



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, Steven Eisenbeisz,
Benjamin Miyasato, Aaron Swanson, and Tristan J. Guevin*

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

Tuesday, December 23, 2014

6:00 PM

Assembly Chambers

WORK SESSION

5:00 - 5:50 PM

A [14-241](#) Municipal Solutions Final Report - David Evertsen

Attachments: [Sitka Final Revised - Dec 18 v3.pdf](#)

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

B [14-242](#) Reminders - Calendars - Correspondence

Attachments: [Reminders Calendars.pdf](#)

[TY Ltr.pdf](#)

V. CEREMONIAL MATTERS

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

C [14-208](#) Solid Waste Advisory Committee - update Representative Jonathan Kreiss-Tomkins <10

Attachments: [Scheduled Reports.pdf](#)

VII. PERSONS TO BE HEARD

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

VIII. REPORTS

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

IX. CONSENT AGENDA

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

- A** [14-238](#) Approve the minutes of the December 9, 2014 Assembly meeting
- Attachments:** [Motion Consent.pdf](#)
 [Motion Minutes.pdf](#)
 [Minutes.pdf](#)
- B** [14-237](#) Authorize the purchase of a power hose roller for Sitka Fire Department
 in the amount of \$9,488
- Attachments:** [Motion SFD transfer.pdf](#)
 [Fire Chief Memo.pdf](#)
- C** [14-240](#) Award a design contract for Eagle Way and Old Harbor Mountain Road
 Utility and Road Upgrades Project to DOWL HKM not to exceed
 \$112,728.00
- Attachments:** [Motion Eagle Way....pdf](#)
 [Eagle Way and Old Harbor Mt Road.pdf](#)

X. UNFINISHED BUSINESS:

- D** [ORD 14-34](#) Amending SGC at 2.40 elections, adding Section 2.40.095 Candidate biographical information, amending sections 2.40.110 Withdrawal or amendment of nomination, 2.40.115 Write-in candidates, renaming Chapter Section VI to add Advanced voting, amending Sections 2.40.190 Eligibility, 2.40.200 Assisted voting, adding Section 2.40.205 Voting by electronic transmission, amending Sections 2.40.220 Issuance of absentee or advanced ballots, 2.40.230 Casting absentee or advanced ballots, 2.40.250 Election officials (E) Oath, 2.40.310 Ballot box, 2.40.315 (D)(2) Marking of ballot, 2.40.315 (G) Improperly marked ballots, adding Sections 2.40.315 (H) closing of polls, and 2.40.316 Poll watchers, amending Sections B2.40.320 reports of unused and damaged ballots, 2.40.330 (B), (C), (D) Counting ballots - hand-counted, 2.40.390 (H) Counting ballots, 2.40.420 Canvass board, 2.40.430 Election results, renaming Section 2.40.440 Assembly approval, amending Sections 2.40.460 Certificate of election, 2.40.470 Notice of election contest, 2.40.500 Costs, and 2.40.520 Prohibited practices
Attachments: [Motion ORD 2014-34.pdf](#)
[ORD 14-34 2.40 Elections.pdf](#)
- E** [ORD 14-37](#) Adjusting the FY15 Budget
Attachments: [Motion ORD 2014-37A.pdf](#)
[ORD 14-37A FY15 Budget.pdf](#)
- F** [ORD 14-38](#) Amending SGC Title 22 Zoning regarding commercial home horticulture
Attachments: [Motion ORD 2014-38A.pdf](#)
[Memo Ord 2014-38.pdf](#)
[ORD 14-38A Horticulture and Motion.pdf](#)
[Appeals Period Memo.pdf](#)
[Misc Docs relating to Ord 2014-38.pdf](#)
- G** [ORD 14-39](#) Amending SGC Section 2.08.015 Selection of acting administrator to include a procedure for unforeseen appointments
Attachments: [Motion ORD 2014-39A.pdf](#)
[ORD 14-39A Acting Administrator and Motion.pdf](#)
- H** [ORD 14-40](#) An ordinance amending SGC Chapter 15.01 Entitled "Electric Utility Policies" by adding a new Section 15.01.090 entitled "Rebate Program for Electric Heat Pump Heating Systems"
Attachments: [Motion ORD 2014-40.pdf](#)
[2014-40 Heat Pump Rebate Program.pdf](#)

XI. NEW BUSINESS:

New Business First Reading

- I [ORD 14-41](#) Amending SGC Section 2.04.020 to clarify who shall attend Assembly executive sessions
Attachments: [Motion Memo ORD 2014-41.pdf](#)

Additional New Business Items

- J [14-236](#) Authorize the increase in Line of Credit for Sitka Community Hospital from \$500,000 to \$1.5 Million
Attachments: [Motion SCH line of Credit 2.pdf](#)
[Line of Credit.pdf](#)
- K [14-239](#) Approve a conditional use permit, with conditions, for a horse stable at 5304 Halibut Point Road, filed by David Allen. The property is owned by Allen Marina, LLC
Attachments: [BOA Motion.pdf](#)
[Allen CUP 5304 HPR Assembly Packet.pdf](#)

Board of Adjustment
- L [14-243](#) Formally accept the resignation of Assembly member Phyllis Hackett and determine the procedural direction and/or fill her replacement
Attachments: [Filling vacant assembly seat.pdf](#)
- M [14-244](#) Assignments: Vice Deputy Mayor and Sitka Community Hospital Assembly Liaison
Attachments: [Appoint Vice Deputy Mayor 2014.pdf](#)
[LIAISONS 2014-2015.pdf](#)

XII. PERSONS TO BE HEARD:

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

XIII. EXECUTIVE SESSION**XIV. ADJOURNMENT**

*Colleen Ingman, MMC
Municipal Clerk
Publish: 12/19/14*



Legislation Details

File #: 14-241 **Version:** 1 **Name:**
Type: Item **Status:** AGENDA READY
File created: 12/18/2014 **In control:** City and Borough Assembly
On agenda: 12/23/2014 **Final action:**
Title: Municipal Solutions Final Report - David Evertsen
Sponsors:
Indexes:
Code sections:
Attachments: [Sitka Final Revised - Dec 18 v3.pdf](#)

Date	Ver.	Action By	Action	Result
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CITY & BOROUGH OF

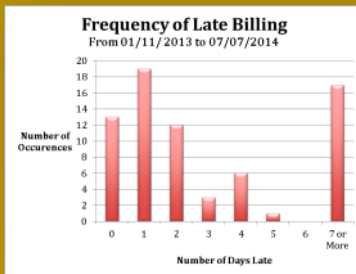
SITKA

ALASKA

GENERAL FUND EFFICIENCY AUDIT & COMPREHENSIVE MANAGEMENT PLAN

ESSENTIAL FUNCTIONS

COST REDUCTION • EFFICIENCY ALTERNATIVES
EXPENDITURE RECOVERY • REVENUE GENERATION



FINAL REPORT
DECEMBER 2014



ANCHORAGE ALBANY BILLINGS BURLINGTON DALLAS DENVER PHOENIX WEST PALM BEACH LONDON (UK)

WWW.MUNICIPALSOLUTIONS.ORG

General Fund Efficiency Study & Comprehensive Management Plan



Prepared for:
City and Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835



Completed by:
Municipal Solutions LLC
Local Government Division

Arizona Office: 875 S Estrella Pkwy #5038
Box 5038, Goodyear (Phoenix), AZ 85338
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David A. Evertsen, Principal



MUNICIPAL SOLUTIONS®

EFFICIENCY. TECHNOLOGY. SAFETY.

RE: Efficiency Study Results & Final Report

Mr. Gorman, Assembly & Staff,

Every Chief Executive and Elected Official faces challenges in making internal changes that lead organizational efficiency and operational effectiveness. One reason is that inefficiencies are often difficult to ascertain. Another reason is that they are even more difficult to implement - particularly in a challenging political environment. As if your responsibilities aren't challenging enough, an even greater burden was placed on you with the downturn of the local and national economy.

Our greatest concern was whether we would find the City & Borough of Sitka in difficult circumstances. While we did not find anything which could immediately impact life or safety, we did find several areas of concern which, if left unaddressed, could become significant issues to quality of life in Sitka. Having reviewed the affairs of the City & Borough of Sitka as comprehensively as time would allow, we congratulate you on the success and efforts of your entire organization. You have a wonderful community.

