desirable.

**Section 10.2 CBS's Right To Cure Tenant's Default.**

If there is a default involving the failure of Tenant to keep the Subject Property in good condition and repair in accordance with the provisions of this Sublease, to make any necessary renewals or replacements or to remove any dangerous condition in accordance with the requirements of this Sublease or to take any other action required by the terms of this Sublease, then CBS shall have

the right, but shall not be required, to make good any default of Tenant. CBS shall not in any event be liable for inconvenience, annoyance, disturbance, loss of business, or other damage of or to Tenant by reason of bringing materials, supplies and equipment into or through the Terminal Building during the course of the work required to be done to make good such default, and the obligations of Tenant under this Sublease shall remain unaffected by such work, provided that CBS uses reasonable care under the circumstances prevailing to avoid unnecessary inconvenience, annoyance, disturbance, loss of business, or other damage to Tenant.

### **Section 10.3 Reimbursement of CBS and Tenant.**

All sums advanced by CBS pursuant to this Article and all necessary and incidental costs, expenses and attorney fees in connection with the performance of any acts, together with interest at the highest rate of interest allowed by law from the date of the making of advancements, shall be promptly payable by Tenant, in the respective amounts so advanced, to CBS. This reimbursement shall be made on demand, or, at the option of CBS, may be added to any Rent then due or becoming due under this Sublease and Tenant covenants to pay the sum or sums with interest, and CBS shall have (in addition to any other right or remedy) the same rights and remedies in the event of the nonpayment by Tenant as in the case of default by Tenant in the payment of any installment of Rent. Conversely, Tenant shall be entitled to receive from CBS prompt payment or reimbursement on any sums due and owing from CBS to Tenant, together with interest at the highest rate allowed by law. However, nothing contained in this Sublease shall entitle Tenant to withhold any Rent due to CBS or to offset or credit any sums against Rent, except with respect to unpaid Rental due from CBS to Tenant under any Sublease of Terminal Building space to CBS.

## **ARTICLE XI DAMAGE OR DESTRUCTION**

### **Section 11.1 Repair and Replacement of Structures and Improvements Following Damage.**

(a) If the Subject Property shall be destroyed or so injured by any cause as to be unfit, in whole or in part, for occupancy and such destruction or injury could reasonably be repaired within ninety (90) days from the date of such damage or destruction, then Tenant shall not be entitled to surrender possession of the Subject Property, nor shall Tenant's liability to pay Rent under this Sublease cease, without the mutual consent of the Parties. In case of any such destruction or injury, CBS shall repair the same with all reasonable speed and shall complete such repairs within ninety (90) days from the date of such damage or destruction. If during such period Tenant shall be unable to use all or any portion of the Subject Property, a proportionate allowance shall be made to Tenant from the Rent corresponding to the time during which and to the portion of the Subject Property of which Tenant shall be so deprived of its use.

(b) If such destruction or injury cannot reasonably be repaired within ninety (90) days from the date of such damage or destruction, CBS shall notify Tenant within fifteen (15) days after the determination that restoration cannot be made in ninety (90) days. If CBS elects not to repair or rebuild, this Sublease shall be terminated. If CBS elects to repair or rebuild, CBS shall specify the time within which such repairs or reconstruction will be complete, and Tenant shall have the option, to be exercised within thirty (30) days after the receipt of such written notice, to elect either to terminate the Sublease and further liability, or to extend the Sublease Term by a period of time equivalent to the time from the happening of such destruction or injury until the Subject

Property is restored to its former condition. In the event Tenant elects to extend the Sublease Term, CBS shall restore the Subject Property to its former condition within the time specified in the written notice, and Tenant shall not be liable to pay Rent for the period from the time of such destruction or injury until the Subject Property is so restored to its former condition.

(c) In addition to all rights to cancel or terminate this Sublease set forth in Subsections 11.1(a) and 11.1(b), if the Subject Property or a part are destroyed or damaged during the last two (2) years of the Sublease Term or any extension(s) to the extent of fifty per cent (50%) or more of the value of the Subject Property, then CBS shall have the right to cancel and terminate this Sublease as of the date of such damage or destruction by giving Tenant written notice within ninety (90) days after the date of such damage or destruction.

(d) The timeframes in this article may be modified by mutual agreement of the Parties.

## **ARTICLE XII LIENS**

### **Section 12.1 Discharge of Mechanics' and Other Liens.**

Tenant shall neither suffer nor permit any mechanics' liens or other liens to be filed against the title to the Subject Property, nor against Tenant's interest in the property, nor against the improvements by reason of work, labor, services or materials supplied or claimed to have been supplied to Tenant or anyone having a right to possession of the Subject Property or improvements as a result of an agreement with or the assent of Tenant. If any mechanics' lien or other liens shall be filed against the Subject Property, including the Improvements, Tenant shall cause it to be discharged of record within 30 days after the date that Tenant has knowledge of its filing, or take action sufficient to the satisfaction of the CBS.

## **ARTICLE XIII LIEN FOR RENT AND OTHER CHARGES**

### **Section 13.1 Lien for Rent.**

The whole amount of the Rent and each and every installment, and the amount of all taxes, assessments, water rates, insurance premiums and other charges and impositions paid by CBS under the provisions of this Sublease, and all costs, attorney's fees and other expenses which may be incurred by CBS in enforcing the provisions of this Sublease or on account of any delinquency of Tenant in carrying out any of the provisions of this Sublease, shall be and they are declared to constitute a valid and prior lien upon the Subject Property and the Improvements, and upon Tenant's Subleasehold estate, and may be enforced by equitable remedies including the appointment of a receiver.

## **ARTICLE XIV DEFAULT PROVISIONS**

### **Section 14.1 Events of Default.**

Each of the following events is defined as an "Event of Default":

(a) The failure of Tenant to pay any Rent, or any other payments or deposits of money, or furnish receipts for deposits as required, when due and the continuance of the failure for a period of ten (10) days after notice in writing from CBS to Tenant.

(b) The failure of Tenant to perform any of the other covenants, conditions and agreements of this Sublease including payment of taxes on the part of Tenant to be performed, and the continuance of the failure for a period of thirty (30) days after notice in writing (which notice shall specify the respects in which CBS contends that Tenant has failed to perform any of the covenants, conditions and agreements) from CBS to Tenant unless, with respect to any default which cannot be cured within thirty (30) days, Tenant, or any person holding by, through or under Tenant, in good faith, promptly after receipt of written notice, shall have commenced and shall continue diligently and reasonably to prosecute all action necessary to cure the default within an additional 60 days.

(c) The filing of an application by Tenant (the term, for this purpose, to include any approved transferee other than a CBS of Tenant's interest in this Sublease): (i) for a consent to the appointment of a receiver, trustee or liquidator of itself or all its assets; (ii) of a voluntary petition in bankruptcy or the filing of a pleading in any court of record admitting in writing of its inability to pay its debts as they come due; (iii) of a general assignment for the benefit of creditors; (iv) of an answer admitting the material allegations of, or its consenting to, or defaulting in answering, a petition filed against it in any bankruptcy proceeding.

(d) The entry of an order, judgment or decree by any court of competent jurisdiction, adjudicating Tenant a bankrupt, or appointing a receiver, trustee or liquidator of it or of its assets, and this order, judgment or decree continuing unstayed and in effect for any period of 60 consecutive days, or if this Sublease is taken under a writ of execution.

#### **Section 14.2 Assumption or Assignment of Sublease to Bankruptcy Trustee.**

In the event that this Sublease is assumed by or assigned to a trustee pursuant to the provisions of the bankruptcy reform Act of 1978 (referred to as "Bankruptcy Code") (11 U.S.C. § 101 et seq.), and the trustee shall cure any default under this Sublease and shall provide adequate assurances of future performance of this Sublease as are required by the Bankruptcy Code (including the requirement of Code § 365(b)(1)) (referred to as "Adequate Assurances"), and if the trustee does not cure such defaults and provide such adequate assurances under the Bankruptcy Code within the applicable time periods provided by the Bankruptcy Code, then this Sublease shall be deemed rejected automatically and CBS shall have the right to possession of the Subject Property immediately and shall be entitled to all remedies provided by the Bankruptcy Code for damages for breach or termination of this Sublease.

#### **Section 14.3 Remedies in Event of Default.**

CBS may treat any one or more of the Events of Default as a breach of this Sublease and at its option, by serving written notice on Tenant and each Secured Party and Subleasehold Mortgagee of whom CBS has notice (such notice not to be effective unless served on each such person) of the Event of Default of which CBS shall have received notice in writing, CBS shall have, in addition to other remedies provided by law, one or more of the following remedies:

(a) CBS may terminate this Sublease and the Term created, in which event CBS may repossess the entire Subject Property and Improvements, and be entitled to recover as damages a sum of money equal to the value, as of the date of termination of this Sublease, of the Rent provided to be paid by Tenant for the balance of the stated term of this Sublease less the fair rental value as

of the date of termination of this Sublease of the fee interest in the Subject Property and Improvements for the period, and any other sum of money and damages due under the terms of this Sublease to CBS and Tenant. Any personal property not removed after such termination shall be addressed as provided for in Section 1.4 above.

(b) CBS may terminate Tenant's right of possession and may repossess the entire Subject Property and Improvements by forcible entry and detainer suit or otherwise, without demand or notice of any kind to Tenant (except as above expressly provided for) and without terminating this Sublease, in which event CBS may, but shall be under no obligation to do so, relet all or any part of the Subject Property for Rent and upon terms as shall be satisfactory in the judgment reasonably exercised by CBS (including the right to relet the Subject Property and Terminal Building for a term greater or lesser than that remaining under the stated term of this Sublease and the right to relet the Subject Property and Terminal Building as a part of a larger area and the right to change the use made of the Subject Property). For the purpose of reletting, CBS may make any repairs, changes, alterations or additions in or to the Subject Property and improvements that may be reasonably necessary or convenient in CBS's judgment reasonably exercised; and if CBS shall be unable, after a reasonable effort to do so, to relet the Subject Property, or if the Subject Property and Terminal Building are relet and a sufficient sum shall not be realized from reletting after paying all of the costs and expenses of repairs, change, alterations and additions and the expense of reletting and the collection of the Rent accruing from it, to satisfy the Rent above provided to be paid, then Tenant shall pay to CBS as damages a sum equal to the amount of the Rent reserved in this Sublease for the period or periods as and when payable pursuant to this Sublease, or, if the Subject Property or any part of it has been relet, Tenant shall satisfy and pay any deficiency upon demand from time to time; and Tenant acknowledges that CBS may file suit to recover any sums falling due under the terms of this Section from time to time and that any suit or recovery of any portion due Tenant shall be no defense to any subsequent action brought for any amount not reduced to judgment in favor of CBS. Any personal property not removed after such termination shall be addressed as provided for in Section 1.4 above.

(c) In the event of any breach or threatened breach by Tenant of any of the terms, covenants, agreements, provisions or conditions in this Sublease, CBS shall have the right to invoke any right and remedy allowed at law or in equity or by statute or otherwise as through reentry, summary proceedings, and other remedies were not provided for in this Sublease.

(d) Upon the termination of this Sublease and the Term created, or upon the termination of Tenant's right of possession, whether by lapse of time or at the option of CBS, Tenant will at once surrender possession of the Subject Property and dispose of personal property and improvements as described in Section 1.4. If possession is not immediately surrendered, CBS may reenter the Subject Property and Improvements and repossess itself of it as of its former estate and remove all persons and their personal property, using force as may be necessary without being deemed guilty of any manner of trespass or forcible entry or detainer. CBS may at its option seek expedited consideration to obtain possession if CBS determines that the Sublease has terminated as described in the first sentence of this paragraph, and Tenant agrees not to oppose such expedited consideration.

(e) In the event that Tenant shall fail to make any payment required to be made provided for in this Sublease or defaults in the performance of any other covenant or agreement which Tenant is required to perform under this Sublease during the period when work provided for in this Sublease shall be in process or shall be required by the terms of this Sublease to commence, CBS may treat the default as a breach of this Sublease and, in addition to the rights and remedies provided in this Article, but subject to the requirements of service of notice pursuant to this Sublease, CBS shall have the right to carry out or complete the work on behalf of Tenant without terminating this Sublease.

**Section 14.4 Waivers and Surrenders To Be In Writing.**

No covenant or condition of this Sublease shall be deemed to have been waived by CBS unless the waiver be in writing, signed by CBS or CBS's agent duly authorized in writing and shall apply only with respect to the particular act or matter to which the consent is given and shall not relieve Tenant from the obligation, wherever required under this Sublease, to obtain the consent of CBS to any other act or matter.

**ARTICLE XV CBS'S TITLE AND LIEN**

**Section 15.1 CBS's Title and Lien Paramount.**

CBS has title to the Terminal Building, and CBS's lien for Rent of the Terminal Building and other CBS charges shall be paramount to all other liens on the Subject Property.

**Section 15.2 Tenant Not To Encumber CBS's Interest.**

Tenant shall have no right or power to and shall not in any way encumber the title of CBS in and to the land and building of the Subject Property. The leasehold estate of CBS in the Land and its ownership of the Terminal Building in which the Subject Property is sublet shall not be in any way subject to any claim by way of lien or otherwise, whether claimed by operation of law or by virtue of any express or implied lease or contract or other instrument made by Tenant, and any claim to the lien or otherwise upon the Land arising from any act or omission of Tenant shall accrue only against the Subleasehold estate of Tenant in the Subject Property and Tenant's interest in the Improvements, and shall in all respects be subject to the paramount rights of CBS in the Land.

**ARTICLE XVI REMEDIES CUMULATIVE**

**Section 16.1 Remedies Cumulative.**

No remedy conferred upon or reserved to CBS shall be considered exclusive of any other remedy, but shall be cumulative and shall be in addition to every other remedy given under this Sublease or existing at law or in equity or by statute. Every power and remedy given by this Sublease to CBS may be exercised from time to time and as often as occasion may arise or as may be deemed expedient by CBS. No delay or omission of CBS to exercise any right or power arising from any default shall impair any right or power, nor shall it be construed to be a waiver of any default or any acquiescence in it.



**Section 16.2 Waiver of Remedies Not To Be Inferred.**

No waiver of any breach of any of the covenants or conditions of this Sublease shall be construed to be a waiver of any other breach or to be a waiver of, acquiescence in, or consent to any further or succeeding breach of it or similar covenant or condition.

**Section 16.3 Right to Terminate Not Waived.**

Neither the rights given to receive, sue for or distrain from any Rent, moneys or other payments, or to enforce any of the terms of this Sublease, or to prevent the breach or nonobservance of it, nor the exercise of any right or of any other right or remedy shall in any way impair or toll the right or power of CBS to declare ended the term granted and to terminate this Sublease because of any event of default.

