



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## Memorandum

TO: Jim Dinley, Municipal Administrator  
Mayor Westover and Members of the Assembly

FROM: Melissa Henshaw, Planner I *MH*

SUBJECT: Conditional Use Permit for Samson Tug/Delta Western for a Bulk Fuel Facility

DATE: May 3, 2011

The Sitka Planning Commission is unanimously recommending approval, with conditions, of a conditional use permit for a bulk fuel facility at 5309 Halibut Point Road. The property is adjacent to the Sitka Ferry Terminal and is zoned Waterfront district. The property is owned by Samson Tug and Barge Inc. The bulk fuel facility will be operated by Delta Western Inc. The board's recommendation followed a public hearing on April 19, 2011.

This parcel is currently used as a shipping and storage yard. This use will remain on the northeast portion of the property. Structures will be removed to house the bulk fuel facility on the southwest portion of the property and a fence will separate the two. Delta Western Inc. will be leasing a portion of the parcel in which four tanks that will contain unleaded motor and diesel fuel will be stored. A truck loading facility and small office building will also be on this site. There will not be a retail fuel facility component on this site.

In the future Delta Western Inc. has stated that they plan to include a retail facility in conjunction with the Japonski Island Boathouse project. That facility may require a separate zoning text change and a separate conditional use process in the future.

The Planning Commission is recommending approval with the following conditions:

1. The project be completed in conformance with the plans submitted in the conditional use application to the Planning Commission;
2. Prior to the activation of the conditional use permit, the operator of the facility shall certify to the Municipality, in writing, that all necessary permits have been received including but not limited to:
  - a. State of Alaska driveway permits for the configuration shown in the application;
  - b. All Alaska Department of Environmental Conservation permits;
  - c. State Fire Marshall approval;
  - d. City and Borough of Sitka Building permits; and
  - e. Any other permits considered necessary by the municipal Public Works Director;
3. In addition, prior to the activation of the conditional use permit, the Public Works Director shall indicate, in writing, that all permits have been received that the municipality considers necessary;

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4. The applicant recognizes that other permits, not specifically mentioned by the municipality, may be required by state or federal agencies;
5. The applicant shall provide a narrative on the status of the operations nine months after the activation of the conditional use permit;
6. The Planning Commission has an annual review of the first nine to twelve months of operation of the facility within one year of the activation of the conditional use permit. The purpose of the annual review is to determine what, if any impacts of the operation need to be mitigated. The Planning Commission, by its own motion, may undertake a second annual review if the board considers it to be necessary;
7. The Assembly, at its discretion, may complete an annual review if any issues are not satisfactorily resolved at the Planning Commission level;
8. That the project will be completed in conformance to the plans submitted; and
9. That the project be operated in conformance with the narrative.

In reviewing the request, the Planning Commission received comments from the Municipal Engineer and PetroMarine, Inc. The Building Department also provided information to the applicant. Those comments contributed to the preparation of the conditions that were recommended by the Planning Commission.

The Planning Commission held two hearings on the request.

While there were not any public comments on the proposal at the meetings, representatives from Samson Tug and Barge Inc., Delta Western Inc. and the engineering firm retained by Delta Western Inc. participated. There were also several members of the community who attended the second meeting who were interested in the project.

The Planning Commission minutes, that include a follow up motion making the necessary findings, are attached.

#### RECOMMENDED ACTION:

Approve the conditional use request with the conditions recommended by the Planning Commission.