Because of our perspective and experience in several areas of municipal operations, we intended to provide you, your City Assembly and your staff with two important things: (1) new insight into opportunities for greater efficiency, effectiveness and sustainability, and (2) hope for improved service delivery at a lower burden on taxpayers which improve local quality of life. We hope you are pleased with the results.

The scope of work allowed for a broad review focusing on all divisions and functions within CBS. While many of the findings outlined in this report contain clear cost savings, alternatives also exist which are dependent on a variety of potential circumstances. Many of our recommendations require policy and personnel decisions. Some findings validate the potential for increased efficiency rather than identification of specific financial gains. We will be happy to discuss and assist you with these issues with you moving forward.

Change with enthusiasm can be difficult, but we are confident that you and your staff are capable of managing perpetual change and the changes we recommend. As you know, technological advancements can also cause instability. Technology is not a solve-all, but it can be an effective tool in aiding your staff to be more effective if applied appropriately. We have tried to address this concern as detailed as possible and have provided you with a range of alternatives. We appreciated staff's willingness and trust as we identified areas that needed improvement. We compliment your staff for embracing this study and our efforts on your behalf.

Overall, we believe strongly in the credibility of this report and that our findings and recommendations will help your staff deliver more valuable services to the community.

Thank you for the opportunity to work on such a significant project. I look forward to meeting with you on December 23rd and working with you in the future.

Sincerely,

The Municipal Solutions Team



David Evertsen, Principal

Robert S. Hoffman, Senior Associate

Colin Baenziger, Senior Associate

Dirk Marshall, Senior Associate

Eric Duthie, Senior Associate

Nick Romano, Senior Analyst

TABLE OF CONTENTS

INTRODUCTION 7
PURPOSE OF THE STUDY
METHODOLOGIES & THE FINAL REPORT

EXECUTIVE SUMMARY 11

CONSULTANT TEAM BACKGROUNDS 17

FINDINGS & RECOMMENDATIONS 21

ADMINISTRATION 21
 GENERAL ADMINISTRATION
 ORGANIZATIONAL STRUCTURE & STAFFING

CENTENNIAL HALL 31
 FINANCING, SERVICE LEVELS & STAFFING

CLERK 35
 CLERK / PUBLIC RECORDS

FINANCE 39
 ELECTRICAL BILLING
 INVENTORY CONTROLS
 PURCHASING
 TAX ASSESSMENT & COLLECTIONS
 UTILITY ACCOUNTS
 UTILITY BILLING
 UTILITY BILLING – METER WORK ORDERS

GOVERNMENTAL RELATIONS 55
 INTER-GOVERNMENTAL & INTERDEPARTMENTAL RELATIONS

HUMAN RESOURCES 59
 HUMAN RESOURCE MANAGEMENT

INFORMATION SYSTEMS (under separate cover) 63
 COMMUNICATION INFRASTRUCTURE
 FUNCTIONS, STRUCTURE, STAFFING & CUSTOMER SERVICE
 MAINTENANCE AND ORGANIZATION
 SECURITY
 SOFTWARE

LEGAL 65
LEGAL & RISK MANAGEMENT

LIBRARY 69
STAFFING & SERVICE LEVELS

PLANNING 75
STAFFING, PROCESS, POLICIES & PROCEDURES
STRATEGIC PLANNING

PUBLIC SAFETY 85
EMS
FIRE
POLICE

PUBLIC WORKS 101
BUILDINGS MAINTENANCE
ENGINEERING, SOLID WASTE, FACILITIES, STREETS, WATER & WASTEWATER
ELECTRIC DEPARTMENT: OPERATIONS (*ENTERPRISE FUND*)
FACILITIES
FLEET
PARKS & RECREATION
PORTS & HARBORS
STREETS
WATER & WASTE WATER

ELECTRIC UTILITY 139
ELECTRIC DEPARTMENT: OPERATIONS

OTHER FINDINGS 145
VENDING MACHINES & COPIERS

CONCLUSION 147

APPENDICES 151
A. Software Replacement Costs and Processes
B. Sample Fleet Replacement Policy
C. Sample Succession Plans
D. Organizational Governance & Strategy Framework

INTRODUCTION

Local governments, like the state and federal governments, continue to experience demands for services despite constraints. Citizen demands for the expansion of services that already exist and requests for new services place elected officials and administrators in a dilemma. It is important to note that increased citizen use of municipal services correlates strongly with a declining economy. It is therefore incumbent upon municipal officials to prepare for this reality by addressing the efficiency of support functions ensuring citizen services can meet demand.

The City and Borough of Sitka operates under a Council-Manager form of government operating as both as a City and as a County. A total annual budget of approximately \$25 million provides personnel compensation, contractual services, commodities, capital outlays, and debt service. Due to its unique location (on an island), it operates a range of public services taken for granted in the lower 48 states; CBS must maintain redundancy to assure continuity of operations and continuation of government – in the event of an emergency. The City operates its own Police, Fire, EMS, Sanitary (trash and sewer), Electric Utility (*generation, distribution and transmission*), Engineering, Public Works, Planning, Information Technology, Harbors/ Marinas, Parks, Recreation, Library, Convention Center and Water Operations. Approximately 155 full-time equivalents are employed by the City.

Specifically, the City wishes to answer one important question:

What can the City and Borough of Sitka do to operate in the most responsible and cost effective way possible?

Purpose of the Study

Like many municipalities the City and Borough of Sitka wishes to provide superior services to its citizens while maintaining fiscal responsibility. Three keys to achieving both goals are:

- 1) Closely examining departmental processes
- 2) Creating new efficiencies wherever practical, and
- 3) Identifying opportunities to minimize the City's risk exposure

Municipal Solutions was retained to conduct an Organization Efficiency Audit and Management Plan, a study which includes an examination of departmental structure, policies, procedures, and practices in the City and Borough of Sitka, Alaska. Before our arrival, the consultants reviewed more than 1,200 pages of documents including financial statements, department structure & staffing, monthly and annual reports and situational information regarding the Sitka community and working environment. Consultants also conducted a high-level examination of Sitka's infrastructure, policies, practices, and procedures and examined nearly every facet of City / Borough operations.

Specifically, the study's objectives were:

- Explore each department's needs, skills, processes, resources and priorities to determine how refinement or improvement to operation efficiency, expenditures, and revenue generation can be realized during the current and upcoming year.
- Examine each department's functions, evaluating the form and structure of each department to determine whether it is optimal towards fulfilling departmental and city goals, objectives, and priorities; determining also whether the current resources are being used efficiently.
- Determine optimization alternatives to the organizations functions, forms/structure, and resources.
- Determine if, where, and why internal stop-gaps are failing and how they can be remedied.
- Determine and quantify the most effective strategy for each department, to accomplish organizational objectives.
- Determine the most effective means for reducing the cost of operations while improving service delivery and service quality.
- Establish the basis for internal assessments, controls, monitoring, and reporting for perpetual organizational improvement to these ends.
- Provide a high-level report validating greatest-needs and areas of greatest potential. *(Specific emphasis is to be made to address the areas of Personnel, Organizational Structure, Information Technology, and Customer Service.)*

Methodologies

The following methodologies are being applied during the course of this analysis:

- Interviews with management and key departmental staff.
- Interviews with key city staff.
- Examination of City policies and procedures.
- Data collection, examination, and analysis.
- Examination of departmental records.
- Review of departmental generated reports.
- Examination of departmental infrastructure.
- Collection and review of best practices from communities throughout the nation.



The Final Report

The Final Report is provided at the completion of document review, site visit, field work, benchmarking and incorporation of staff comments and recommendations from the Preliminary Report. This report is provided to City and Borough of Sitka to serve as a roadmap to make clear decisions that affect its ability to deliver efficient services now and into the future.