**ARTICLE XVII SURRENDER AND HOLDING OVER**

**Section 17.1 Surrender at End of Term.**

On the last day of the last Sublease year of the original term, or on the earlier termination of the Sublease term, Tenant shall peaceably and quietly leave, surrender and deliver the entire Subject Property to CBS, subject to the provisions of Section 1.4, in good repair, order, and condition, reasonable use, wear and tear excepted, free and clear of any and all mortgages, liens, encumbrances, and claims. At the time of the surrender, Tenant shall also surrender any and all security deposits and Rent advances of sublessees to the extent of any amounts owing from Tenant to CBS. If the Subject Property is not so surrendered, Tenant shall repay CBS for all expenses which CBS shall incur by reason of it, and in addition, Tenant shall indemnify, defend and hold harmless CBS from and against all claims made by any succeeding Tenant against CBS, founded upon delay occasioned by the failure of Tenant to surrender the Subject Property.

**Section 17.2 Rights Upon Holding Over.**

At the termination of this Sublease, by lapse of time or otherwise, Tenant shall yield up immediately possession of the Subject Property to CBS and, failing to do so, agrees, at the option of CBS, to pay to CBS for the whole time such possession is withheld, a sum per day equal to one hundred and seventy-five percent (175%) times 1/30th of the aggregate of the Rent paid or payable to CBS during the last month of the term of the Sublease the day before the termination of the Sublease. The provisions of this Article shall not be held to be a waiver by CBS of any right or reentry as set forth in this Sublease, nor shall the receipt of a sum, or any other act in apparent affirmance of the tenancy, operate as a waiver of the right to terminate this Sublease and the Term granted for the period still unexpired for any breach of Tenant under this Sublease.

**ARTICLE XVIII MODIFICATION**

**Section 18.1 Modification.**

None of the covenants, terms or conditions of this Sublease to be kept and performed by either Party to this Sublease shall in any manner be waived, modified, changed or abandoned except by a written instrument duly signed, acknowledged, and delivered by both CBS and Tenant.

## ARTICLE XIX INVALIDITY OF PARTICULAR PROVISIONS

### Section 19.1 Invalidity of Provisions.

If any provision of this Sublease or the application of it to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Sublease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected, and each provision of this Sublease shall be valid and be enforced to the fullest extent permitted by law.

## ARTICLE XX APPLICABLE LAW AND VENUE

### Section 20.1 Applicable Law.

This Sublease shall be construed and enforced in accordance with the laws of the State of Alaska. The forum and venue for any action seeking to interpret, construe, or enforce this Sublease shall be only in the Superior Court for the State of Alaska at Sitka, Alaska.

## ARTICLE XXI NOTICES

### Section 21.1 Manner of Mailing Notices.

In every case where under any of the provisions of this Sublease or otherwise it shall or may become necessary or desirable to make or give any declaration or notice of any kind to CBS or Tenant, it shall be sufficient if a copy of any declaration or notice is sent by United States mail, postage prepaid, return receipt requested, addressed:

Mark Gorman, Municipal Administrator City and Borough of Sitka 100 Lincoln Street Sitka, Alaska 99835 Phone: (907) 747-1808 Fax: (907) 747-7403 Email: <a href="mailto:markgorman@cityofsitka.com">markgorman@cityofsitka.com</a>	Kara and/or Maria Kesanooksisk Island Girl Coffee LLC 108 Osprey Street Sitka, Alaska 99835-9720 Phone: (907) 752-8294/752-1069 Fax: None Email: <a href="mailto:mcelticksisk@hotmail.com">mcelticksisk@hotmail.com</a>
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with a copy to: Municipal Clerk at address listed above. Each Party from time to time may change its address for purposes of receiving declarations or notices by giving notice of the changed address, to become effective seven days following the giving of notice.

### Section 21.2 Notice to Subleasehold Mortgagee and Secured Parties.

CBS shall provide each Subleasehold Mortgagee and Secured Party, who has so requested, copies of all notices from CBS to Tenant relating to existing or potential default under, or other noncompliance with the terms of, this Sublease. All notices, demands or requests which may be required to be given by CBS or Tenant to any Subleasehold Mortgagee and Secured Parties shall be sent in writing, by United States registered or certified mail or express mail, postage prepaid, addressed to the Subleasehold Mortgagee at a place as the Subleasehold Mortgagee may from time to time designate in a written notice to CBS and Tenant. Copies of all notices shall simultaneously be sent to the other of CBS or Tenant, as the case may be.

**Section 21.3 Sufficiency of Service.**

Service of any demand or notice as in this Article provided shall be sufficient for all purposes.

**Section 21.4 When Notice Deemed Given or Received.**

Whenever a notice is required by this Sublease to be given by any Party to the other Party or by any Party to a Subleasehold Mortgagee, the notice shall be considered as having been given when a registered or certified notice is placed in the United States Post Office mail as provided by this Article and shall be deemed received on the third business day after and for all purposes under this Sublease of starting any time period after notice, the time period shall be conclusively deemed to have commenced three business days after the giving of notice and whether or not it is provided that a time period commences after notice is given or after notice is received.

**ARTICLE XXII MISCELLANEOUS PROVISIONS**

**Section 22.1 Captions.**

The captions of this Sublease and the index preceding it are for convenience and reference only and in no way define, limit or describe the scope or intent of this Sublease, nor in any way affect this Sublease.

**Section 22.2 Conditions and Covenants.**

All the provisions of this Sublease shall be deemed and construed to be "conditions" as well as "covenants," as though the words specifically expressing or importing covenants and conditions were used in each separate provision.

**Section 22.3 Entire Agreement.**

This Sublease contains the entire agreement between the Parties and shall not be modified in any manner except by an instrument in writing executed by the Parties or their respective successors or assigns in interest.

**Section 22.4 Time of Essence as to Covenants of Sublease.**

Time is of the essence as to the covenants in this Sublease.

**ARTICLE XXIII COVENANTS TO BIND AND BENEFIT RESPECTIVE PARTIES AND TO RUN WITH THE SUBJECT PROPERTY**

**Section 23.1 Covenants to Run with the Subject Property.**

All covenants, agreements, conditions and undertakings in this Sublease shall extend and inure to the benefit of and be binding upon the successors and assigns of each of the Parties, the same as if they were in every case named and expressed, and they shall be construed as covenants running with the Subject Property. Wherever in this Sublease reference is made to any of the Parties, it shall be held to include and apply to, wherever applicable, also the officers, directors, successors and assigns of each Party, the same as if in each and every case so expressed.

**Section 23.2 Interest in Deposits Automatically Transferred.**

The sale, conveyance or assignment of the interest of Tenant (pursuant to the terms of this Sublease) or of CBS in and to this Sublease shall act automatically as a transfer to the assignee of

CBS or of Tenant, as the case may be, of its respective interest in any funds on deposit with and held by any Construction Lender and CBS, and every subsequent sale, conveyance or assignment by any assignee of CBS or of Tenant also shall act automatically as a transfer of their respective rights to the deposits with such Construction Lender and CBS to the subsequent assignee.

#### **ARTICLE XXIV ADDITIONAL GENERAL PROVISIONS**

##### **Section 24.1 Absence of Personal Liability.**

No member, official, or employee of CBS shall be personally liable to Tenant, its successors and assigns, or anyone claiming by, through or under Tenant or any successor in interest to the Subject Property, in the event of any default or breach by CBS or for any amount which may become due to Tenant, its successors and assigns, or any successor in interest to the Subject Property, or on any obligation under the terms of this Sublease. No member, official, or employee of Tenant shall be personally liable to CBS, its successors and assigns, or anyone claiming by, through, or under CBS or any successor in interest to the Subject Property, in the event of any default or breach by Tenant or for any amount which become due to CBS, its successors and assigns, or any successor in interest to the Subject Property, or on any obligation under the terms of this Sublease.

##### **Section 24.2 Sublease Only Effective As Against CBS Upon Approval of Assembly and DOT&PF.**

This Sublease and any renewals are effective against CBS only upon the approval of such Sublease and any renewals by the CBS Assembly and DOT&PF.

##### **Section 24.3 Binding Effects and Attorneys Fees.**

This Sublease shall be binding up and inure to the benefit of the respective successors and assigns of the Parties. In the event of litigation over this Sublease, the Parties agree that the prevailing Party shall receive full reasonable attorneys' fees.

##### **Section 24.4 Duplicate Originals.**

Three signed and notarized originals of this Sublease shall be executed. The warranties, representations, agreements and undertakings shall not be deemed to have been made for the benefit of any person or entity, other than the Parties.

##### **Section 24.5 Declaration of Termination.**

With respect to CBS's rights to obtain possession of the Subject Property or to revest title in itself with respect to the Subleasehold estate of Tenant in the Subject Property, CBS shall have the right to institute such actions or proceedings as it may deem desirable to effectuate its rights including, without limitation, the right to execute and record or file with the Recorder of Sitka Recording District, a written declaration of the termination of all rights and title of Tenant in the Subject Property, and the revesting of any title in CBS as specifically provided in this Sublease.

##### **Section 24.6 Authority.**

CBS and Tenant represent to each other that each has, and has exercised, the required corporate power and authority and has complied with all applicable legal requirements necessary to adopt, execute and deliver this Sublease and perform its obligations. Both Parties also represent that

this Sublease has been duly executed and delivered by each and constitutes a valid and binding obligation of each enforceable in accordance with its terms, conditions, and provisions.

**ISLAND GIRL COFFEE LLC**

**ISLAND GIRL COFFEE LLC**

\_\_\_\_\_  
Kara Kesanooksisk, Co-Owner

\_\_\_\_\_  
Maria Kesanooksisk, Co-Owner

**STATE OF ALASKA** )  
 ) ss:  
**FIRST JUDICIAL DISTRICT** )

On this \_\_\_\_ day of \_\_\_\_\_, 2014, personally appeared before me Kara Kesanooksisk and Maria Kesanooksisk, whose identities are personally known to me or proved to me on the basis of satisfactory evidence, and who by signing this agreement, swears or affirms that they are co-owners of Island Girl Coffee LLC and are authorized to sign this document on behalf of the Tenant, and do so freely and voluntarily.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

**CITY AND BOROUGH OF SITKA**

\_\_\_\_\_  
Mark Gorman, Municipal Administrator

**STATE OF ALASKA** )  
 ) ss:  
**FIRST JUDICIAL DISTRICT** )

THIS CERTIFIES that on this \_\_\_\_ day of \_\_\_\_\_, 2014, before me, a Notary Public in and for the State of Alaska, personally appeared Mark Gorman, who is the Municipal Administrator of the City and Borough of Sitka, Alaska, a municipal corporation organized under the laws of the State of Alaska, that he has been authorized by to execute the foregoing document, and does so freely and voluntarily.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MMDD/YYYY)  
3/28/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Venneberg Insurance Inc. 225 Harbor Drive Sitka, AK 99835	<b>CONTACT NAME:</b> Sarah Newhouse <b>PHONE (A/C No. Ext):</b> (907) 747-8625 <b>E-MAIL ADDRESS:</b> sarahn@venneberginsurance.com	<b>FAX (A/C No.):</b> (907) 747-5065
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> Island Girl Coffee LLC 108 Osprey Sitka, AK 99835	<b>INSURER A:</b> Capitol Indemnity Corporation	
	<b>INSURER B:</b>	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

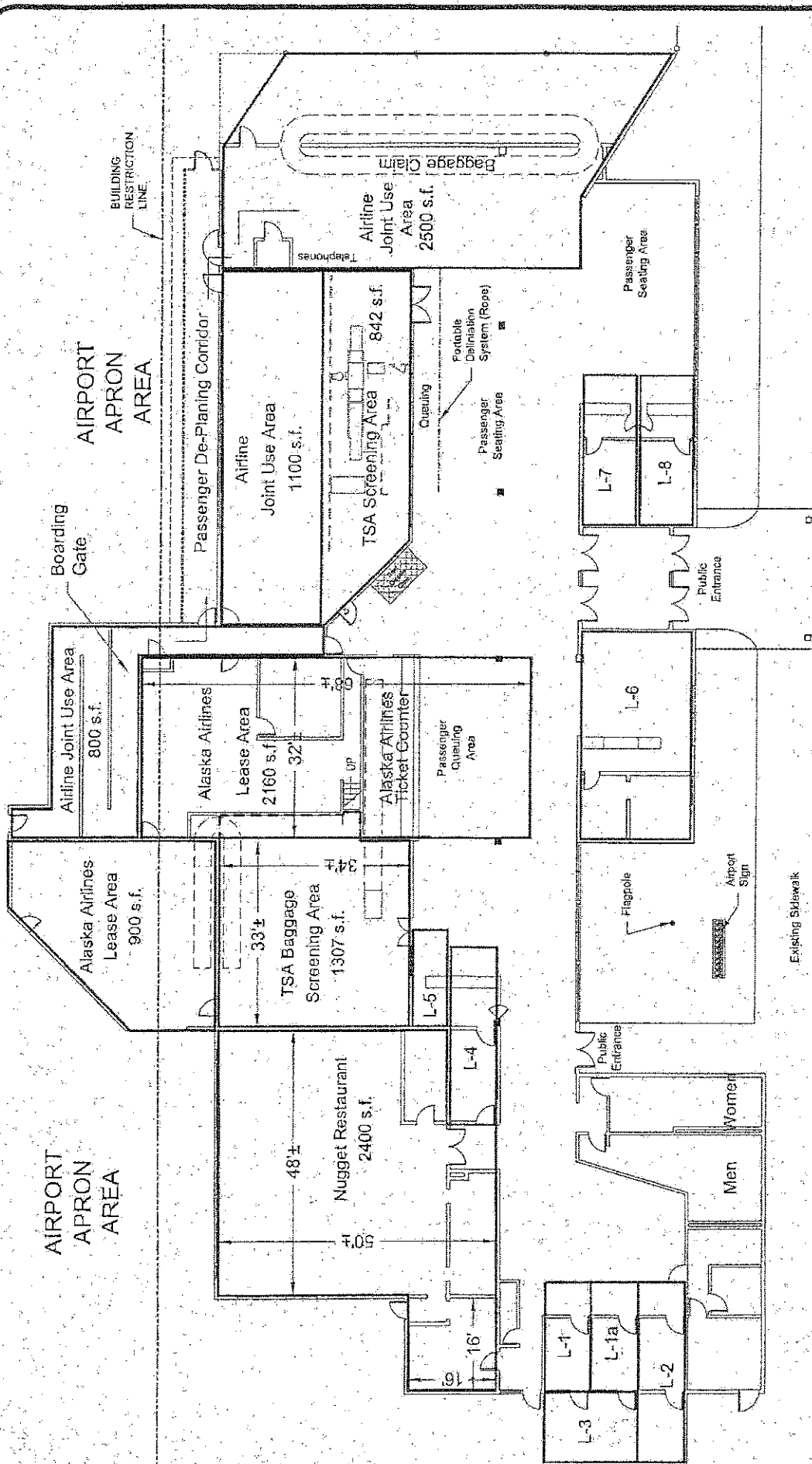
**COVERAGES**                      **CERTIFICATE NUMBER:** GL 2014                      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL SUBROGATION	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY		CP02362831	3/27/2014	3/27/2015	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person) \$ 5,000
	GEN'L AGGREGATE LIMIT APPLIES PER:					PERSONAL & ADV INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					GENERAL AGGREGATE \$ 2,000,000
	AUTOMOBILE LIABILITY					PRODUCTS - COMP/OP AGG \$ 2,000,000
	ANY AUTO					COMBINED SINGLE LIMIT (Ea accident) \$
	ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per person) \$
	HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per accident) \$
	UMBRELLA LIAB	<input type="checkbox"/> OCCUR				PROPERTY DAMAGE (Per accident) \$
	EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE				\$
	DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					AGGREGATE \$
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N <input type="checkbox"/>	N/A			WC STATUTORY LIMITS OTHER
	If yes, describe under DESCRIPTION OF OPERATIONS below					E.L. EACH ACCIDENT \$
						E.L. DISEASE - EA EMPLOYEE \$
						E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)  
 Showing General Liability coverage in place

<b>CERTIFICATE HOLDER</b> (907) 747-3158  City & Borough of Sitka 100 Lincoln Street Sitka, AK 99835	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  Michael Venneberg/SJN
---	---



- L-1 Counter & Office Space 214 s.f.
- L-1a Counter & Office Space 214 s.f.
- L-2 Counter, Office & Outside Storage Space 280 s.f.
- L-3 Outside Storage Space 194 s.f.
- L-4 Counter & Office Space 255 s.f.
- L-5 Counter Space 114 s.f.
- L-6 Counter, Office & Storage Space 798 s.f.
- L-7 Counter & Office Space 243 s.f.
- L-8 Counter & Office Space 219 s.f.



City and Borough of Sitka  
 DEPARTMENT OF PUBLIC WORKS  
 100 LINCOLN STREET • SITKA, ALASKA 99835  
 TEL (907) 747-1804 FAX (907) 747-3158

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

DRAWN: PAR/TAD	SCALE: N.T.S.
CHECKED: RAR	DATE: 10Feb05
DRAWING NAME: Leases Feb 05	
SHEET NO. 1 / 1	

EXH. A

*AIRPORT*

*Exhibit E*

*Paula*

STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES

SITKA AIRPORT

LEASE NO. ADA-50103

LEASE AGREEMENT

THIS lease is made and entered into this 1st day of June, 1997, between the STATE OF ALASKA, acting through the DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, whose address is 6860 Glacier Highway, Juneau, Alaska 99801-7999, ("LESSOR"), and the CITY AND BOROUGH OF SITKA, ALASKA, whose address is 100 Lincoln Street, Sitka, Alaska 99835 ("LESSEE").

*§ 7461 2005*

RECITALS

- (1) LESSOR owns the Sitka Airport ("Airport") at Sitka, Alaska;
- (2) LESSOR has constructed the runway and related facilities for the airport at Sitka, Alaska;
- (3) Lessor and Lessee entered into Lease Agreement ADA-01571, dated July 1, 1967, under which Lessee operated the Airport;
- (4) Under Lease Agreement ADA-01571, LESSEE constructed, expanded, and operated an airport terminal ("Terminal") building on the Airport;
- (5) July 1, 1994 Lessee terminated Lease Agreement ADA-01571. On October 11, 1995, Lessor and Lessee executed a Settlement Agreement setting out the conditions for resolution of financial disputes and other matters that resulted from Lessee's termination of Lease ADA-01571. Under the terms of the Settlement Agreement, the Lessor and Lessee agreed to enter into a lease of the Terminal site to permit the Lessee to continue operating the Terminal; and
- (6) LESSEE has operated the Terminal continuously since July 1, 1994;

THEREFORE, for and in consideration of the terms and conditions, set forth below, the parties agree as follows:

1. Leased Premises

LESSOR hereby leases to LESSEE, and LESSEE hereby leases from the LESSOR, the following real property located on Japonski Island, Sitka Recording District, First Judicial District, Alaska, described as follows ("Premises"):

Lot 3A, Block 600, Sitka Airport consisting of 65,445 square feet as described on attached Exhibit A.

2. Term

In consideration of Lessee's construction, maintenance, operation, and ownership of the Terminal, the term of this lease is 30 years beginning on July 1, 1994, and expiring on June 30, 2024.

**EXH. B**



3. Authorized Uses

Lessee is authorized to use the premises for operation of a public airline terminal building and for purposes commonly associated with a public airline terminal at airports in the United States, including aircraft parking, loading, servicing, and unloading; baggage and cargo processing; passenger ticketing, screening, and waiting; and concession services.

4. Rent

- (a) Beginning on July 1, 1995, the annual rental for the Premises is \$6,806.28 (65,445 square feet @ \$.104 per square foot). Rent for the period of July 1, 1995 to June 30, 1997 (\$13,612.56) is due upon execution of this lease by the Lessor and Lessee. After June 30, 1997, the rent shall be payable in advance of the first day of each year of the term specified in Covenant No. 3. The rent shall be prorated for any partial year in the term. All payments required by this lease must be made in U.S. currency.
- (b) Checks, bank drafts, or postal money orders are to be made payable to the State of Alaska and delivered to Accounting Section, Department of Transportation and Public Facilities, 6860 Glacier Highway, Juneau, Alaska 99801-7999, or any other address which the Lessor may designate in writing.
- (c) Any payment due from the Lessee and not received by the Lessor accrues interest from the due date until paid in full at the highest allowable lawful contract rate in Alaska, as defined AS 45.45.010 or as amended. Interest on disputed amounts will not be charged to the Lessee if the dispute is resolved in the Lessee's favor.
- (d) Any rent, charge, fee or other consideration which is due and unpaid at the expiration, termination, or cancellation of this lease will be a charge against Lessee and Lessee's property, real or personal.
- (e) Lessor may increase or decrease the rents or fees payable under this lease. During the first five years of the term stated in Covenant No. 2 of this lease, Lessor may neither increase nor decrease the rent fees payable under this lease. At any time after the end of the fifth year of the lease term, Lessor may, in its sole discretion, increase or decrease the rents or fees, provided that Lessor may neither increase nor decrease the rents or fees more than once in any 12 months period. Any change in rent is effective upon written notice to the Lessee.

Any rent increase or decrease must be consistent with applicable statutes or regulations, including AS 02.15.090 and 17 AAC 40.340(a), and any amendments. It is Lessor's intent that any rent established under this basic provision not exceed fair market rental as determined by a qualified real estate appraiser in an appraisal approved by Lessor. However, Lessor is under no obligation to appraise the Premises under any circumstances.

- (f) If Lessee believes that a change under (e) of this Covenant No. 4 rent exceeds the fair market rent for the Premises, Lessee may appeal to Lessor according to the following procedures:
  - (i) Lessee must pay the changed rent beginning on the effective date stated in Lessor's rent change notice and continue paying the changed rent throughout the appeal process.

- (ii) Within 30 days after the date of Lessor's written notice of the rent increase or decrease, Lessee must submit a written appeal to Lessor. The appeal must include the name, address, telephone number and professional qualifications of the real estate appraiser Lessee intends to retain to perform a fair market rent appraisal of the Premises.
- (iii) Lessor will review the appraiser's qualifications and approve or disapprove the appraiser in writing to Lessee. If Lessor disapproves the appraiser, Lessee will have 30 days from the date of Lessor's written disapproval to continue the appeal by submitting the name, address, phone number, and professional qualifications of another appraiser.
- (iv) If Lessor approves Lessee's appraiser, Lessee shall, at Lessee's sole expense, cause the Premises to be appraised according to appraisal instructions furnished by Lessor. The written appraisal must be received by Lessor within 90 days following the date of Lessor's written approval of Lessee's appraiser.
- (v) Lessor will review the appraisal for conformance with the appraisal instructions and issue a written approval or rejection to Lessee. Upon approval of the appraisal, the fair market rent determined by the appraisal will be the rent for the Premises, retroactive to the effective date of Lessor's rent change notice issued under (e) of this Covenant No. 4. Rejection of the appraisal by Lessor will constitute a denial of Lessee's appeal.

#### 5. Operation As A Public Air Terminal

LESSEE agrees to operate the Terminal for the use and benefit of the public. Lessee shall make available, the Terminal and related facilities and services to the public, subject to reasonable fees and needs, on fair and reasonable terms and conditions and without discrimination. Lessee agrees to provide space in the terminal, to all qualified persons, firms, and corporations desiring to conduct airline operations in the Terminal. Nothing in this lease grants or authorizes the Lessee to grant any exclusive right prohibited by AS 02.15.210 or Section 308 of the Federal Aviation Act.

#### 6. Economic Non-Discrimination

Each air carrier using the Terminal (whether as a tenant, nontenant, or subtenant of another air carrier tenant) shall be subject to nondiscriminatory and substantially comparable rates, fees, rentals, and charges with respect to facilities directly or substantially relating to providing air transportation and other nondiscriminatory and substantially comparable rules, regulations and conditions as are applicable to all such air carriers which make similar use of the Terminal.

#### 7. Inspection of Lessee Records

During Lessee's normal business hours, Lessor shall have the right to inspect and copy the Lessee's files, books, and records related to this lease, the Premises, or the Terminal.

**8. Continuous Operations**

Except as provided in Covenant No. 13 of this lease, Lessee agrees to continuously operate an airline terminal building on the premises for use by the public throughout the term of this lease.

**9. Existing Improvements**

(a) Lessor and Lessee acknowledge the presence on the Premises of the Terminal, sidewalks, and landscaped areas owned by Lessee, and security fencing and paved surface aircraft parking apron owned by Lessor. As of the date on which this lease is executed, Lessor and Lessee find the condition of these improvements to be acceptable for the purposes contemplated in this lease.

(b) By no later than September 1, 1997, Lessee shall furnish to Lessor one complete set of as-built drawings showing the dimensions and construction of the Terminal.

**10. Survey**

Lessee agrees to cause the Premises to be surveyed by a land surveyor registered in the State of Alaska. The survey must be conducted at no expense to the Lessor and must establish the boundaries of the Premises, placing permanent markers at the corners. Lessee agrees to submit a plat of the survey, signed and stamped by the surveyor, to the Lessor on or before September 1, 1997. The survey plat must conform to the Lessor's reasonable requirements, must use the centerline of the airport runway as the basis of bearings and must show survey monuments recovered, survey monuments set, and bearings and distances between monuments. Following approval of the plat by the Lessor, the Lessor and Lessee will execute a supplement to this lease which will modify the Premises description as necessary to conform to the survey.

**11. Construction**

(a) Before placing fill material or beginning construction of any improvements or additions on the Premises, Lessee must first obtain the written approval of Lessor in the form of an approved building permit. Detailed drawings of the proposed improvements or additions on the Premises must be submitted to Lessor. If a building or building addition is contemplated, Lessee must also submit comprehensive structural drawings showing front and side elevation views and floor plan, materials to be used, dimensions, elevations, the location of all proposed utility lines, and any additional data requested by Lessor. Lessor will review and approve or disapprove the proposed construction. Approval will not be withheld except where proposed construction does not comply with valid engineering principles, fire or building codes, generally recognized principles of sound airport development, or the proposed construction is inconsistent with the purposes of this lease. Lessee shall submit to Lessor evidence of Lessee's compliance with the Federal Aviation Regulations, 14 CFR Part 77, and all other municipal, state, or federal regulations governing construction of improvements on the airport.

(b) Lessee, within thirty (30) days after completion of construction or placement of improvements upon the Premises, shall deliver to Lessor an as-built drawing showing the location and dimensions of the location and

dimensions of the improvements, giving bearings and distances to an established survey point. Furthermore, if Lessee constructs underground improvements, Lessee shall appropriately mark the surface of the land with adequate surface markers.

#### 12. Maintenance

- (a) Lessee shall keep the Premises and all improvements neat and presentable at Lessee's own expense. Lessee shall not strip, waste, or remove any material from the Premises without the prior written permission of Lessor.
- (b) At no cost to Lessor, Lessee shall provide for all utilities, services, and maintenance, including snow removal, as is necessary to facilitate Lessee's use of the Premises.
- (c) The disposal on the airport of waste materials generated by Lessee, including slash, overburden, and construction waste, is prohibited, unless authorized in writing by Lessor.
- (d) Lessee agrees to coordinate the Lessee's snow removal and maintenance activities on the Airport with Lessor's Airport personnel. Lessee further agrees to comply with all reasonable decisions and directions of Lessor's airport management personnel regarding snow removal, maintenance, and general use of the airport by Lessee.

#### 13. Damage or Destruction of the Terminal

- (a) Except as provided in (b) of this Covenant No. 13, if the Terminal is damaged or destroyed by fire, explosion, wind, or other events, Lessee shall cause the Terminal to be repaired or rebuilt, and restored to normal function as promptly as possible.
- (b) If the Terminal is damaged to the extent that more than 50% of the space in the Terminal is unusable and the damage occurs within five years of the expiration of the term of this lease, Lessee may terminate this lease, remove the damaged Terminal, and restore the Premises.

#### 14. Lessor Obligations

- (a) Subject to the appropriation of sufficient funds, Lessor agrees to operate and maintain the Airport for the use and benefit of the public. Lessor's operation and maintenance of the Airport include:
  - (i) Maintenance of the runway and taxiway systems;
  - (ii) Maintenance of the road systems within the airport boundaries;
  - (iii) Maintenance of the public parking lot on the Airport; and
  - (iv) Comply with Federal Aviation Administration requirements for an airport served by commercial air carriers.
- (b) Lessor is responsible for the maintenance, operation, and management of the security lock system controlling points of access from the Terminal to the aircraft parking apron on the Premises. Lessee shall obtain Lessor's prior approval for any proposed change in the points of access. If Lessee installs additional points of access in the Terminal, the devices securing

the access shall be compatible with Lessor's system, installed at the Lessee's sole expense, and maintained and operated by Lessor.

**15. Hazardous Substances**

- (a) If fuel or any other hazardous substances are handled by Lessee on the Premises, Lessee agrees to have properly trained personnel and adequate procedures for safely storing, dispensing, and otherwise handling fuel or hazardous substances in accordance with 13 AAC 50 and other applicable federal, state, and local laws.
- (b) In the event of a hazardous substance spill on the Premises, Lessee shall immediately notify Lessor and act promptly to contain the spill, repair any damage, absorb and clean up the spill area, and restore the Premises to a condition satisfactory to Lessor and otherwise comply with the applicable portions of Title 17 and Title 18 of the Alaska Administrative Code.
- (c) Unless otherwise stipulated by this lease or amendment thereto, all bulk fuel on the Premises must be stored in fuel storage tanks installed and plumbed in accordance with 13 AAC 50 and other applicable federal, state, and local laws.

**16. Environmental Indemnification by Lessee.**

- (a) Except for environmental contamination demonstrated to have been caused by Lessor, or by third party prior to July 1, 1994, or to have originated before July 1, 1967, Lessee will be liable for any contamination on the Premises or for the presence of any hazardous substance on the Premises. To that extent only, Lessee shall defend and save harmless Lessor from all suits, claims, damages, judgments, penalties, fines, costs, and liabilities, including sums paid in settlement of claims, attorney's fees, and consultant fees, which arise as a result of contamination of the Premises by a hazardous substance, or of adjacent property if the contamination is demonstrated to have migrated from the Premises.
- (b) Nothing in this Covenant No. 16 shall bar or prevent Lessor or Lessee from seeking and obtaining cleanup efforts, costs, or damages from potentially responsible parties for contamination of the Premises or of adjacent properties.
- (c) Upon the cancellation, termination or expiration of this lease, Lessor will, in its discretion, require Lessee to perform an Environmental Site Assessment of the Premises. Lessee assumes financial responsibility to Lessor for any contamination or presence of hazardous substance in, on, and under the surface of the Premises, or adjacent property if the contamination migrated from the Premises, except for contamination or present of hazardous substance that is determined to have been caused by Lessor, or by third party prior to July 1, 1994, or to have originated before July 1, 1967. This is without prejudice to Lessee's right to seek contribution or indemnity either from prior occupant's properties adjacent to the Premises or other potentially responsible parties except Lessor.