Originally composed to reflect ‘thematic’ or ‘systemic’ observations and findings on a high level, this report has been reformatted and sectioned to reflect a more detailed department by department review. Departments of divisions included in this Final Report are:

- ADMINISTRATION (*ORGANIZATIONAL STRUCTURE & STAFFING*)
- CENTENNIAL HALL (*FINANCING, SERVICE LEVELS & STAFFING*)
- CLERK (*SERVICE LEVELS, STAFFING & PUBLIC RECORDS*)
- FINANCE (*ELECTRICAL BILLING, INVENTORY CONTROL, PURCHASING, TAX ASSESSMENT & COLLECTIONS, UTILITY ACCOUNTS, UTILITY BILLING, UTILITY BILLING – METER WORK ORDERS*)
- GOVERNMENTAL RELATIONS (*INTER-GOVERNMENTAL & INTERDEPARTMENTAL RELATIONS*)
- HUMAN RESOURCES (*HUMAN RESOURCE MANAGEMENT*)
- INFORMATION SYSTEMS (*COMMUNICATION INFRASTRUCTURE, FUNCTIONS, STRUCTURE, STAFFING & CUSTOMER SERVICE, MAINTENANCE AND ORGANIZATION, SECURITY, SOFTWARE*)
- LEGAL (*LEGAL & RISK MANAGEMENT*)
- LIBRARY (*STAFFING & SERVICE LEVELS*)
- PLANNING (*STAFFING, PROCESS, POLICIES & PROCEDURE, STRATEGIC PLANNING*)
- PUBLIC SAFETY (EMS, FIRE, POLICE)
- PUBLIC WORKS (BUILDINGS MAINTENANCE, ENGINEERING, FACILITIES, ELECTRIC DEPARTMENT: OPERATIONS (*ENTERPRISE FUND, FACILITIES, FLEET, PARKS & RECREATION, PORTS & HARBORS, SOLID WASTE, STREETS, WATER & WASTEWATER*))

This Assessment and Final Report should give the City and Borough of Sitka the information and roadmap it needs to make clear decisions that affect its ability to deliver more efficient services now and into the future. The Conclusions section of this report will present findings in a more thematic and systemic manner as the groundwork for a Strategic Plan and Management Implementation Strategy.

Field work and data collection began in June, and a site visit was conducted the week of July 7, 2014 and completed the review in November 2014.

EXECUTIVE SUMMARY

Our team found the Borough and City of Sitka to be a community rich in charm, history, and tradition. The historic downtown area, harbors and world class fishing, unique blend of Russian, Native Alaskan and western culture, world-class tourism and unmatched natural beauty add to the aesthetic value of the City. The City appears to effectively provide an abundance of community activities as well as youth and adult recreational programs.

In our interactions, our team received exceptional cooperation from City staff, elected officials, and the general public. Staff appeared to us to be professional, civil, competent and passionate about public service. The organizational structure appears to be an appropriate size for a full-service municipality, however re-staffing, re-organization and consolidation is recommended and discussed in this report.

Observations and Best Practices

Consultants have identified that a solid foundation for improvement already exists among all departments. As detailed below, multiple opportunities for improvement exist. Our recommendations will aid in building upon this foundation and assist in the prioritization and implementation of service delivery, and aid in added efficiency, effectiveness and sustainability. While this list is not exhaustive, it is comprehensive in providing significant detail in most departments.

Administrator, Clerk, Attorney and Finance Director

- Highly qualified team of professionals using some foundational systems, tools and processes to assure continuity of government.
- Modern techniques and greater attention to detail, enforcement and training will improve effectiveness of internal systems, tools and processes.
- Following the 3-5-7 Rule is recommended, which will allow for improved performances at all levels, reducing the number of direct reports to the CM, as well.
- Make significant adjustments to classified positions and organizational structure across all four teams.



Centennial Hall

- City is proceeding with a much-needed facility replacement.
- Centennial Hall should be included in comprehensive Strategic Plan.
- Facility Director should be an integral part of the project team in order to make effective decisions and incorporate Director's institutional knowledge and expertise.

Clerk/Public Records

- High priority should be given to a digital imaging process, which will reduce risk and loss, as well as significant storage space savings.
- Update policy for records retention and staff training.
- Review complete City Code and develop a revision roadmap – could be done effectively by a consultant.

**Finance****Electrical Billing**

- By establishing a standard initial fee for setting electrical meters (including parts and labor), department will reduce fraud risk, perform with consistency, and facilitate collections in their billing department.

Purchasing

- Immediately act to maintain an inventory of supplies and equipment stock that are shared and/or made available to non-municipal parties.

Tax Assessment & Collections

- Fill the Strategic Planning Committee. Committed should consider the following: Conduct a Strategic Plan process to guide FY 2016 Budget process, conduct assessment of possible tax structures, and consider revising tax policies.

**Government Relations**

- Well connected, continued to maintain relationships for funding of projects on the core of the City's needs as well as the periphery.
- All Department Heads appear highly connected with 'one call' relationships which results in direct access to many of the directors of the State of Alaska's agencies.
- Immediately move position under Finance/Administrative Services Director. And conduct job survey and job description review of the City Attorney and Administrative Assistant.
- Determine if consolidation of functions/dissolving position is warranted.

Human Resources

- Director is web savvy and uses the internet to compensate for the lack of resources in the development of HR systems, tools and processes.
- Continue to develop effective disciplinary policies and processes for CBS staff and members of the Collective Bargaining Units.

Information Services

- Attempting to provide a broad range of technical services to all departments and community.
- Improvements are recommended in communication infrastructure, staffing and customer service, Maintenance and organization, security, and software. Plan implementations will result in reduced service expenses, avoidance of catastrophic failure, significant savings, and overall improvement of services.

**Legal**

- Legal and risk management should begin developing a city-wide succession plan.
- Expand organizational structure to accommodate a part-time Paralegal.
- Digitally manage files and documentation.

Library

- Services significantly exceed standard quality expectations, and could be reduced to create more efficiency.
- Consider the preferences, lifestyle and needs of the community to reduce the number of hours of operation to the public.
- Improve wireless network tracking and review possible revenue models to monetize service to residence and tourists

**Planning**

- Perform staffing skills analysis and review department functions. Outcome. Consideration should be given to hiring a Planner II for long-range and inter-departmental planning.
- Review fees in comparison to other similar agencies, which could result in increased revenue.
- Implement electronic methods for record storage and planning application process.
- Strategic plan should be created and implemented.

EMS

- Staffed chiefly by volunteers and appears to be effective. Volunteer staffing speaks well of the administrative support provided by the community.
- Receives medical direction from a local physician with whom EMS staff can interact directly rather than only remotely from outside Sitka (i.e. Juneau, Anchorage or Seattle).

Fire Department

- High focus on community interests and relief.
- Effectively operated with 90% volunteers – both efficient and impressive.
- Excellent relationships maintained with internal & external emergency service agencies.



Police

- Focused on community relief and has the community's interests as a primary focus.
- Desires to make multiple daily visitations possible = which is a significant staffing, security and operations workflow efficiency challenge.
- Effectively manages logistics prisoner transfers and incarcerations despite the challenges of being remote and isolated.



Electric

- Effective in an anticipating future organizational needs, in succession planning of staff, and in anticipating future capacity needs of the community.

Public Works

- Manages an extremely wide variety of functions and manages them well. Director functions more like an Assistant City Manager than a department director
- Proactive. Excellent organizational anticipation of future infrastructure needs and proper efforts to plan for it (*i.e.: rock quarry, harbors, airport, etc.*). However a lack of resources, DPW has a firm handle on what needs to be done and when.



Observations of potential Challenges & Opportunities

Physical Infrastructure

- Aging physical infrastructure, timing and cost of replacement is the most significant concern to consultants.

Financial and Service-Level Sustainability

- Funding resources are becoming less reliable, dynamic and rapidly changing which requires immediate attention. Beyond FY 2015, it cannot be expected that the State and Federal Government will provide the municipality with funding at levels of previous years and it is anticipated that the City / Borough might actually receive less financial support than previous years. New regulations, rules and requirements will also place an even greater burden of responsibility on Sitka. In FY 2015 water quality monitoring requirements will come into effect given a water population exceeding 10,000 persons an estimated cost of \$6,000 to \$10,000 to comply with the new requirements. Additionally, the Alaska Department of Environmental Conservation (ADEC) continues to add new water quality requirements, rules and conditions which, when imposed upon Sitka, will increase costs per resident even more. With a myriad of potential problems seen and unseen, Sitka needs to develop a sense of urgency.
- Historically, employees have been effective assuring long-term use of the existing physical facilities. However, the City's fixed assets are rapidly approaching or already beyond their lifespan and replacement can no longer be deferred. \$42.6 million in deferred maintenance costs for street improvement (roads, curbs, gutters and sidewalks) needs immediate attention. Although the FY 2015 budget includes \$1.3 million in street improvements, there will be a tremendous shortfall with the shrinking State funding and without a dedicated road replacement funding source.
- Current revenues will not be enough to address current and pending needs. Without additional State and Federal funds, the City / Borough will need increase revenues and reserves, not simply cut expenditures.

Strategic Planning

- Strategic Planning process is incomplete. Although CBS has conducted visioning sessions in 2010 through 2013, a comprehensive Strategic Planning process is critically necessary to discuss community priorities, service levels, and City / Borough services in their entirety. If done effectively, it will be possible to reach a consensus on the community's priorities and articulate the direction administration should take in the provision of municipal services.

CONSULTANT TEAM

David A. Evertsen, Principal & Project Manager



Principal consultant to hundreds of municipalities, school districts and state agencies throughout the United States, Mr. Evertsen has over 18 years experience in the public and private sector in: *Organizational Analysis, Personnel Compensation Studies, Negotiations and Arbitration*. Mr. Evertsen has Master's Degrees in *Public Administration (MPA) and Urban Planning (MUP)* and is a three-time former City Manager.

Municipal Solutions has completed several similar projects which include:

- Organizational Assessments & Management Strategic Plans for United States communities for Dartmouth, MA; Clearfield, UT; Fort Mojave Indian Tribe Police Department; Arkansas City, KS; Delray Beach, FL; Daytona Beach, FL; Harrisville, UT; Pleasant Grove, UT; Parkland, FL; Tequesta, FL; Jupiter Island, FL; La Habra Heights, CA.
- Personnel Compensation, Classification and Restructure for Parkland, FL; Guadalupe, AZ; Shawnee, OK;
- Organizational Assessments of international government agencies including the Government of Libya, European Commission; Government of Afghanistan, Government of Iraq, Kabul Municipality, Afghanistan, and 35 local governments in Bangladesh.

Mr. Evertsen has been recognized nationwide for his ability to "make significant contributions while facing difficult constraints," and has repeatedly positioned agencies and staff to handle tremendous and possible unanticipated change, due in part to knowing "how to get the job done, through analysis, vision, and successful collaboration of skilled resources." He is an accomplished public speaker in local, national and international settings.

Mr. Evertsen has worked with:

- Congressional staff: Senator Baucus (MT), Senator McCain (AZ), Senator Burns (MT) & Senator Kyl (AZ); Congressman Rehberg (MT), Congressman Grijalva (AZ) & Congressman Trent Franks (AZ); Governors Janet Napolitano (AZ) and Judy Martz (MT), and State Legislators in AZ, CO, MT and UT.
- National League of Cities and International City / County Management Association

Mr. Evertsen's degrees include: Master of Public Administration - University of Kansas; Master of Urban & Regional Planning - University of Kansas; Bachelor of Political Science - Weber State University; and Associates Degree (Business) – BYU Idaho.

Colin Baenziger, Senior Associate

Mr. Baenziger is a student of and an expert in local government. Over the years, he has worked with a number of cities on recruitments and on management, operational and organizational issues. As a former manager and as someone who actively consults with governments, he understands what it takes to operate a government effectively. He is a Senior Associate with Municipal Solutions and is responsible for the overall operations of Colin Baenziger & Associates.

With his expertise in municipal government, Mr. Baenziger has been called upon to speak at conferences for the Florida League of Cities, the Florida City / County Managers' Association and the Florida Public Personnel Association. He has a Master's Degree with Distinction in Public Administration from Cornell University and a Bachelor of Arts degree from Carleton College.

He has completed several significant executive search efforts for more than 50 Florida local governments. Other significant assignments include:

- Development Fiscal Impact Study on the City of Palm Beach Gardens for 7,100 acres resulting in a realistic assessment of "pay for itself" development scenarios on City services.
- Organizational Review of the government of the City of Lauderdale Lakes leading to the City changing its form of government to the Council-Manager plan. Mr. Baenziger also worked with a citizen's advisory committee in drafting the necessary changes to the City charter.
- For Palm Beach County, he conducted a review of the disposition of impact fee waivers granted to Utility Development Company by the County's Water Utilities and Utility Development Corporation (UDC) to determine how many of the 29,405 waivers granted to UDC in the late 1970's and early 1980's had been utilized by 1998. The work found 29,402 waivers and eliminated almost \$20,000,000 in liabilities..
- Other recent efforts include conducting a strategic planning session for the Florida Association of Special Districts, an operational review of the City of Tamarac's water utility, a business practices review for a division of the Martin County Government, and a review of financial procedures for a division of the Marriott Corporation.

Robert S. Hoffmann, Senior Associate

Mr. Hoffmann has over twenty five (25) years of experience in both the municipal and private sectors. Mr. Hoffmann has worked on Wall Street, served as Finance Director in Clarkstown, NY (Pop. 82,000, \$27million budget), and as City Manager in Franklin Lakes, NJ. He has an MBA in Finance, is a registered Public Purchasing Official, teaches Public Purchasing at Rutgers University and is currently the Borough Administrator in Westwood, NJ.

Mr. Hoffmann is distinguishing himself and his community as one of the most innovative in the country for the use of bio-fuels and alternative fuels for municipal operational savings. He has been interviewed by ABC News, MSNBC, the Wall Street Journal and other news agencies. Mr. Hoffmann's most recent work with Municipal Solutions includes the Efficiency Study for the City of Dartmouth, MA; Fleet Study for the City of Clearfield, UT, and Efficiency Study for the Cities of Delray Beach and Daytona Beach, Florida.

Eric Duthie, Senior Associate

Mr. Duthie is a 20-year consultant-practitioner who has been a consultant with Municipal Solutions since 2007. He has been engaged on various local government assignments in Alaska, Arizona, Florida and Utah. His duties and accomplishments have includes:

- *City / Town Manager; Police Chief*
- *Regional (multi-agency) Economic Development Authority*
- *Efficiency Studies: Administration, Budget, Police, Fire & EMS*
- *General Plan revision / development*
- *Zoning ordinance revision/development*
- *Strategic plan development*
- *Dangerous building abatement program*
- *Roadway development, curb, sidewalk projects*
- *Water/sewer rate studies*
- *Successful lobbying for Congressional and Federal agency appropriations*

Mr. Duthie also serves in a variety of professional capacities including:

- *St. Johns Assisted/Senior Citizen affordable housing Development Committee;*
- *Apache County Public Finance Corporation Board (Officer);*
- *Economic Development for Apache County Corporation Board (Officer);*
- *Apache County Youth Council (Officer);*
- *Northern Arizona Council of Governments Economic Development Committee;*
- *Northern Arizona Council of Governments Tourism Committee (Chair);*
- *Navajo/Apache County Regional Workforce Investment Board;*
- *U.S. Constitutional Commemoration Committee (Appointed by Governor);*
- *International City/County Manager Association;*
- *Arizona City/County Manager Association;*
- *High school wrestling coach;*
- *College fire science curriculum development;*

Nick Romano, Senior Analyst

A former Intern with Municipal Solutions, Mr. Romano has been a powerful driving force behind the Consultant Development Internship and Credentialing Program. He started as a part-time Analyst on a project for IBM, and is now working full-time in Business Development, International Development, and public-sector consulting where his survey creation, data collection and analysis skills are valuable. He will be a key point of contact and invaluable resource to incoming interns, analysts, and credentialed consultants.

Before arriving at Municipal Solutions, Mr. Romano had a variety of small-business and public sector consulting experience. He worked with city governments in Utah to implement and improve curb-side subscription recycling programs through survey intake and analysis. He completed a Master's degree in Public Administration with an emphasis in Finance and Management Analysis at Brigham Young University.