**17. Environmental Definition**

- (a) For the purposes of this lease the following terms are defined:

- (i) Environmental Site Assessment - An assessment of property, consistent with generally accepted professional practices, that determines the environmental condition and is supported by reports and tests which determine the environmental condition and the present, type, concentration, and extent of hazardous substances in, on, and under the surface of the property.
- (ii) Hazardous Substance - Any substance designated pursuant to section 311(b) (2) (A) of the Clean Water Act; any element, compound, mixture, solution, or substance designated pursuant to section 102 of CERCLA; and hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act; any toxic pollutant listed under section 307(a) of the Clean Water Act; any hazardous air pollutant listed under section 112 of the Clean Air Act; and any imminently hazardous chemical substance or mixture with respect to which the EPA Administrator has taken action pursuant to section 7 of the Toxic Substance Control Act.

**18. Fuel Sales Prohibited**

Unless specifically authorized by this lease or amendment thereto, the sale of aviation fuel or lubricating oil by Lessee or a sublessee on the Premises is prohibited.

**19. Liability**

Except for Lessor's own negligence, the Lessee shall indemnify, defend, and hold the Lessor harmless from any liability, action, claim, suit, loss property damage or personal injury of whatever kind resulting from or arising out of any act of commission or omission by the Lessee, or Lessee's agents, employees, sublessees or customers, or arising from or connected with the Lessee's use and occupation of the Premises, or the exercise of the rights and privileges granted by this lease.

**20. Insurance**

- (a) At no expense to Lessor, Lessee shall secure and keep in force during the term of this lease adequate insurance to protect both Lessor and Lessee against comprehensive public liability and property damage in no less than the following amounts:
  - (i) property damage arising from one occurrence in the amount of not less than \$1,000,000; and
  - (ii) personal injury or death in an amount of not less than \$1,000,000.
- (b) Lessee shall provide Lessor with proof of insurance coverage in the form of an insurance policy or a certificate of insurance. All insurance required by this covenant must:
  - (i) name Lessor as an additional assured;
  - (ii) provide that Lessor be notified at least thirty (30) days prior to any termination, cancellation, or material change in the insurance coverage; and

- (iii) include a waiver of subrogation by which the insurer waives all rights of subrogation against Lessor for payments made under the policy.
- (c) The requirement of insurance coverage does not relieve Lessee of any other obligations under this agreement.
- (d) With thirty (30) days advance written notice to Lessee, Lessor may increase or decrease the coverage limits for the insurance required by this Covenant No. 20 when Lessor reasonably determines that the increase or decrease is justified by changes in the potential risks involved in the use of the Premises by Lessee or the users of the Terminal.

## 21. Cancellation

- (a) Lessor may cancel this lease and recover possession of the Premises by giving Lessee 30 days prior written notice upon the happening of any of the events listed below, unless the breach is cured within the 30-day notice period:
  - (i) Lessee's failure to pay when due the rents or fees specified in this lease, including any increases made pursuant to this lease;
  - (ii) the return for insufficient funds of checks for payment of rents or fees;
  - (iii) the use of the Premises by Lessee for any purpose not authorized by this lease;
  - (iv) the filing of a petition in bankruptcy by or against Lessee;
  - (v) the entry by any court of a judgment of insolvency against Lessee;
  - (vi) the appointment of a trustee or receiver for Lessee's assets in a proceeding brought by or against Lessee;
  - (vii) the failure of Lessee to perform any provision or covenant in this lease.
- (b) If Lessee disputes Lessor's stated reasons for a cancellation, Lessee may appeal to Lessor for reconsideration if Lessee submits a written appeal to Lessor before the end of the 30-day notice period in (a) of this Covenant No. 21. Upon Lessor's timely receipt of an appeal, Lessor will suspend action on the cancellation until a decision is made on Lessee's appeal. If the appeal is successful, Lessor's notice of cancellation will be void. If the appeal is denied, the cancellation will be effective 30 days after the date of Lessor's written denial issued to Lessee.

## 22. Survival of Lessee Obligations

If this lease is terminated or cancelled by Lessor pursuant to this lease, or if Lessor reenters, regains or resumes possession of the Premises pursuant to this Lease, all of Lessee's obligations under this Lease except those obligations involving liability which evolves to an occupant based upon maintenance, hazardous conditions and hazardous waste occurring during the Lessor's possession of the premises, shall survive and shall remain in full force and effect for the full term of this Lease. Subject to the Lessor's obligation to mitigate

damages, the amount of the rents, fees, and charges shall become due and payable to Lessor to the same extent, at the same time, and in the same manner as if no termination, cancellation, reentry, regaining, or resumption of possession had taken place. Without limiting the foregoing, Lessee's duties, obligations, and responsibilities under this Lease shall survive the cancellation, termination, or expiration of this lease.

### 23. Disposition of Improvements and Personal Property

- (a) Within sixty (60) days following the effective date of the expiration, termination, or cancellation of this lease, improvements or personal property or other property, real or personal, owned by Lessee on the Premises must either:
  - (i) be removed by Lessee if required by Lessor or desired by Lessee and if Lessor determines that removal will not cause injury or damage to the Premises; or
  - (ii) with Lessor's consent, be sold to the succeeding Lessee.
- (b) Lessor may grant additional time for the removal of improvements if hardship is established by Lessee.
- (c) If Lessee fails to timely remove or sell the improvements or personal property under (a) or (b) of this covenant, title to the improvements or personal property vests in Lessor, and Lessor will, in its discretion, sell, lease, demolish, dispose, remove, or retain for its own use the improvements or personal property. Lessee shall reimburse Lessor for all costs incurred by the department, including legal costs, in the selling, leasing, demolishing, disposing, removing, or retaining of unremoved improvements or personal property.

### 24. Holding Over

If Lessee holds over and remains in possession of the Premises after the expiration of this agreement without a written renewal, the holding over will not operate as a renewal or extension of the term of this agreement but only creates a tenancy from month to month, regardless of any rent payments accepted by Lessor. Lessee's obligations for performance under this lease will continue until the month-to-month tenancy is terminated by Lessor. Lessor may terminate the tenancy at any time by giving the Lessee at least ten (10) days prior written notice.

### 25. Assignment or Sublease by Lessee

- (a) Except as provided in (b) of this Covenant No. 25, Lessee may not assign or sublet, either by grant or implication, the whole or any part of the Premises or the whole or any part of the Terminal without the written consent of Lessor. Any proposed assignment, lease, or sublease must be submitted to Lessor for approval in five (5), each bearing the original notarized signature of all parties.
- (b) Lessee may sublet portions of the Premises or space in the Terminal without Lessor's written consent, if the sublease term, including options, renewals, or extensions, does not exceed one year and the purpose of the sublease is consistent with the authorized uses in Covenant No. 3 of



this lease. Lessee shall deliver to Lessor a copy of the sublease within 30 days of the date on which the sublease is signed by Lessee.

- (c) Except as provided in (b) of this Covenant No. 24, an assignment or sublease is void without Lessor's written consent.
- (d) All covenants and provisions in this agreement extend to and bind the legal representatives, successors, and assigns of the parties in any assignment or sublease.
- (e) By no later than September 1, 1996, Lessee shall deliver to Lessor one copy of each sublease of space on the Premises that is in force on July 1, 1996.

**26. Assignment By Lessor**

Without the consent of Lessee, the Lessor may assign the Lessor's interest in this lease to any government agency, company, or person to whom the Lessor conveys, leases, or sells the Airport. No such assignment will operate to increase Lessee's obligations, or reduce Lessee's rights, under this lease.

**27. Condemnation**

If the Premises are condemned by any proper authority, the term of this lease will end on the date Lessee is required to surrender possession of the Premises. Lessor is entitled to all the condemnation proceeds except Lessee will be paid the portion of the proceeds attributable to the fair market value of any improvements placed on the Premises by Lessee according to the provisions of 17 AAC 40.330, amended. Rent will also be adjusted according to the provisions of 17 AAC 40.330, as amended.

**28. Vacation**

At the expiration, cancellation or termination of this lease, Lessee must peaceably and quietly vacate the Premises and return possession to Lessor. The Premises must be left in a clean, neat, and presentable condition to the satisfaction of Lessor.

**29. Easements**

Lessor reserves the right to make grants to third parties or reserve to Lessor easements or rights-of-way through, on, or above the Premises, provided that no such easements or rights-of-way may be granted or reserved which unreasonably interferes with Lessee's use of the Premises.

**30. Quiet Enjoyment**

Lessor covenants that upon Lessee's payment of the rent and performing and observing all of Lessee's other obligations under this lease, Lessee may peaceably and quietly have, hold, and enjoy the Premises for the lease term, subject and subordinate to all provisions of this lease.

**31. Warranties and Title Representations**

The interests transferred or conveyed by this lease are subject to any and all of the covenants, terms, and conditions that are contained in the instruments conveying title or other interests or improvements to Lessor or contained in the public records recorded in the District Recorder's Office, Sitka, Alaska.

The Lessor makes no specific warranties, express or implied, concerning the title or condition of the property, including survey, access, or suitability for any use, including those uses authorized by this lease.

**32. Reservation of Rights**

Rights and privileges granted to Lessee in this lease are the only rights and privileges granted to Lessee by this lease. Lessee has no easements, rights or privileges, express or implied, other than those specifically granted by this lease.

**33. Discrimination**

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

**34. Affirmative Action**

Lessee agrees to undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person will be excluded from participating in any employment activities covered by 14 CFR Part 152, Subpart E on the grounds of race, creed, color, national origin, or sex. Lessee hereby agrees that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by Subpart E.

**35. Radio Interference**

At Lessor's request, Lessee shall discontinue the use of any transmitter, machine, or device which may interfere with any government operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.

**36. Laws and Taxes**

- (a) This lease is issued subject to all requirements of the laws and regulations of the State of Alaska relating to the leasing of lands and facilities and the granting of privileges at State airports.
- (b) At no expense to Lessor, Lessee will conduct all activities or business authorized by this lease in compliance with all federal, state, and local laws, ordinances, rules and regulations now or hereafter in force which apply to the activities or business authorized by this lease or to the use, care, operation, maintenance, and protection of the Airport, including but not limited to matters of health, safety, sanitation, and pollution. Lessee

must obtain all necessary licenses and permits, pay all taxes and special assessments lawfully imposed upon the Premises, and pay any other fees and charges assessed under applicable public statutes or ordinances.

(c) Lessee shall abide by the rules and procedures, applicable to the operation and use of the Terminal, in the Federal Aviation Administration approved airport security program and airport certification manual adopted for the Airport by Lessor to comply with 14 C.F.R. Parts 107 and 139. If the Federal Aviation Administration assesses a fine against Lessor for a breach by Lessee of the airport security program or the airport certification manual, Lessee shall reimburse Lessor for the amount of the fine and legal costs upon receipt of a written demand for reimbursement issued by Lessor.

(d) In any dispute between the parties, the laws of the State of Alaska will govern and any lawsuit must be brought in the courts of the State of Alaska. The Lessee agrees to notify Lessor of any claim, demand, or lawsuit arising out of Lessee's occupation or use of the Premises. Upon the Lessor's request Lessee will cooperate and assist in the investigation and litigation of any claim, demand, or lawsuit affecting the Premises.

#### 37. Liens

Lessee shall keep the Premises free of all liens, pay all costs for labor and materials arising out of any construction or improvements by Lessee on the Premises, and hold Lessor harmless from liability for any liens, including costs and attorney fees. By this provision, Lessor does not recognize that it is in any way liable for any liens on the Premises.

#### 38. No Waiver

Failure of Lessor to insist in any one or more instances upon the strict performance by Lessee of any provision or covenant in this lease may not be considered as a waiver or relinquishment for the future, but the provision or covenant will continue in full force. A waiver by Lessor of any provision or covenant in this lease cannot be enforced or relied upon unless the waiver is in writing signed on behalf of Lessor.

#### 39. Modification

Lessor may modify this lease to meet the revised requirements of federal or state grants or to conform to the requirements of any revenue bond covenant to which the State of Alaska is a party, provided that a modification may not act to reduce the rights or privileges granted Lessee by this lease nor act to cause Lessee financial loss.

#### 40. Validity of Parts

If any provision or covenant of this lease is declared to be invalid by a court of competent jurisdiction, the remaining covenants and provisions will continue in full force.

**41. Interrelationship Of Provisions**

The provisions, amendments, supplements, and exhibits are essential parts of this lease and are intended to be co-operative, to provide for the use of the Premises, and to describe the respective rights and obligations of the parties to this agreement. In case of a discrepancy, figured dimensions govern over scaled dimensions unless obviously incorrect.

**42. Natural Disasters**

In the event any cause which is not due to the fault or negligence of either Lessee or Lessor renders the Airport or the Premises unusable and makes the performance of this lease impossible, this agreement may be terminated by either party upon written notice to the other party. Causes include acts of God, acts of public enemy, acts of the United States, fires, floods, epidemics, quarantine restrictions.

**43. Notices**

Any written notice required by this agreement must be hand delivered or sent by registered or certified mail to the appropriate party at the address set forth on page one of this lease or to any other address which the parties subsequently designate in writing.

**44. Integration and Merger**

This agreement sets forth all the terms, conditions, and agreements of the parties and supersedes any previous understandings or agreements regarding the Premises whether oral or written. No modification or amendment of this lease is effective unless in writing and signed by both the parties.

**45. National Emergency**

In case of any national emergency declared by the federal government, Lessee may not hold Lessor liable for any inability to perform any part of this agreement as a result of the national emergency.

**46. Approval By Lessor**

Any approvals required of Lessor by this lease will not be unreasonably withheld.

**47. Lessor Ingress and Egress for Inspection, Repair, and Construction**

- (a) Lessor reserves the right of ingress to and egress from the Premises and the right to enter any part of the Premises, including the Terminal, for the purpose of inspection at any reasonable time. Lessor shall also have the right to enter the Premises, including the terminal, for the purpose of posting public notices required by 14 C.F.R. Parts 107 and 139.
- (b) Lessor reserves the right of ingress to and egress from the aircraft parking apron on the Premises for the purpose of inspecting, repairing,

constructing, or reconstructing the apron surface and related improvements.

- (c) Except in the case of an emergency, Lessor will coordinate all repairs, construction, inspections, and notice posting with Lessee in order to minimize interference with Lessee's activities on the Premises.

**48. Execution by Lessor**


This lease is of no effect until it has been signed by the Commissioner of the Department of Transportation and Public Facilities or his designated representative.

STATE OF ALASKA )  
(SEAL)

STATE OF ALASKA )  
 ) ss:  
FIRST JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on the 8 day of September, <sup>1997</sup> 1995, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared JAMES H. Merrill, known to me and to me know to be the Acting Regional Director Department of Transportation and Public Facilities, and he acknowledged to me that he executed the foregoing instrument freely and voluntarily on behalf of the State of Alaska, Department of Transportation and Public Facilities, for the uses and purposes therein set forth and that he is authorized by said State of Alaska so to do.

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

  
\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission Expires: June 24, 2001

WHEREFORE, the parties have entered into this lease the date and year first above written at the City of Sitka, Alaska.

LESSEE:

CITY AND BOROUGH OF SITKA  
ALASKA

By: *[Signature]*

ATTEST:

*[Signature]*  
Borough Clerk

APPROVED AS TO FORM:

*[Signature]*  
Municipal Attorney

STATE OF ALASKA            )  
  ) ss:  
FIRST JUDICIAL DISTRICT    )

On this 27<sup>th</sup> day of August, 1997, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Gary L. Paxton, Borough Manager, and Kathy Hope Erickson, Borough Clerk, to me known to be the persons whose names are subscribed to the foregoing Lease as officers of the CITY AND BOROUGH OF SITKA, and acknowledged that they and each of them executed said instrument as their knowing and voluntary act and deed; as the voluntary act and deed of the CITY AND BOROUGH OF SITKA; and that they and each of them were duly authorized to sign said Lease by authority of the Assembly of the CITY AND BOROUGH OF SITKA.

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

STATE OF ALASKA  
NOTARY PUBLIC  
TAMARA J. O'NEILL  
My Commission Expires Nov. 18, 1997

*Tamara J. O'Neill*  
NOTARY PUBLIC FOR ALASKA  
My Commission Expires: 11/18/97

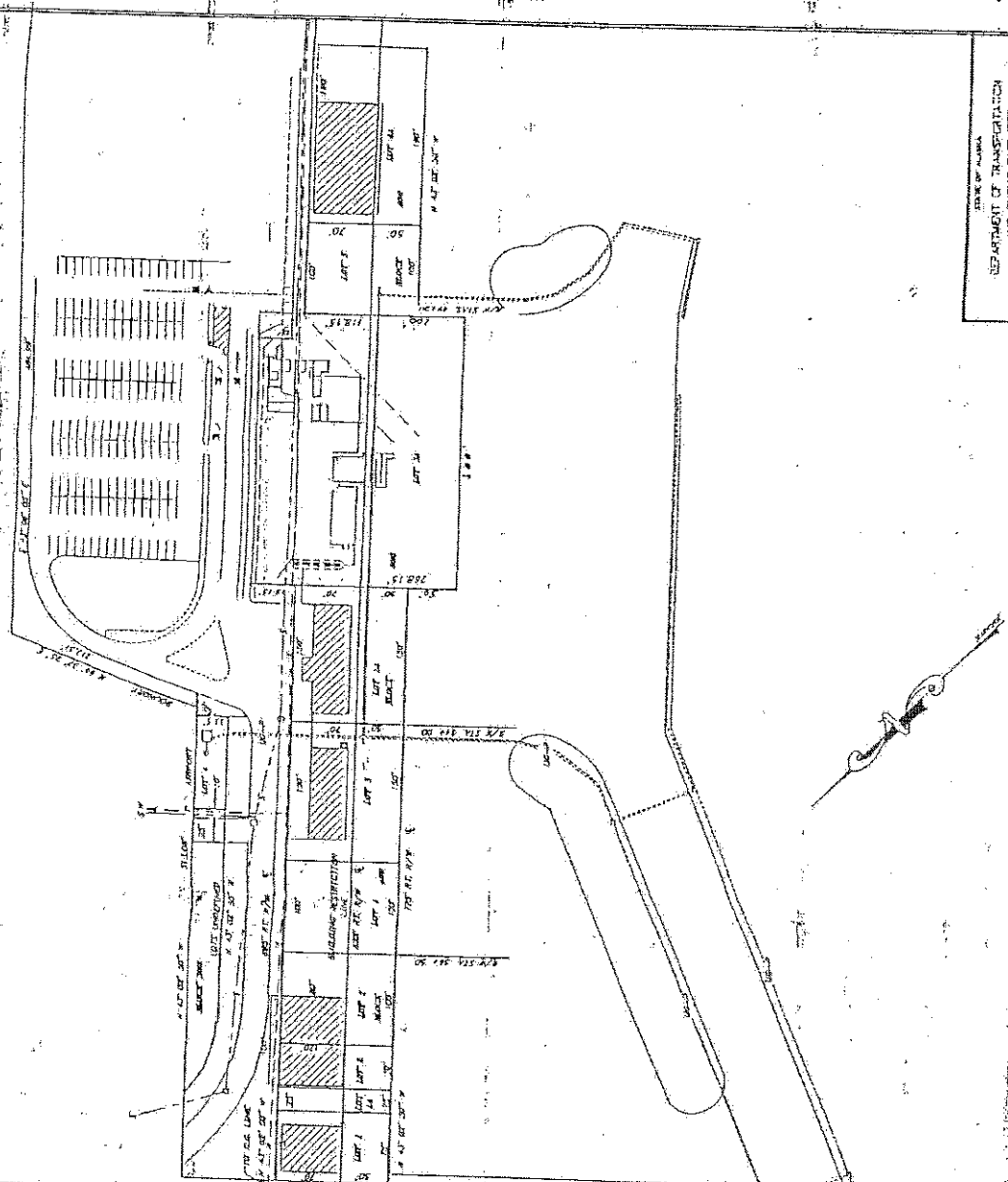
LESSOR:

STATE OF ALASKA, by and through the  
DEPARTMENT OF TRANSPORTATION AND  
PUBLIC FACILITIES

BY: *[Signature]*  
*[Signature]*  
9/8/97

LAND OCCUPANCY

BLOCK	LOT	ADA#	NO.	AREA	OCCUPANT	EXP. DATE
300	1	50155	12,000	ADRIENNE PAULI RYAN & CO. CORP.	INDEFINITE	
400	2	50155	8,000	MOUNTAIN PLANTATION	10/01/2002	
400	3	50155	12,000	OUTLET	INDEFINITE	
400	4	50253	12,000	OUTLET	INDEFINITE	
400	5	50253	12,000	LENO SERVICES, INC.	4/15/2001	
500	1A	50221	14,000	OUTLET	INDEFINITE	
500	1B	50221	14,000	ALATKA AIRCRAFT, INC.	3/24/1997	
500	2A	50103	1,474	CITY OF SITKA	6/30/2024	
500	2B	50274	12,000	YACHT	INDEFINITE	
500	3A	50274	22,800	MOUNTAIN PLANTATION	3/15/1997	
500	3B	50188	4,750	K AND R ENTERPRISES	8/1/1998	
ITEM	2	03-57	10'	R.O.T.	U.S. COAST GUARD	INDEFINITE



STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES  
SITKA AIRPORT

LAND OCCUPANCY

SITKA AIRPORT



**CONSENT TO SUBLEASE**

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

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

This consent is given subject to the following conditions:

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

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

STATE OF ALASKA  
DEPARTMENT OF TRANSPORTATION AND  
PUBLIC FACILITIES

\_\_\_\_\_  
Chief, Juneau Office, Aviation Leasing and Airport  
Land Development

STATE OF ALASKA )  
                              ) ss.  
First Judicial District )

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

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

\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission Expires: \_\_\_\_\_

**EXH.C**

## SUBLEASE GUIDELINES FOR TENANTS

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

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

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

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

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

17 AAC 45.270(B)

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

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

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

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

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

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

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

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

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

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

17 AAC 45.275:

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

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



## Legislation Details

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File #: ORD 14-09    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 4/1/2014    In control: City and Borough Assembly

On agenda: 4/8/2014    Final action:

Title: Amending the Sublease with Ostrov Enterprises d/b/a Airport Gift Shop at the Sitka Rocky Gutierrez Airport Terminal Building to modify Lease Space and Square Footage due to the sale of Espresso Stand

Sponsors:

Indexes:

Code sections:

Attachments: [ORD 2014-09 Gift Shop Lease](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

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**I MOVE TO** approve Ordinance 2014-09 on first reading



# City and Borough of Sitka

PUBLIC WORKS

113 JARVIS STREET • SITKA, ALASKA 99835  
PHONE (907) 747-4041 • FAX (907) 747-7668

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## MEMO

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

**From:** Michael Harmon, Public Works Director *MAT*  
Gary Baugher Jr., Public Works M&O Superintendent *GB*

**Cc:** Jay Sweeney, Finance Director

**Date:** 31 March 2014

**Subject:** Approve Amendment No. 2 to Ostrov Enterprises d/b/a Airport Gift Shop Sublease

### Background

City and Borough of Sitka ("Sitka") owns the Airport Terminal Building ("Terminal Building"), which is built on land leased from the State of Alaska. Ostrov Enterprises ("Ostrov") currently has a sublease agreement ("Agreement") with the City and Borough of Sitka at the Terminal Building for a gift shop. Ostrov Enterprises also had a sublease with City and Borough of Sitka at the Terminal Building for Runway 29 Coffee Shop. Ostrov Enterprises sold their assets (inventory and equipment) to Island Girl Coffee, LLC. Ostrov requests the Assembly approve Amendment 2 and amend its current sublease to just include L-6 space. The State of Alaska "Sublease Guidelines for Tenants" requires approval by the State of Alaska, Department of Transportation and Public Facilities, of any terminal tenant subleases amendments or assignments. Ostrov must obtain and provide proof of the required insurance coverage in accordance with the Agreement.

### Fiscal Note

Amendment 2 will amend Ostrov Enterprises sublease to 798 square feet of Terminal Space for the purpose of a gift shop. Ostrov Enterprises will be leasing L-6 space for \$1,356.60/month plus any other applicable costs.

### Recommendation

Approve Amendment No. 2 to the Sublease Agreement between the City and Borough of Sitka and Ostrov Enterprises D/B/A Airport Gift Shop.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-09

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING THE SUBLEASE WITH OSTROV ENTERPRISES d/b/a AIRPORT GIFT SHOP AT THE SITKA ROCKY GUTIERREZ AIRPORT TERMINAL BUILDING TO MODIFY LEASE SPACE AND SQUARE FOOTAGE DUE TO SALE OF ESPRESSO STAND

1. CLASSIFICATION. This ordinance is not of a permanent nature and is not 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. The purpose of this ordinance is to authorize an amendment so that the leased space for an espresso stand at Sitka Rocky Gutierrez Airport Terminal Building (“Terminal Building”) by Ostrov Enterprises, known as Runway 29, (“Ostrov”) at L-4 be transferred to Island Girl Coffee, LLC.

On April 12, 2011, the sublease with Ostrov was approved based on Ordinance No. 2011-10 for space L-6, consisting of 798 square feet, which will remain as a “gift shop” and continue to be leased by Ostrov at the Terminal Building. A 7-year sublease was approved, ending February 28, 2018, allowing for two successive 3-year extensions.

Ostrov acquired the espresso stand from sublease Ground Control, who also subleased space in the Terminal Building. City and Borough of Sitka (“CBS”) Assembly approved Amendment No. 1 to the sublease with Ostrov in Ordinance No. 2012-44 on December 11, 2012 to add the leased area L-4, add the additional 255 square feet and increase the rent. Amendment No. 1 was signed on December 12, 2012.

Ostrov sold the espresso stand and all equipment to Kara Sisk and Maria Kesanook, Island Girl Coffee, LLC. The espresso stand is located at space L-4 at the Terminal Building. Ostrov and Island Girl Coffee, LLC request approval to transfer leased area, consisting of 255 square feet, from Ostrov to Island Girl Coffee, LLC. The space subleased would continue to be an espresso stand.

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

- 1  
2 A. The Assembly finds that competitive bidding is inappropriate under  
3 SGC 18.12.010E for Terminal Building space L-4 based on the  
4 request of subleasee "Ostrov" to transfer this space due to the sale of  
5 the espresso business;  
6  
7 B. Island Girl Coffee LLC is willing to pay fair market value for the  
8 space as determined by the Municipal Assessor;  
9  
10 C. Execution of the attached Amendment No. 2 To Sublease Agreement  
11 Between The City And Borough Of Sitka And Ostrov Enterprises  
12 d/b/a Airport Gift Shop is authorized; and  
13  
14 D. Approval of this sublease amendment is contingent on the State of  
15 Alaska DOT&PF approval and consent.  
16

17 5. **EFFECTIVE DATE.** This ordinance shall become effective on the day  
18 after the date of its passage.  
19

20 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and  
21 Borough of Sitka, Alaska this 22nd day of April, 2014.  
22

23  
24 \_\_\_\_\_  
Mim McConnell, Mayor

25 ATTEST:

26  
27 \_\_\_\_\_  
28 Colleen Ingman, MMC  
29 Municipal Clerk



**AMENDMENT NO. 2 TO SUBLEASE AGREEMENT  
BETWEEN THE CITY AND BOROUGH OF SITKA  
AND OSTROV ENTERPRISES d/b/a AIRPORT GIFT SHOP**

City and Borough of Sitka, 100 Lincoln Street, Sitka, Alaska 99835 ("CBS") and Ostrov Enterprises d/b/a Airport Gift Shop ("Ostrov"), 600 C Airport Road, Sitka, Alaska 99835 ("Tenant"), agree to amend and modify the Sublease Agreement ("Sublease") dated April 1, 2011 and Amendment No. 1 dated December 12, 2012. This Amendment No. 2 to sublease was approved by the CBS Assembly on \_\_\_\_\_, 2014, and is subject to approval by State of Alaska, Department of Transportation and Public Facilities ("DOT&PF") before becoming effective, in accordance with Section 24.2.

The following sections of the Sublease are amended as follows (new language underlined; deleted language stricken):

Exhibit A - Pictorial representation of the areas subleased in the Sitka Rocky Gutierrez Airport terminal building, ("Terminal Building"), including sublease space ~~L-4 and L-6~~, at 600 Airport Road, Sitka, Alaska 99835 ("Subject Property").

\* \* \*

**Section 1.1 Conveyance of Estate in Sublease.**

CBS, for and in consideration of the Rents received and of the covenants and agreements made by Tenant, does sublease to Tenant, and Tenant subleases from CBS, the Subject Property as shown on Exhibit A. Exhibit A shows an approximately ~~1,053~~ 798 square feet of Terminal Building space for purposes of a gift shop. ~~and/or espresso stand.~~

\* \* \*

**Section 2.1 Calculation & Method of Payment of Rent During the Initial Five-Year Term of the Sublease.**

The first year of the Sublease begins on the commencement date of this Sublease set out in Article I. Each successive year of the Sublease begins on the corresponding anniversary commencement date of the Sublease. Notwithstanding any other provision of this Sublease, on the term start date set out in Article I, Tenant shall pay the full Sublease Rent for the year. Subject to the provision in the previous sentence, Tenant shall pay the Sublease payments for subsequent years each month in advance on the first day of each and every month for which Rent is due throughout the term of the Sublease without the necessity of any billing by CBS. Tenant will sublease the space as shown in Exhibit A for ~~\$21,481.20~~ \$16,279.20/year payable at a rate of ~~\$1,790.10~~ \$1,356.60/month plus applicable cost of living adjustments referred to in Section 2.2 and extension option adjustments in Section 2.3.