FINDINGS & RECOMMENDATIONS

ADMINISTRATION

Organizational Structure & Staffing

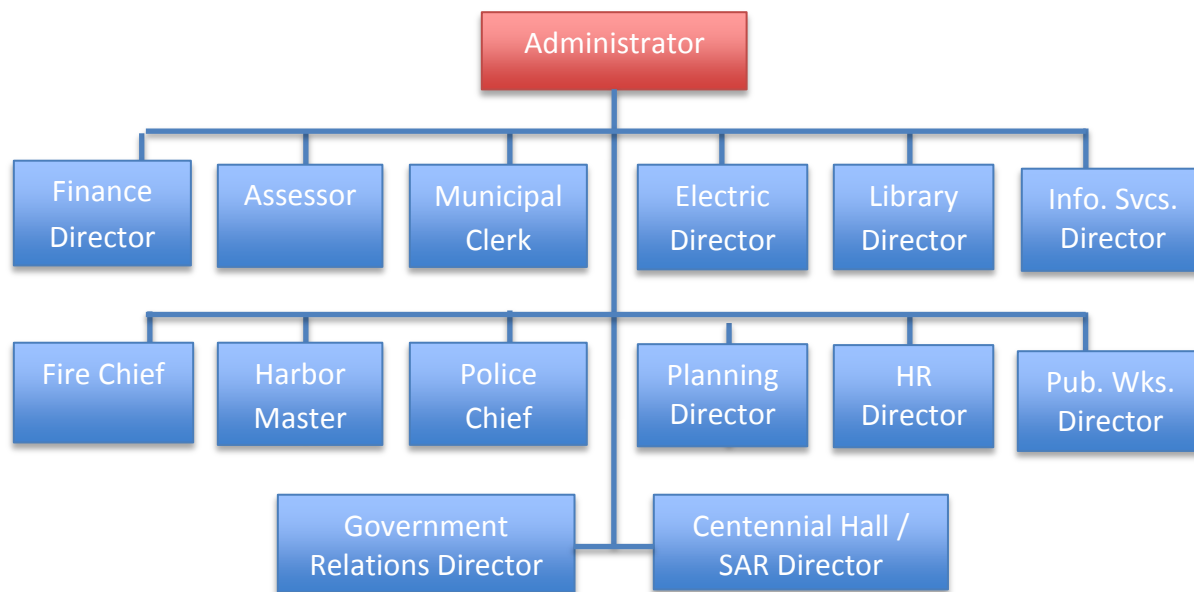
OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Disunity among department managers; communication outside the established lines of administrative Service Levels are not demand-driven.</p>	<p>Realign organizational structure for the City Manager to follow the 3-5-7 rule of direct reports</p> <p>Adopt Assembly-Staff Rules of Procedure.</p> <p>Begin a Strategic Planning Process</p> <p>Administer a Customer Service Survey.</p>	<p>Cost: <i>Strategic Planning Process:</i> \$30,000 - \$60,000, 4 to 6 mo. <i>Customer Service Survey:</i> \$10,000 - \$12,000, 30 – 60 days</p> <p>Benefits: community needs defined, desired service levels, departmental co-operation, budget process efficiency.</p> <p>Clear authority & lines for effective communication within the form of government.</p>
<p>2. Finance / collections functions performed below expectations, creating risk.</p>	<p>Perform Job Audits, Skills Assessments & Employee Performance Evaluations</p>	<p>Cost: \$5,000, 30-45 d, staff turnover</p> <p>Benefits: Increased performance, decreased inefficiencies, reduced risk</p>
<p>3. Staffing mostly sufficient- Clerk’s Office, Planning* & Library.</p>	<p>Make small adjustments to Classified Positions & Organizational Structure</p>	<p>Cost: none</p> <p>Benefits: ND</p>
<p>4. Staffing insufficient - City Attorney’s office, HR, IT, Fire & Planning.*</p>	<p>Make significant adjustments to Classified Positions & Organizational Structure</p>	<p>Cost:</p> <ul style="list-style-type: none"> - <u>Aggregation / Consolidation:</u> \$0 - <u>Deputy City Clerk:</u> \$31,350 / yr. - <u>Paralegal:</u> \$26,300/yr - <u>Police PC Tech to IT:</u> \$0 - <u>Fire Department:</u> \$0 <p>Savings:</p> <ul style="list-style-type: none"> - <u>IG Relations Specialist:</u> \$26,000 to \$55,000/ year - <u>Paralegal & Dep. Clerk</u> expenses nearly offset (<i>Grade 28 class</i>). - <u>Planner II:</u> \$60,000 to \$65,000 - <u>Building Maintenance:</u> 4 staff could save \$66,000 vs. contract <p>Benefits: mitigates attrition, higher-quality service, higher accountability, effective operations, morale, consolidated planning.</p>
<p>5. The City Manager has a higher than expected number of direct reports.</p>	<p>Reduction of number of direct reports from 12 to 8</p>	<p>Cost: \$0</p> <p>Savings: Significant time and attention</p> <p>Benefits: Greater organizational effectiveness, efficiency & unity</p>

<p>6. A organization-wide Succession Plan / Continuity of Operations Plan is needed</p>	<p>Begin the development of a Succession Plan / Continuity of Operations Plan (COOP)</p>	<p>Cost: Succession Plan: \$5,000 - \$7,500, consultant; COOP Plan: \$30,000 - \$40,000 Benefits: guides recruitments & reduces risk, fits with City’s Emergency Ops. Plan</p>
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BACKGROUND AND SERVICE LEVEL INFORMATION

According to the FY 2015 Budget, the total budgeted compensation for the City and Borough’s municipal work force is \$19,676,000 – of which \$7,867,000 (40%) is derived from enterprise and internal service funds. The number of municipal employees for FY 2015 is 160.31 FTEs not including temp employees and Sitka Community Hospital. Anticipating vacancies in 2015, CBS budgeted personnel costs at 90%.

The City and Borough government is managed by 14 departments. According to the most recent organizational chart, the following 14 department managers report directly City Administrator:



The City and Borough has 6 Enterprise Funds: Electric, Water, Wastewater, Solid Waste, Harbor and Sawmill Cove Industrial Park; 3 Internal Service Funds (Management Information Systems, Central Garage, and Building Maintenance) and 3 Special Revenue Funds (SE Alaska Economic Development Agency, Revolving LID Fund and Library Endowment); and Capital Project Funds. Unions represent 2/3 of the City and Borough’s work Force

OBSERVATIONS AND ANALYSIS

Continuity of Operations is among the most significant potential risks the City will face the next 1 to 3 years. The City and Borough will reportedly face a turnover of 75% of Department Head-level staff during the next 3 years – 60% within the next year. For any local government, this can have a significant impact on the organizational culture, effectiveness, efficiency and quality of service delivery. For many organizations, such a high turnover in a short amount of time can

be catastrophic, considering the present financial and operational challenges. Consultant concerns are also shared by several CBS staff.

When this study began in July, nearly 75% of the Department Heads were reported to be leaving within the next 2 to 3 years. The positions anticipated to transition within one year are:

- Assessor
- IT Director*
- Electric Department Director
- Municipal Clerk
- Planning Director
- Government Relations Manager
- Library Director*

Two positions anticipated to transition within the next 2-3 years† include:

- Fire Chief
- Centennial Building Director

**Since this study commenced, these positions were vacated, and replacements were hired and both have arrived. Both were hired externally. † No timetable has been set*

Accountability through Direct Reports

Based on the 3-5-7 rule of effective professional management, personnel management can have a detrimental effect if subordinates number fewer than three (3) or greater than seven (7). According to most management experts, 5 directly managed employees provide both the employee and the manager the optimum level of interpersonal communications and organizational effectiveness.

Disunity among departments.

A City Administrator's management responsibilities, are without question, challenging. The responsibility of providing services efficiently, while managing a workforce of 100s or 1000s with \$ millions in resources is tremendous. The risk of something going wrong and costing significant loss of money, resources or even loss of life is at the feet of the Administrator each and every day. Needless to say, the more established the internal systems, tools, processes and policies are, the lower the risk and greater the service quality.