All other sections of the Sublease that are not modified by this Amendment No. 2 remain in full force and effect.

**OSTROV ENTERPRISES d/b/a  
AIRPORT GIFT SHOP**

\_\_\_\_\_  
Print Name \_\_\_\_\_

**STATE OF ALASKA**                    )  
  ) **ss:**  
**FIRST JUDICIAL DISTRICT**        )

THIS CERTIFIES that on this \_\_\_\_ day of \_\_\_\_\_, 2014, personally appeared before me \_\_\_\_\_, whose identity is personally known to me or proved to me on the basis of satisfactory evidence, and who by signing this agreement, swears or affirms that he/she is the \_\_\_\_\_ of Ostrov Enterprises d/b/a Airport Gift Shop and is authorized to sign this document on behalf of the Tenant, and does so freely and voluntarily.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_

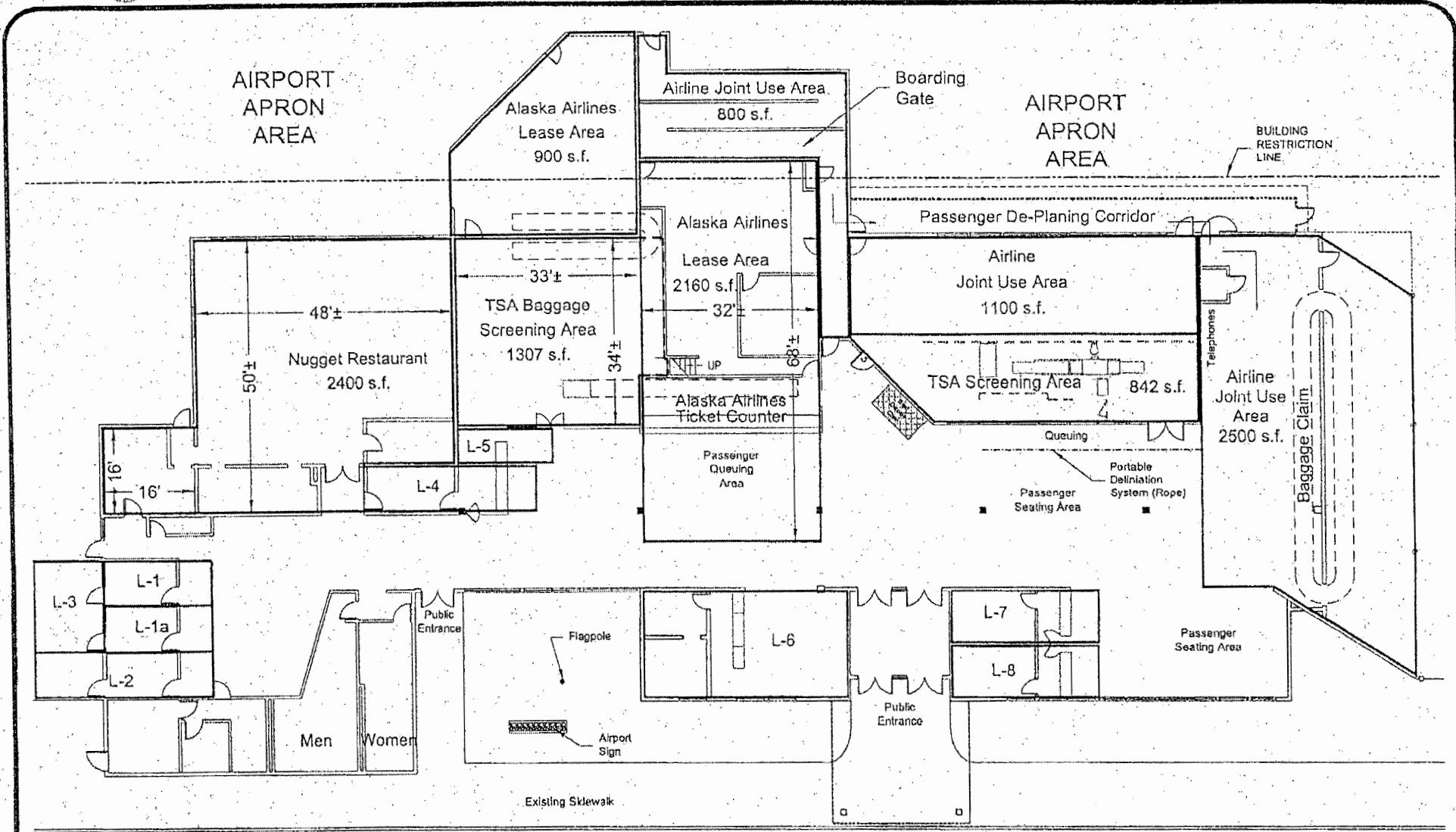
**CITY AND BOROUGH OF SITKA**

\_\_\_\_\_  
Mark Gorman, Municipal Administrator

**STATE OF ALASKA**                    )  
  ) **ss.**  
**FIRST JUDICIAL DISTRICT**        )


THIS CERTIFIES that on this \_\_\_\_ day of \_\_\_\_\_, 2014, before me, a Notary Public in and for the State of Alaska, personally appeared Mark Gorman, who is the Municipal Administrator of the City and Borough of Sitka, Alaska, a municipal corporation organized under the laws of the State of Alaska, that he has been authorized by to execute the foregoing document, and does so freely and voluntarily.

\_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires: \_\_\_\_\_



L-1 Counter & Office Space	214 s.f.
L-1a Counter & Office Space	214 s.f.
L-2 Counter, Office & Outside Storage Space	260 s.f.
L-3 Outside Storage Space	194 s.f.
L-4 Counter & Office Space	255 s.f.
L-5 Counter Space	114 s.f.
L-6 Counter, Office & Storage Space	798 s.f.
L-7 Counter & Office Space	243 s.f.
L-8 Counter & Office Space	249 s.f.

EXH. A



**City and Borough of Sitka**  
DEPARTMENT OF PUBLIC WORKS  
100 LINCOLN STREET • SITKA, ALASKA 99835  
TEL (907) 747-1804 FAX (907) 747-3158

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

DRAWN: PAR/TAD	SCALE: N.T.S.
CHECKED: RAR	DATE: 10Feb05
DRAWING NAME: Leases Feb 05	
SHEET NO.   1 / 1	



## Legislation Details

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File #: 14-064      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 4/2/2014      In control: City and Borough Assembly

On agenda: 4/8/2014      Final action:

Title: Approve an amendment to the Sitka Coastal management Plan Enforceable Policy 1.4 to delete Picnic Cove as a permitted personal use floathouse site

Sponsors:

Indexes:

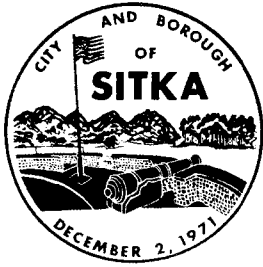
Code sections:

Attachments: [Sitka Coastal Management Plan](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

**I MOVE TO** approve an amendment to the Sitka Coastal management Plan Enforceable Policy 1.4 to delete Picnic Cove as a permitted personal use float house site due to ongoing obstruction of public boat anchorage and use.



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

DATE: March 31, 2014  
MEMO TO: Mayor and Assembly  
Mark Gorman, Municipal Administrator  
FROM: Marlene Campbell, Government Relations Director  
SUBJECT: Modification of CBS Coastal Management Enforceable Policy 1.4

**Background:** In 2011, the State of Alaska terminated Alaska's participation in the national Coastal Management Program. The City Assembly adopted the City's Coastal Program by Ordinance 2011-22. Section 3, Purpose, states "This ordinance adopts the previously approved Enforceable Policies of the City and Borough of Sitka Coastal Management Plan, as a regulatory Coastal Zone plan for managing activities occurring on property owned by the City and Borough and provides advisory guidance for permitting for activities in the Coastal Zone throughout the City and Borough of Sitka." See attached copies of Ordinance 2011-22 and Sitka Coastal Management Plan Enforceable Policy 1.4.

The Alaska Department of Natural Resources (DNR) has supported the CBS Enforceable Policies relating to personal use floathouse siting, including Policy 1.4, which limits permitting private floathouses for residential use on public tidelands within Sitka Sound to only a few "grandfathered" locations which already had floathouses in 1987 when this policy was originally approved. One of these locations was Picnic Cove, south of Sitka on the way to Goddard Hot Springs. Picnic Cove was a popular public use and safe anchorage area for small boats near a major transit route until the existing floathouse took over a large portion of the inner cove. Picnic Cove is so small that boats trying to anchor must do so very close to the floathouse, which both physically and aesthetically obstructs public anchorage and use. This portion of Policy 1.4 listing approved floathouse sites states: "Within Picnic Cove, as shown on Figure 3d, *so long as boat anchorage use is not obstructed.*"

For more than two decades the public has complained that Picnic Cove is a bad site to permit private, personal use floathouses since public access and use have been severely restricted or denied. Several years ago there was a successful court case against the Picnic Cove floathouse owner, and DNR subsequently required the owner remove the floathouse. The owner did not comply and expanded the facility to include a barge. The owner is now deceased, and the heir wants to keep the floathouse in Picnic Cove. At least one other party has also applied to DNR for a floathouse permit in Picnic Cove. Of the four approved personal use floathouse sites, Picnic Cove is the only one that generates continuing complaints. The other three sites have proved generally acceptable.

**RECOMMENDATION:** Given the inadequacy of Picnic Cove to not obstruct public boat anchorage and use as required in the policy, CBS planned to amend its plan to remove Picnic Cove from the list of personal use floathouse areas, but this was not accomplished due to the demise of the ACMP. **It is therefore recommended that the Sitka Coastal Management Plan Enforceable Policy 1.4 be amended to delete Picnic Cove as a permitted personal use floathouse site due to ongoing obstruction of public boat anchorage and use.** DNR has agreed to not consider further actions concerning these applications until the Assembly addresses this issue.

Providing for today ... preparing for tomorrow

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2011-22

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA TO AMEND THE SITKA GENERAL CODE TO ADD A NEW CHAPTER 20.05, COASTAL MANAGEMENT, TO ADOPT AND REGULATE ACTIVITIES IN THE SITKA COASTAL MANAGEMENT AREAS TO COINCIDE WITH COASTAL MANAGEMENT PLANS/REGULATIONS UNDER THE STATE OF ALASKA (IF APPLICABLE) AND FEDERAL GOVERNMENT.

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

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

3. PURPOSE. This ordinance adopts the previously approved Enforceable Policies of the City and Borough of Sitka Coastal Management Plan, as a regulatory Coastal Zone plan for managing activities occurring on property owned by the City and Borough and provides advisory guidance for permitting for activities in the Coastal Zone throughout the City and Borough of Sitka.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code is amended to add a new Chapter 20.05, Coastal Management, to read as follows (new language underlined; deleted language stricken):

Title 20  
MISCELLANEOUS PERMIT REGULATIONS

Chapters:

20.04 Floodplain Management

20.05 Coastal Management

\* \* \*

Chapter 20.05  
COASTAL MANAGEMENT

Section:

20.05.010 Adoption by reference – City and Borough of Sitka Coastal Management Plan (CMP) Enforceable Policies.

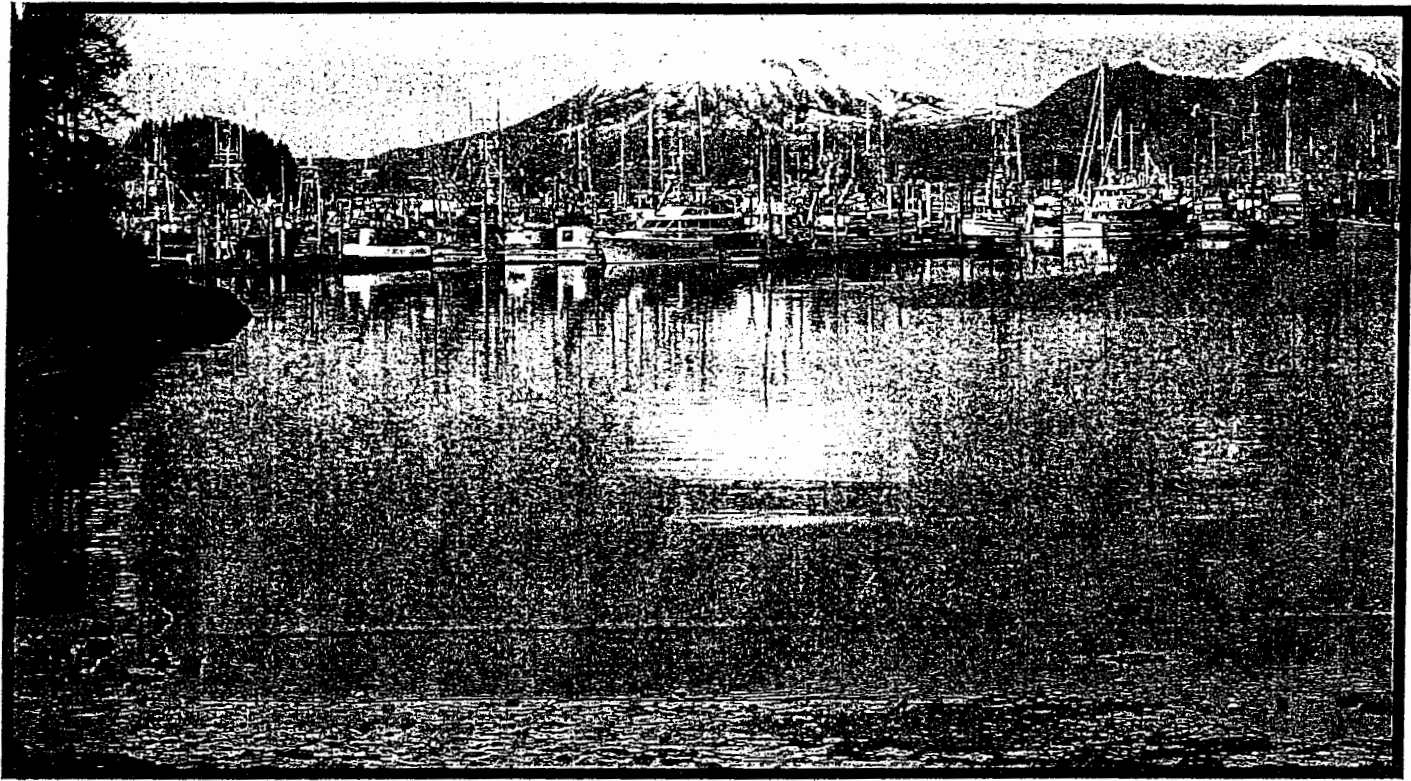


Photo by Gabrielle LaRoche

# City and Borough of Sitka Coastal Management Plan

Final Plan Amendment, December 2006  
Effective April 8, 2007

*\* See 6th page of this attachment for enforceable  
Policy 1.4.*

Prepared By:



LaRoche+Associates

*These pages from the Coastal Development section  
provide background on floating facilities and their priorities,  
including policy 1.1 - 1.4.*



standards “to guide public and private uses of land and water within that district ...”. Guidance policies are policies that may not meet one or more tests of enforceability contained in state statute but that can help guide coastal uses within the district. Guidance policies are not enforceable and cannot be used to require conditions or stipulations on projects during the project consistency review process. The guidance policies are located in Appendix-2 as required by the State.