- a. Communication between the Assembly and the Administrator, and the Administrator and Staff should be clearly established and followed. How items are or should be formally brought to the Assembly, how agenda items are prepared, and the process of responding is can be distraction to high level management effectiveness if a policy that covers the boundaries of the Assembly is not in place.
 - Council Rules of Conduct regarding personnel discipline, demotions staff grievances, hiring and terminating staff, direct correspondence with staff, and structure and management of Assembly meetings could assure effective communication and clarity of roles and responsibilities.
 - Orientation Training for new employees and Assembly Members could be valuable to especially as it relates to overall municipal services, policies and procedures to maintain effectiveness in communication as new people entering the mix.

- b. Better departmental policies regarding roles, responsibilities, and authority are needed. Consultants observed disagreement / confusion in terms of who is responsible for addressing various issues.
- Example: Public Works is charged with a construction project, but this does not mean PW is responsible for grant requirements, equal opportunity employment policy and doing annual reporting.
 - Is Public Works responsible for obtaining loans?
 - Is Public Works responsible for getting Assembly approval to apply for loans?
 - Is Public Works responsible for land use decisions and leasing property?
 - Is Public Works responsible for removing abandoned cars on private property or burring dead bears on private property
 - Example: Should Finance not be responsible for risk management or setting up and training everyone on the ERP software. To what degree is IT responsible?

Consultants have additional areas where clear lines of responsibilities are unclear discussed throughout this report.

Service Levels & Customer Service

Performance levels are not demand-driven nor measured effectively. While most departments have department-level master plans, service levels in most departments are at or beyond the expected limit of staff's ability to effectively manage. Consultants were able to identify the presence of a Strategic Planning Committee, however this committee is not fully constituted and lacks facilitated leadership. Consultants were unable to identify the presence or use of local survey data reflecting customer service experience and expectations of the Council, Staff and citizens. Customer Service needs to be completed before the 2016 budget planning process begins.

While service quality in most departments *appears* to be good, without a **Customer Service Survey** of responses from Council, Community and Staff, identifying satisfaction and establishing performance indicators and a **Strategic Plan**, which establishes priorities, achieving organizational performance excellence will be very difficult to measure or attain. The FY 2016 budget process could benefit significantly from a Strategic Planning process which ascertains community and Council expectations in relation to types of services, service levels and service quality.

Continuity of Operations

Sitka, Alaska is a 'small town'. Intergovernmental relations with state officials and agencies are an extremely important part of City and Borough operations as the City and Borough rely heavily on State funds and low-interest bond programs. Each of the Department Heads has direct-dial access to state agency directors and supervisors throughout the State. These interpersonal relationships are intangible, invaluable and critical in maintaining an open pipeline to funds, permits and state-sponsored support for urgent needs. With a significant

pending loss of institutional knowledge, consultants are concerned that a loss of institutional knowledge will negatively affect continuity of operations (COOP), increase risk, decrease, staff efficiency, and negatively affect service delivery.

The added risk associated with Sitka's natural environment and climate and the potential loss of an employee for health reasons are additional reasons to have a Continuity of Operations Plan. A Continuity of Operations Plan should closely align with or be included within the City's Emergency Operations Plan.

Succession Planning

While some department heads have maintained a succession plan for their individual departments, the City Manager does not appear to have a comprehensive succession plan for all departments. As a result, hiring selections at the department head-level are critical, and some consolidation of departments will be necessary to maintain continuity, efficiency, effectiveness, and sustainability while minimizing the City's risk profile.

Performance Evaluations

With regards to performance, one City employee summed it up in a sentiment shared by many we interviewed: *"either start performing or move on"*. Problems within IT and utility billing may be the result of poor technology or training, the result of misplaced responsibility, or limited personal capacity. The Human Resources Manager has sample personnel evaluations, but admitted that evaluations are neither consistent throughout all departments nor tied to organizational goals and strategies.

PRELIMINARY FINDINGS

1. Disunity exists among department managers. Conversations with staff provided important insight and perspective regarding transitioning employees. Staff comments include:
 - "many of the people leaving are currently high-risk",*
 - "too many (management) employees lack the technical knowledge to perform their work"*
 - "some department heads with tons of knowledge are too inflexible"*
 - "there are a lot of long-time resident-employees with too much local knowledge which contributes to an unwillingness to look objectively at things"*

2. Finance / collections functions in some departments are being performed below expectations creating potential financial risk. Utility billing and collections are critical City and Borough services, and consultants observed performance issues within several finance and collections-related departments (see individual sections for details). While a significant effort was put into ascertaining overall IT issues and impact on various departments, it was difficult to completely ascertain the degree to which these challenges are interpersonal or skills-related. There appears to be no internal auditing function – which needs to be added – and not all employees are brought into a uniform finance-based training program. These functions either need to be assigned to an existing employee, or [recommended] the creation of a new auditor position. Recommended employee expense / personnel cost of \$86,000.

3. Department Staffing appears *sufficient* in the following departments:

- a. Municipal Clerk's Office. After 25 years with the City, the Municipal Clerk appears to have been significant institutional and operational knowledge. The Clerk has been effectively grooming the Deputy Clerk for transition, and the Deputy Clerk (employed with CBS for 13 years and in current position for 6 years) appears sufficiently skilled and versed in the day-to-day operations to assume the Municipal Clerk's duties and assignments.
- b. Planning. Two full-time staff appears sufficient to maintain the status quo based on service levels of 20-30 plan reviews per month, but significant items are looming. The City and Borough's long-form Comprehensive Plan – which was created in 1999 and updated in 2002 needs revision in 2016. This cannot be completed effectively without a City and Borough-wide Strategic Plan. The Zoning Code also needs revision, document imaging needs to be performed, and the GIS system should be expanded.
- c. Library. Based on collection size (76,000), hourly circulation (73) and number of hours open per week (72), the Sitka Library is busy. Using the Wisconsin Public Library Standards as a sample benchmark, we would expect to see 1 library employee per 1,000 local residents. Sitka is 1 per 1,237. Also, the Library Department currently provides a service level exceeding what is considered excellent. The Wisconsin standards, for example, suggest 64 hours per week reaches the 'excellent' level of service, while the Sitka library is open 72 hours per week. Library service quality appears to be excellent, but the question of appropriate service levels and the added fiscal expense should be discussed (*See Library Section of this report for a detailed benchmarking analysis*).
- d. Police. Staffing levels for the Police Department appear to be sufficient; however, Sitka will continue to be an "organ donor" for other communities. Salaries and benefits appear to be in line with comparable communities; however, much larger law enforcement agencies in Alaska and the Western United States provide greater promotion and professional growth opportunities. The Sitka Police Department must understand and factor in turnover rates and retention as part of its staff development program.

4. Department Staffing appears to be *insufficient* in the following departments:

Several Departments are functioning at or below consultant expectations.

- a. Human Resources Department. The HR Department appears to have many systems and processes in place, however the roles and responsibilities and demands required by this department – including employee on-boarding, employee evaluations, FLSA and risk management training – appear to exceed the current capacity of 1.5 persons.
- b. Police. Centralizing IT functions by centralizing the Police PC Technician into the IT Department is recommended. Impact on the Police Department should be negligible

- c. Information Systems. As stated in multiple sections of this report, there is significant need for efficiency in this department. A primary need in all departments is the need for document imaging as the lack of electronically-stored and easily-accessible historical information (reports, permits, data) is causing significant staff 'work-a-rounds' and wasted time. Additionally, the department is poorly organized to respond to the needs of the network (as currently constructed). However proper leadership can turn current challenges into opportunities
 - d. City Attorney. Workloads are complex and various. The City and Borough currently benefits significantly from the complexity and volume of work produced by this department, however the City and Borough is at considerable risk if it were to lose its current Attorney. Document imaging is necessary and administrative assistance is only ½ of what is recommended.
 - e. Utility Billing. Staff does not appear to adequately address a key function: utility billing.
 - f. Fire Department. Firehouse is understaffed at night with only one individual. Increasing staffing at the firehouse w/ an additional volunteer should be considered.
 - g. Planning. While the Planning Department is sufficiently performing short-range planning activities, it is not adequately performing the much needed long-range planning functions – leaving this function to individual departments and consultants.
5. The City Manager might facilitate greater organizational efficiency with fewer direct reports. The City Manager appears to have more direct reports (12-14) than is generally accepted as a best practice. The Rule of 3-5-7 is a generally-accepted best practice in management and supervision of employees for efficiency and accountability. The City Manager's 12-14 direct reports far exceed this rule. Conversely, the Finance Director's 1 direct report also falls short of the rule. The Deputy Finance Director, for example currently has 7.

After interviewing Department Managers and reviewing organizational functions, as well as structure and staffing of each, the Finance Department appears to be most suitable to absorb the management responsibility and accountability for additional finance and administrative functions departments under a realigned department. The total Finance operating budget for FY 2014 was \$1,673,837, which represents approximately 6.25% of the total General Fund budget. The total Salaries and Wage expense was \$839,949 with an additional \$589,071 in fringe benefits. The total compensation to the 14.5 FTE's in the Finance Department was \$1,429,020, which is 85% of their departmental budget.

Performance levels are not demand driven. A Strategic Planning process needs to begin immediately and Customer Service Survey needs to be administered immediately and annually.

6. An organization-wide Succession Plan / Continuity of Operations Plan is needed. Consultants observed succession plans in some individual departments, but absent in others. Succession Planning should be completed at the highest level.
7. Coordination of Intergovernmental Relations is critical, but similar activities are being performed in most departments. Such activities should continue, but not uncoordinated. An Intergovernmental Relations Specialist or Manager position should be considered to coordinate all interdepartmental activities, grants, lobbying, and mutual-aid.

RECOMMENDATIONS

1. Begin a Strategic Planning Process and administer a Customer Service Survey immediately. Hire an outside facilitator to begin the Strategic Planning process and assure participation and success. Customer Service surveys can be easily administered and results are available quickly. Staff should be heavily involved to increase institutional capacity in the methods of strategic planning
2. Perform Job Audits, Skills Assessments & Employee Performance Evaluations of all departments. This includes the administration of a Job Survey, Skills Assessment and Performance Evaluation.
3. Make adjustments to Classified Positions & Organizational Structure.
 - a. Consolidate 3 departments: Assessor, Information Systems, and Human Resources under the Finance Director. Broaden the Finance Department's scope to include these functions and rename the department Finance & Administrative Services.
 - b. Move Government Relations Manager under the Finance & Administrative Services Director; Create a new classified position of Intergovernmental Relations "Manager", 'Specialist' or 'Coordinator'; maintain same staffing level for existing employee. New position should be a Grade 28 or 30 (depending on a job description review & job survey results). Work should be aimed at coordination of intergovernmental efforts of all departments. Expense should be borne by all affected departments.
 - c. Increase the Deputy City Clerk to a full-time position.
 - d. Add a part-time Paralegal or Legal Analyst position in the City Attorney's office.
 - e. Centralize Police PC Technician into the IT Department.
 - f. Add an additional volunteer night shift at the Fire Station.
 - g. Planning. Review current staffing skills & organizational functions and consider consolidation under a more comprehensive Community Development Department. Add a Planner II to assist in long range planning needs.
 - h. Building Maintenance internalization: Internalize building maintenance functions.

4. Begin the development of a Succession Plan / Continuity of Operations Plan. Hire a consultant to facilitate this process while building capacity in CBS staff.

IMPACT / EXPECTED RESULTS

1. Strategic Planning process & Customer Service Survey. Net Fiscal Impact: *Strategic Planning Process: \$30,000 - \$60,000, 4 to 6 months. Customer Service Survey: \$10,000 - \$12,000, 30 – 60 days.* Result: greater interdepartmental cooperation and clearly ascertain community and Council expectations in relation to types of services, service levels and service quality. These activities will also allow for conflict within the organization to be identified and addressed effectively.
2. Perform Job Audits, Skills Assessments & Employee Performance Evaluations. These actions will determine whether performance issues exist, to what degree technology / training might be the cause / solution and whether employee performance issues can be improved without replacement. *Net Fiscal Impact: \$5,000. 30-45 days.* Result: increased performance, decreased inefficiencies, possible staff turnover.
3. Adjustments to Classified Positions & Organizational Structure
 - a. Aggregation / Consolidation of Assessor, Information Systems, Human Resources and Government Relations Departments - *Net fiscal impact: \$0. Recommended salary pay grades remain unchanged. Creation of "Finance and Administrative Services" Department will mitigate the potential risks associated with attrition while maintaining the highest level of service delivery possible, increase direct accountability and effectiveness in day-to-day operations, and likely improve interdepartmental morale. Balancing the number of direct reports will also create greater opportunity for the City Manager to strengthen all departments concurrently.*
 - b. Elimination of the Government Relations Department / re-Classification & renaming position. *Net fiscal impact: \$55,000 reduction in personnel expenses (Grade 28); \$26,000 reduction in personnel expenses (Grade 30), while still maintaining continuity of Intergovernmental Relations efforts internally and externally.*
 - c. Deputy City Clerk: *Net fiscal impact: ½ full-time position and estimated \$31,350 per year.*
 - d. Paralegal: *Net fiscal impact: ½ full-time position and estimated \$26,300 per year.*
 - e. Police PC Tech to IT: *Net financial impact: \$0. Centralizing IT Police IT functions into the IT Department will improve services and provide greater expertise and leadership city-wide. Impact on the Police Department should be negligible.*
 - f. Fire Department: *Fiscal: \$0. Benefit, reduced risk.*
 - g. Planning: **Cost:** Planner II: \$60,000- \$65,000 / year; Consolidation \$0. **Savings:** Planner II: some outsourcing planning needs will be eliminated or reduced; Consolidation: combined planning and development functions. **Benefit:** cohesive interdepartmental planning, Code revision, improved services.

- h. Building Maintenance internalization: **Cost:** Staffing: \$155,000 (4 FT @ \$13/hr x 2080hrs) **Savings:** Staffing: >\$60,000, **Benefits:** Significant cost savings, greater accountability.*

- 4. Succession Plan & Continuity of Operations Plan Development. **Net Fiscal Impact:** Succession Plan: \$5,000 - \$7,500, consultant; COOP Plan: \$30,000 - \$40,000, consultant. **Results:** roadmap to guide future recruitments and reduced risk, and complements the City's Emergency Operations Plan.*

CENTENNIAL HALL

Centennial Hall

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Age and usefulness of the facility is a problem.</p>	<p>None. City is proceeding with replacing this facility and is performing all due diligence.</p> <p>Include Centennial Hall in a comprehensive Strategic Plan</p>	<p>Cost: \$16,000,000 Savings: ND Benefit: showcase forum, increased retail sales and tax receivables. \$ unknown, but significant over 30 years. Impact: Efficient use of the facility, long-term strategy will produce greater efficiency and greater fiscal returns.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

Built in 1967, during Alaska's Centennial celebration, the Harrigan Centennial Hall is one of the finest Convention and Visitor Centers in the state. It is an 18,000 sq. ft. facility which hosts events in all stages from planning to completion including: *Conventions, Symposiums, Conferences, Seminars, Tradeshows, Exhibits, and Meetings*. The department also has an audiovisual department and the facility has wireless Internet throughout, teleconference equipment, and multimedia projectors. The facility also boasts a commercial, on-site kitchen is used by independent caterers during events. The two largest meeting rooms are 4,340 and 1,718 square feet.

Centennial Hall houses the Sitka Historical Society, a local history collection located in the Sitka Historical Museum (formerly known as the Isabel Miller Museum), an auditorium for public use, Baranof Arts and Crafts Association (in the summer months), a wildlife display and an information desk (with visitor information on it, in the summer months).

Services are by 3 full-time employees and 2 part-time employees a total personnel cost of approximately \$338,471 in 2013. The Director / Manager has been with CBS for 30 years, and Manager of the facility since 1990 – 24 years. Employees work 7 days per week, and the facility is closed 2 days per year. Daily rental fee is \$800. FY 2013 Centennial Hall General Fund Expenditures were \$450,203.03. FY 2013 GF Revenues were \$48,239. Total General Fund Operating Expenses for Centennial Building in 2013 were \$111,743.29.

OBSERVATIONS AND



ANALYSIS

Service Levels and performance indicators are based principally on (a) number of events per year by type and (b) receipts. The following table reflects the breakdown of reservations (use) of Centennial Hall between 2008 and 2012.