Enforceable Policies of the City and Borough of Sitka relate to the development and use of specific coastal resources. They are binding on the City and Borough, the public, state agencies, and federal agencies to the extent they are consistent with other applicable local, state and federal regulations. These are the “enforceable policies” discussed in the requirements of 11 AAC 114.270. These enforceable policies are listed again in a stand-alone section with definitions and map references (see Appendix -1). In many cases, enforceable policies only apply to certain geographic areas. Please refer to Table 3 for policy applicability.

## **B. USES AND ACTIVITIES**

### **1. COASTAL DEVELOPMENT**

#### **a. INTRODUCTION**

The State coastal development standard applies only to development in or adjacent to coastal waters. (See definitions of “adjacent” and “coastal waters” in Appendix -1.) District enforceable policies may be district wide or area specific.

The standard does two things. First, it sets forth a requirement that the districts prioritize the uses and activities in the coastal area based upon whether the uses are water-dependent, water-related, or neither but without an inland alternative. It is simply a requirement that the more water-dependent the use or activity, the higher priority it shall receive. Second, the statewide standard provides a basis for district enforceable policies that address the placement of structures and the discharge of dredged or fill material into coastal waters. But authority under this standard is limited to those parameters: structures or discharge being placed in coastal waters (i.e., not on land).

In order to provide necessary specificity and enforceability to the wide spectrum of uses and activities covered under this Coastal Development title, the two parts of the standard are considered separately in this chapter. A discussion of each use is located with the policies that are intended to be applied to that use.

#### **b. FLOATING FACILITIES**

##### **1) Application of Enforceable Policies**

Enforceable policies apply to development in or adjacent to coastal waters throughout the entire coastal resource district unless otherwise noted in the policy. Refer to Table 3 for policy applicability.

## 2) Floating Facilities Issues of Local Concern

Floating facilities located in the public domain provide exclusive private use of a public resource, and therefore usurp public use of such utilized tidelands and adjacent submerged lands. The 1983 Sitka Coastal Management Program provided general regulatory guidelines and a General Permit authority received from the Corps of Engineers to address floating facility concerns. However, increasing use of public tidelands and submerged lands by floating facilities, and decreasing availability of public access to uplands and tidelands within the City and Borough of Sitka, have generated increasing competition and conflicts with other resource groups. A more specific process to regulate the uses and placement of floating facilities is necessary to protect public use.

Some of the major potential problems associated with floating facilities are as follows:

- Exclusive use of public tidelands and submerged lands/ displacing or causing conflicts with other users of forest and water resources;
- Lack of proper sewerage and litter disposal;
- Interference with navigation;
- Siting near areas of habitat concern, causing damage to the habitat;
- Placement of support buildings or ties on public lands;
- Lack of a tidelands permit granting such exclusive use following a public process;
- Lack of safe building construction causing short life and increased potential for debris accumulation on the public domain;
- Exclusive use causing a socioeconomic loss to other users including charter boats, visitors, subsistence users, or local recreation users who seek an alternate location to provide a wilderness or remote experience;
- A lack of mobility and difficulty in transporting the facility to another location; and
- The lack of any real enforcement action to remove floating facilities or remains from areas where not approved.

With so much of the City and Borough of Sitka's socioeconomic base dependent upon water-related activities, floating facilities which support major industries within the City and Borough, particularly commercial fisheries, timber and tourism, are important to the economy. The City and Borough recognizes the economic necessity for floating facilities directly involved in these industries and supports permitting those facilities that meet the District Plan requirements, in consideration of the compelling public benefits accruing from these contributions to a healthy economy.

In its significant amendment approved in 1989, the Sitka Coastal Management Program severely restricted the placement of "floathouses" (including floating homes, barges, vessels, or any other floating facility used for private residential use) within Sitka Sound to a few locations where such uses could receive appropriate permits. In all other locations, the placement of private, personal use floathouses in Sitka Sound for more than 14 days was not permitted. The reason for this restrictive policy was that there was very strong public sentiment that private, personal use of public tidelands should not restrict the public's right to also use those tidelands. The long-term moorage of a floathouse in a sheltered anchorage effectively preempts that area from being used by the public. Policy 1.4 was therefore developed to severely restrict the locations where private, personal use of tidelands could limit the public's access to those tidelands and by default, the adjacent uplands. It was agreed that areas that already had floathouse use at the time would be "grandfathered" to permit existing facilities to remain, but no new sites have been added within Sitka Sound. Outside of Sitka Sound, floathouse applications are considered on a case-

by-case basis, but the public generally mounts strong opposition to private, personal use of any areas providing good anchorage and recreational and subsistence opportunities for the public.

### 3) Floating Facilities Resource Inventory and Analysis

Appendix-6, with Management Recommendations, which reprints in its entirety the approved Resource Inventory and Analysis for the Sitka CMP first adopted in 1981 and re-approved in 1989, contains specific information about the resource values, suitability and sensitivity of coastal shorelands and tidelands, and the anticipated effects of development on these resource values. In mandating statewide revisions of district coastal plans within one year, OPMP represented to districts that thorough revision of currently approved Resource Inventory and Analysis documents would not be required. Appendix-6 read in conjunction with the Issues of Local concern articulated in the preceding section "2" comprise the need and justification for enforceable policies 1.1 – 1.5.

For Policy 1.3: The U.S. Forest Service manages much of the area within the City and Borough of Sitka's coastal zone boundary through the Tongass Land Management Plan. This plan maps and describes designated wilderness areas (See Figure 2). The plan is available on request. *Note: See Appendix-3 References for information.*

The Sitka Public Use Management Plan (Sitka PUMP, 1993) identified the most outstanding recreation use areas within the Sitka Coastal District outside the Sitka road system and provided management guidelines and enforceable policies for those areas. When this plan was revised in 2006, the Sitka PUMP was included as Chapter V: Special Management Areas.

### 4) Current Floating Facilities Regulations

The State of Alaska owns nearly all of the tidelands and submerged lands from the line of mean high water out to the three mile limit. When a private party seeks to use this public resource (whether for a dock, floathouse, or other use), the party requesting use of the tidelands is expected to seek approval for this use through a public process. An uplands owner has, in some instances, first preference to the use of the tidelands adjacent to the owner's property, if criteria pursuant to AS 38.05.075(c) are met. The following is a general summary of the regulations and requirements of the various local, state and federal agencies that may have jurisdictional authority over floating facilities:

**Alaska Department of Natural Resources:** For the mooring of any floating facility for any period exceeding fourteen (14) days, a tidelands use authorization from the State of Alaska, Department of Natural Resources, Division of Mining, Land and Water shall be required. An uplands owner adjacent to the tidelands has, in some instances, first preference to the use of the tidelands adjacent to the owner's property.

In addition, siting of a floating facility must be found to be consistent with the approved Sitka Coastal Management Program and the Alaska Coastal Management Program before a permit may be issued.

**Enforceable Policies:** The following definitions of potentially unclear words and phrases contained in the enforceable policies of this section are included in the enforceable language to assist in clarifying the intent of said policies, and are not intended to represent the sole meaning of the defined words.

**DEFINITION:** For purposes of this section, a “floating facility” is defined as a boat, houseboat, barge, or any structure located on a raft that is moored or anchored in one location for a period of 14 days or more, during which time it is not primarily used for transportation. Floating facilities may be powered or not. Floating facilities located in harbors and marinas are excluded from this definition. Floating facilities can generally be separated into the following use categories, including:

- Fishing related - processors, buying scows;
- Mariculture/aquaculture related - operations facilities and bunkhouses, research or educational stations, net pens;
- Transportation and/or Tourism related - seaplane, tour boat or other water-based operations;
- Timber related - floating logging camps, reconnaissance or other short term projects, thinning contract camps;
- Mining related - floating mining camps, dredges, support claim development;
- Wild Resource Use - trapping camps, sport fishing lodges, birdwatching stands, base camps for recreational activities;
- Floathouses - primarily designed, intended, or fitted out as a residence or place of habitation and not an integral component of another use category.

**DEFINITION:** For purposes of this section, “public benefit” is defined as: The broad-based socioeconomic gains accruing to the public from a use or activity which creates jobs, maintains the Sitka District’s renewable resources, stabilizes or enhances resource development and economic base, or in other ways serves the public good to a greater extent than the use or activity adversely impacts the general public and/or environment.

**1.1 Policy:** In determining whether to allow or prohibit any floating facility at a specific site, the following priorities shall be considered:

- 1) Highest priority shall be given to those uses and activities that are water-dependent or water-related. Examples of such uses and activities include fish processors, fish buying scows, water-based transportation facilities, aquaculture or mariculture facilities.
- 2) Higher priority consideration shall be given to those uses and activities that are neither water-dependent nor water-related, for which there are no practicable upland alternatives. Examples of such uses and activities include camps supporting logging, thinning contracts, reconnaissance or other short-term projects, mining, or other related activities; research stations; floating log transfer or storage facilities; dredges.
- 3) Lower priority consideration shall be given to those uses and activities that benefit only an individual or limited group, are neither water-dependent nor water-related, and for which there are no upland alternatives. The intent of this policy is to severely restrict placement of those facilities seeking to locate on publicly owned waters that do not generate a public benefit.

Examples of uses and activities under this category include sport-fishing or other floating lodges, trapping camps, base camps for recreational activities.

- 4) Lowest priority consideration shall be given to those uses and activities that benefit only an individual or limited group, are neither water-dependent nor water-related, and for which there are upland alternatives. The intent of this policy is to severely restrict placement of those facilities seeking to locate on publicly owned waters that do not generate a public benefit.


Examples of uses and activities in this category include residential float houses, sport fishing or other floating lodges, trapping camps, or base camps for recreational activities.

**1.2 Policy:** The following important physical and economic criteria shall be considered in determining whether or not to permit a floating facility at a specific site:

- 1) The size and configuration of the site and surrounding area.
- 2) The public benefits or adverse impacts the facility will have on the area itself, as well as on other users of the area considering the number of persons impacted physically and economically both positively and negatively by the facility (from a few individuals to the entire community) and the degree of those impacts on both upland owners and users.
- 3) The length of time the facility will be in place at the site, with seasonal or short-term uses given higher priority consideration than long-term use.
- 4) The complexity of the facility, with greater scrutiny being directed toward a facility taking up a large area and/or having broader or more impacts than a small facility would generate.
- 5) The appropriateness of the site to accommodate a floating facility in terms of its physical characteristics, including anchorage; hazards to navigation, proximity to other floating facilities or upland users, site specificity (the need for the facility to be located at a specific site)."

**1.3 Policy:** Floating facilities shall be prohibited in the following areas, unless a significant public benefit results from the proposed use, and there is no practicable upland alternative for the proposed use:

- 1) Designated Recreational Use Areas as shown on map Figures 4- 5 and all Special Management Area Figures in Chapter V.
- 2) State Tidelands adjacent to Wilderness Areas as shown on Figure 2, unless the facility is considered a high-priority use under Policy 1.1, and a public benefit results from the proposed use. Both short-term and long-term benefits will be evaluated.

 **1.4 Policy:** Within the Sitka Sound area, as shown on Figure 3, private floathouses for residential use that are not an integral component of another use category may be permitted on public tidelands only within the following areas:

- 1) Within Jamestown Bay, as shown on Figure 3a, in the area by Guertin and Dove Island currently occupied by floathouses;

- 2) Within Camp Coogan Bay, as shown on Figure 3b, including the immediately adjacent bight currently occupied by floathouses;
- 3) Within the northern bight of Eastern Bay, as shown on Figure 3c;
- 4) Within Picnic Cove, as shown on Figure 3d, so long as boat anchorage use is not obstructed.

1.5 **Policy:** The following requirements shall apply to all floating facilities permitted within the District:

- 1) **Grounding:** Floating facilities shall be sited to avoid shallow areas where they could settle on or abrade the substrate during low tides. To the extent practicable, floating facilities shall be moored in a minimum of 12 feet of water present during mean lower low water or 0.0 tide stage.
- 2) **Proper Anchoring:** Floating facilities shall use anchoring methods similar to a marine vessel and shall not use shore ties or other means which restrict passage around their location unless specifically approved by the appropriate agency or agencies as meeting regulatory requirements. Anchors shall be of sufficient weight and holding capability to keep the facility in its permitted location without being washed up or damaged on the beach.
- 3) **Removal:** An owner or operator shall be responsible for promptly removing and disposing of floats, docks, rafts, boats, and floathouses or other related materials when the lease or permit fees lapse. Abandonment, casting loose, or disposal on a beach are prohibited as disposal methods.
- 4) **Exception to Above Requirements:** The above requirements apply to floating facilities on publicly-owned tidelands rather than those tied with the permission of the dock owner to a private dock on privately owned tidelands.

## C. WATERFRONT AND TIDELANDS DEVELOPMENT

### 1) Application of Enforceable Policies

Enforceable policies apply to development in or adjacent to coastal waters throughout the entire coastal resource district unless otherwise noted in the policy. Refer to Table 3 for policy applicability.

### 2) Waterfront and Tidelands Development Issues of Local Concern

The Sitka Comprehensive Plan (City and Borough of Sitka, 1999) includes the following policies for waterfront development:

- 2.4.13. To consider revising the Coastal Zone Management Program and zoning ordinances to restrict development in sheltered waterfront property to water dependent uses only.

# Fig. 3: Index to Floathouse Permitted Sites Within Sitka Sound

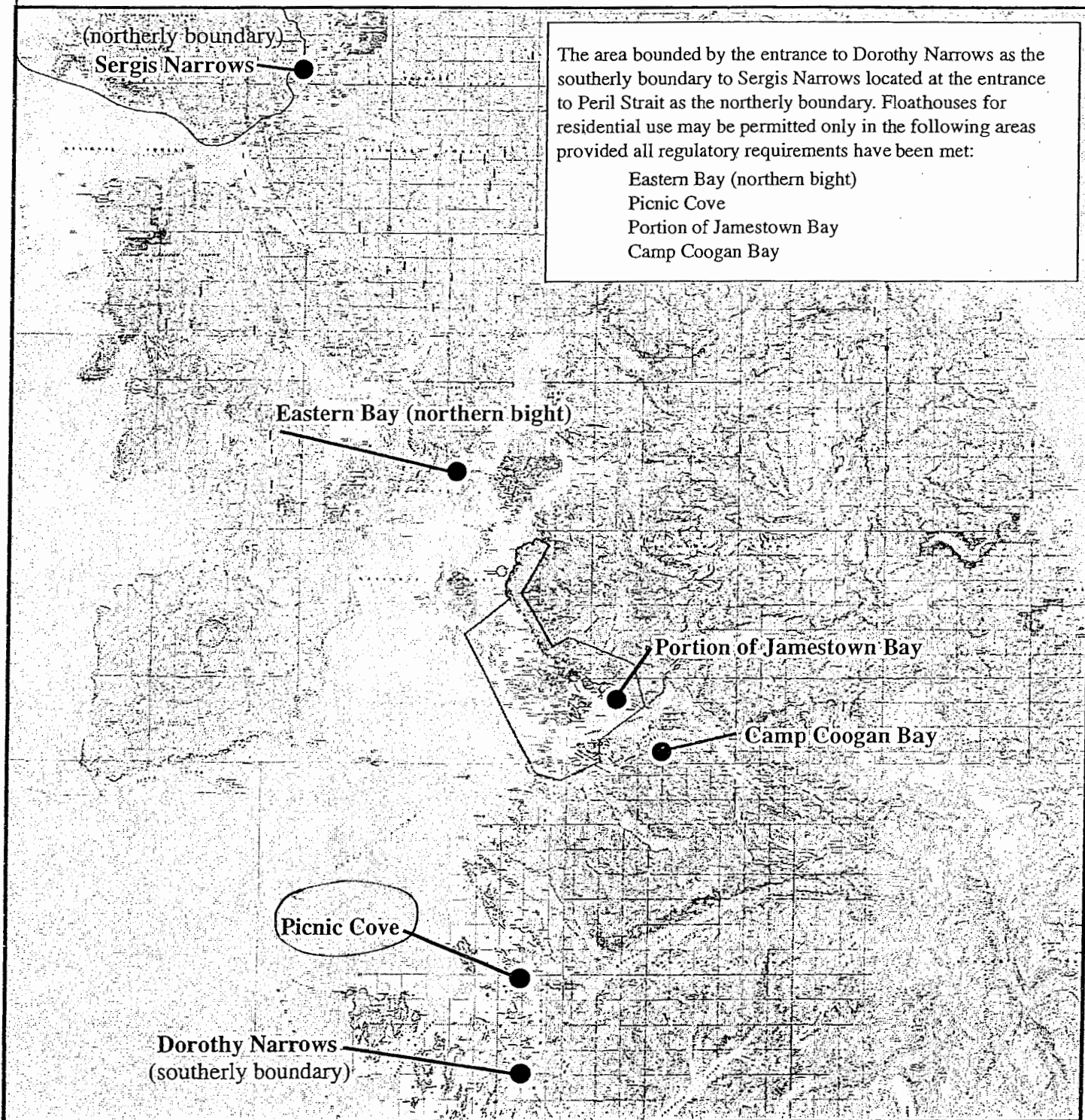


Source: City & Borough of Sitka Planning Department  
U.S.G.S. Sitka A4, A5 1:63,360  
Federal lands are excluded.

Applicable enforceable policies: 1.3, 1.5, 1.7, 3.1, 3.2, 3.3, 3.4

The area bounded by the entrance to Dorothy Narrows as the southerly boundary to Sergis Narrows located at the entrance to Peril Strait as the northerly boundary. Floathouses for residential use may be permitted only in the following areas provided all regulatory requirements have been met:

- Eastern Bay (northern bight)
- Picnic Cove
- Portion of Jamestown Bay
- Camp Coogan Bay



**Fig. 3d: Detail of Floathouse Permitted Sites  
Picnic Cove**

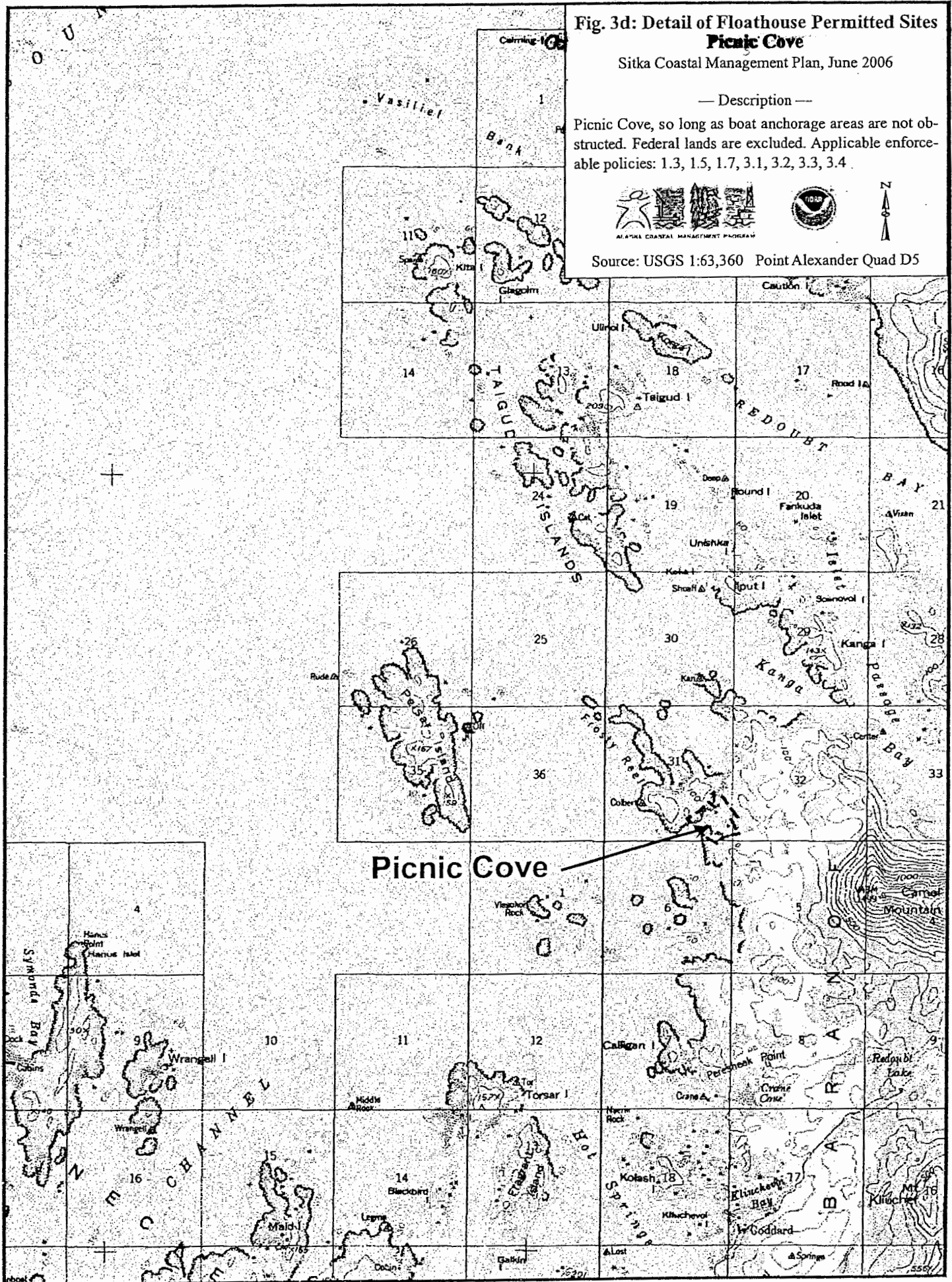
Sitka Coastal Management Plan, June 2006

— Description —

Picnic Cove, so long as boat anchorage areas are not obstructed. Federal lands are excluded. Applicable enforceable policies: 1.3, 1.5, 1.7, 3.1, 3.2, 3.3, 3.4.



Source: USGS 1:63,360 Point Alexander Quad D5







## Legislation Details

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File #: 14-063      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 4/1/2014      In control: City and Borough Assembly

On agenda: 4/8/2014      Final action:

Title: Approve a blanket waiver of the \$100 penalty non-filing fee for 2014 property taxes

Sponsors:

Indexes:

Code sections:

Attachments: [Waiver of the non-filing \\$100 fee](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

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**I move to approve a blanket waiver of the Personal Property non-filing fee of \$100 for the 2014 tax year as recommended by the Assessor.**



# City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

*Coast Guard City, USA*

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## Memorandum

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

FROM: Randy Hughes, Assessing Director

SUBJECT: Waiver of Personal Property Non-file Fee

DATE: April 2, 2014

I am asking the Assembly for consideration in waiving the Personal Property non-filing fee of \$100 for the 2014 tax year for the following reasons:

- Numerous changes were implemented for 2014.
- This was the first year for the fee.
- Many property owners were unaware of their responsibility to report.

RECEIVED  
MAR 28 2014

3-28-2014

City & Borough of Sitka

Members of the Assembly:

For the last 20 or 30 years I have been paying taxes on my boat with no complications in the transaction.

Because we are away from Sitka during the winter months, I was not aware and not informed of this change in policy SGC 4.12.055.

I'm asking you to waive this fee of \$100<sup>00</sup> for not filing a personal property statement mainly because we were not here and unaware of the change in policy.

I have been down to the City's assessors office and talked to the staff so I can pay my taxes as you see fit. Thank you!

Tracy A. Lotte  
102 Oceanview St  
Sitka, Alaska

Tracy Lotte

PERSONAL PROPERTY TAX

April 1, 2014

Dear assembly members,

I moved to Sitka the fall of 1980. I purchase a new 22 ft boat the following summer. I still own this boat. I have paid all my yearly property taxes due for the past 32 years without a penalty charge.

About 6 years ago I chose to leave Sitka during the winter months. I thought I had taken care of all bills, returns etc that might arrive during my absence. Upon my return I would take care of any I might have missed. This must have included my property tax return. No late penalty was ever mentioned or brought up when I turned in the form. Upon my return last week I see there is now a penalty charge for late returns. In the future I will file the personal property tax form prior to my departure to avoid the \$100.00 penalty now in place.

Please allow me a forgiveness this one time on the penalty charge as I was out of town when it arrived and only knew of this when I returned last week.

Thank you for your consideration,

David Mochak

A handwritten signature in black ink, appearing to read "David Mochak". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

WE RECEIVED THESE CARDS IN  
OUR MAIL ON THE 13<sup>th</sup> OF MARCH  
2014. I WENT DOWN TO THE ASSESSING  
DEPARTMENT ON THE 14<sup>th</sup> TO ASK ABOUT  
THESE CARDS AND THEY GAVE ME  
A PERSONAL PROPERTY STATEMENT THAT  
SAYS TO BE RETURNED BY FEB 15<sup>th</sup>.

WE DID NOT GET ONE IN OUR MAIL:  
AND SO NOW WE ARE ~~BEING~~ BEING BILLED  
AN ADDITIONAL \$1002. I FEEL IF WE  
DID NOT RECEIVE THE PAPER WORK WE HAD  
NO IDEA WE WOULD HAVE TO DO ANYTHING  
EXCEPT PAY OUR TAXES



**City & Borough of Sitka**

Assessing Department  
100 Lincoln Street, Suite 106  
Sitka, Alaska 99935  
(907) 747-1822

Presorted  
First Class Mail  
US Postage  
**PAID**  
Juneau, AK  
Permit No. 98

TAX YEAR 2014 ID # J-2013-076-000-0000 NON FILING FEE \$1

DESCRIPTION 17' 1984 BOAT

PERSONAL PROPERTY VALUE \$9,500 BOAT FLAT TAX \$

LAND VALUE BUILDING VALUE TOTAL VALUE \$9,500

SENIOR CITIZEN/  
DISABLED VET  EXEMPT TOTAL TAXABLE VALUE

MAILING DATE March 12 APPEAL DEADLINE April 11 BOARD OF EQUALIZATION MEETING DATE: May 5

\*\*\*\*\* SCH 5-DIGIT 99835

GUY, RONALD, J.  
207 VITSKARI ST  
SITKA, AK 99835-9700



\*\*\* IMPORTANT \*\*\*  
\*\*\* THIS IS NOT A TAX BILL \*\*\*  
Please review the back of this notice.



**City & Borough of Sitka**

Assessing Department  
100 Lincoln Street, Suite 106  
Sitka, Alaska 99935  
(907) 747-1822

Presorted  
First Class Mail  
US Postage  
**PAID**  
Juneau, AK  
Permit No. 98

TAX YEAR 2014 ID # J-2013-013-000-0000 NON FILING FEE \$1

DESCRIPTION 24' 1975 BOAT

PERSONAL PROPERTY VALUE \$22,000 BOAT FLAT TAX \$

LAND VALUE BUILDING VALUE TOTAL VALUE \$22,000

SENIOR CITIZEN/  
DISABLED VET  EXEMPT TOTAL TAXABLE VALUE

MAILING DATE March 12 APPEAL DEADLINE April 11 BOARD OF EQUALIZATION MEETING DATE: May 5

\*\*\*\*\* SCH 5-DIGIT 99835

GUY, RONALD, J.  
207 VITSKARI ST  
SITKA, AK 99835-9700



\*\*\* IMPORTANT \*\*\*  
\*\*\* THIS IS NOT A TAX BILL \*\*\*  
Please review the back of this notice.

# PERSONAL PROPERTY RETURN

NO CHANGE FROM PREVIOUS YEAR

DUE DATE: FEBRUARY 15, ANNUALLY

List below all taxable personal property owned by you and located within the City & Borough of Sitka, including the location where the items are normally kept. Please review the information for accuracy. A valid filing requires your signature and date. The completed & signed form must be received by the Borough Assessor's office (or postmarked) by February 15 annually, in order to avoid late or non-filing fees and penalties.

## WATERCRAFT

Year	Make	Model	Length (FT)	AK#	ADFG#	CDOC#
1975			24'			
PHYSICAL LOCATION <small>(i.e. Harbor Name, storage facility name, property address)</small>			Year Purchased	Purchase Price	BOAT NAME	
				\$4000 <sup>00</sup>		

Year	Make	Model	Length (FT)	AK#	ADFG#	CDOC#
1984	Boston Whaler		17'			
PHYSICAL LOCATION <small>(i.e. Harbor Name, storage facility name, property address)</small>			Year Purchased	Purchase Price	BOAT NAME	
				\$5000 <sup>00</sup>		

## AIRCRAFT

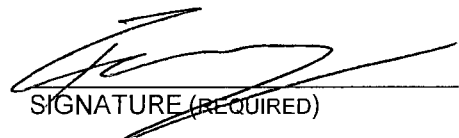
Year	Make	Model	Registration # (N#)		Floats/Skis
PHYSICAL LOCATION <small>(i.e. Airstrip name, storage facility name, property address)</small>			Year Purchased	Purchase Price	
Year	Make	Model	Registration # (N#)		Floats/Skis
PHYSICAL LOCATION <small>(i.e. Airstrip name, storage facility name, property address)</small>			Year Purchased	Purchase Price	

## FLOAT HOUSE

Float Size	House Size	Length (FT)	Location	Date Acquired	Purchase Price

I DECLARE OWNERSHIP OR CONTROL OF THE TAXABLE PERSONAL PROPERTY DETAILED ON THIS STATEMENT, AS OF JANUARY 1, \_\_\_\_\_ I AM AWARE THAT FAILURE TO PROPERLY LIST MY ASSETS AND FILE BY THE DEADLINE MAY SUBJECT ME TO FEES & PENALTIES AS PROVIDED FOR IN CITY CODE AND STATE LAW.

Ron Guy  
PRINTED NAME (REQUIRED)

  
SIGNATURE (REQUIRED)

3-15-14  
DATE (REQUIRED)

\_\_\_\_\_  
DAYTIME PHONE NUMBER

\_\_\_\_\_  
CELL PHONE NUMBER

\_\_\_\_\_  
EMAIL ADDRESS