	2008	2009	2010	2011	2012
Use by Type					
Non-Profit / Fundraiser	815	579	711	663	529
City	266	304	288	239	237
State / Federal	73	79	58	33	34
Commercial	23	29	21	23	18
TOTAL # EVENTS	1,177	990	1078	957	957
Total \$ Billed	\$64,220	\$61,446.67	\$65,269.12	\$62,772.15	\$56,297.65
Total \$ Waived or Sponsored	\$25,598	\$30,943.30	\$15,414.40	NA	\$27,926.90
GROSS TOTALS	\$89,818.45	\$92,389.97	\$80,683.52	NA	\$84,224.55

While the totals above DO NOT reflect direct and indirect fiscal impact events had on local hotels and retail sales, consultants can confidently report (a) the fiscal impact of Centennial Hall is significant, and (b) the lack of this facility would be financially debilitating to CBS tax based and local revenues.

FINDINGS

1. Age and usefulness of the facility is a problem. One of the principal challenges facing this facility is its age. The facility was constructed nearly 50 years ago and by all practical purposes. As other communities build larger and more modern facilities, the marketing of those facilities attracts conventions away from Sitka, which will have a tremendous impact on Sitka's return on investment.

RECOMMENDATIONS

1. None. City is proceeding with replacing this facility and is performing all due diligence.
2. Include Centennial Hall in a comprehensive Strategic Plan which, when adopted will incorporate resident, Assembly, all commissions and administration inputs, but guide use of the facility beyond attrition and mitigate the possibility of one or more individuals finding disfavor with variance.

IMPACT / EXPECTED RESULTS

1. None. Design, construction and use of a showcase forum for visitors and community alike. Impact will affect generations and increase retail sales, and local government tax receivables.

2. Include Centennial Hall in a comprehensive Strategic Plan: Cost: \$ unknown, could be included in the overall cost of developing the Strategic Plan. Savings: \$ unknown, but could be significant over 30 years. Impact: efficient use of the facility, long-term strategy will produce greater efficiency funds spent on operations and greater fiscal returns on marketing & sales efforts.

CLERK

CLERK / PUBLIC RECORDS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Manual records management needs digital preservation.	Begin Digital imaging Clerk’s records immediately.	<u>Digital Imaging:</u> Cost: \$3,000 to \$5,000. Savings: \$11,000 (50% of \$22,000) / yr. in storage space rent; Benefit: reduced risk & loss.
2. Records retention policy.	Update policy for Records Retention & staff training.	<u>Records Retention Policy:</u> Cost: \$0. Benefit: Small, temporary increase in staff time.
3. Current City Code needs review, updating and recodification.	Hire a consultant to review the complete City Code and develop a revision roadmap	<u>Code Review Roadmap.</u> Cost: \$5,000. Benefit: Clear priorities for code revision; basis for RFI/RFP

BACKGROUND AND SERVICE LEVEL INFORMATION

The City Clerk’s office manages a comprehensive list of responsibilities including: *Codification, Preparation of Board Member meeting packets, Agendas and Minutes, Bid Notice Preparation, Bid Opening Management, Elections Management, retaining and managing Certificates of Insurance, retaining and managing Financial Disclosures of elected officials, Records Management (contracts, mutual-aid agreements, franchises, memorandums of agreement), Public Information Officer and some Intergovernmental Relations.*

Clerical services are performed by 2 FTEs at a cost of approximately \$ 245,800 per year. FY 2013 City Clerk General Fund Expenditures were \$342,500. Total hours in preparation of Council and Committee meetings, agenda preparation, meeting follow-up research and minutes preparation annually. Total Cost to the City: \$206,250.

OBSERVATIONS AND ANALYSIS

It is clear from observation that there is very little in the City / Borough which doesn’t somehow run through this office. Elections, agenda preparation, public notices, meeting minutes, management of all public files, mutual-aid agreements, franchises, contracts, grants management, mutual-aid agreements, property documents, deeds, leases, permits and more. The workload is significant and the hours often long. Coordination between all departments is essential, and while very good, has room for improvement – particularly regarding document management.

The current City Clerk has been with the City and Borough since 1989 and has served as Deputy Clerk since 1991 and Clerk since 1994 (20 years). The current Deputy Clerk has been with the City / Borough for 11 years, and has been serving as Deputy Clerk for 6 years. After 25 years with the City, the Municipal Clerk appears to have been significant institutional and operational knowledge, and approaching departure from her position within the next year, the Clerk has

been grooming the Deputy Clerk for transition, and the Deputy Clerk appears sufficiently skilled and versed in the day-to-day operations to assume the Municipal Clerk's duties and assignments.

Similar to other departments, there remains a significant amount of original paper records within the department which have no backup or duplicate. This puts the CBS at considerable risk of a catastrophic event such as a fire, flood or other natural disaster.

FINDING

1. Manual records management needs digital conversion and preservation.

While the Clerk's office maintains a comprehensive listing of all documents, contracts, agreements, etc. manual record-keeping creates several significant risks to the City. Consultants have witnessed many clients who were unable to maintain important dates, timelines, terms and conditions in agreements – which eventually cost them \$ millions in lost revenue, unreported financial obligations uncovered by auditors, and legal fees resulting from failure to meet terms and conditions of said agreements. Digital records will provide excellent backup and restoration in the event of loss through inadvertent or unanticipated or vandalism. With an annual cost of \$22,000 per year spent on the storage facility, staff could save \$22,000 in expense, significant staff time and reduce future risk to the City.



2. Records retention policy / staff training are necessary.

Although a records retention policy was adopted in February 2002, consultants observed that many departments maintain records in cardboard boxes, stored in closets, warehouses and basements. When asked about a formal records retention policy, some staff members were unable to identify either that a policy existed, the nature of the policies or that they had been trained recently on the policy. Since a loss of information would pose a significant risk to the City in a catastrophic loss event such as a natural or employee-caused event. As had been learned recently at the Federal Level, a Records Retention Policy is necessary to assure all records are maintained and destroyed in accordance with State and Federal laws. This policy should also indicate the key responsibilities of Finance, Clerk, Attorney, and affected Department Heads. Training of Department Heads and all staff should be compulsory. Work can be completed by department staff, borrowing similar policies as templates / samples, and at no additional cost to the City.

3. Current City Code needs review, updating and recodification. Recent work on the Harbor code is representative of only one of the several sections of the current code

which need revision. Cost to review of the code is not significant (approximately \$5,000), and could provide the City a clear roadmap of which codes need a greater +update than others and which priorities should be followed.

RECOMMENDATIONS

1. Begin Digital imaging Clerk's records immediately. This can be done through hiring a contract or seasonal employee.
2. Update the City's Records Retention Policy and train all staff regularly. This will aid all Department Heads in the maintenance and disposal of all public records. Conduct compulsory training for all employees.
3. Hire a consultant to review the complete City Code and develop a revision roadmap.

IMPACT / EXPECTED RESULTS

1. Digital Imaging: Cost: \$3,000 to \$5,000. Savings: \$11,000 (50% of \$22,000) per year in reduced storage space rental on storage facility + staff time + reduced risk of damage or loss.
2. Revise / Update / Train staff on Records Retention Policy: Cost: \$0. Can borrow from other AK cities. Benefit: Retention of important documents, reduced risk of damage or loss, financial stability, and interdepartmental continuity.
3. Code Review Roadmap. Cost: \$5,000. Benefit: Clarity on priorities for total code revision. Can be used as the basis for an RFI or RFP for each section of code which needs revision.

FINANCE

ELECTRICAL BILLING

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Process associated with establishing electrical connections needs to be streamlined in order to minimize errant billings fraud potential.</p>	<p>Establish a standard initial fee for setting electrical meters, which includes parts & labor.</p>	<p>Cost: \$0, internal. Result: Reduced fraud risk, more consistent, facilitated collections.</p>
<p>2. Work performed is not reimbursed due to a poorly operated billing system.</p>	<p>Conduct accurate and timely billings.</p>	<p>Cost: \$0, internal. Result: Capturing all revenues due will standardize the expectation for services; some monetary revenue and operations efficiencies can be expected.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

Contractors/builders frequently request CBS assistance specific to the installation of electrical infrastructure to new and remodeled buildings. The following steps outline the process as the consultants are aware:

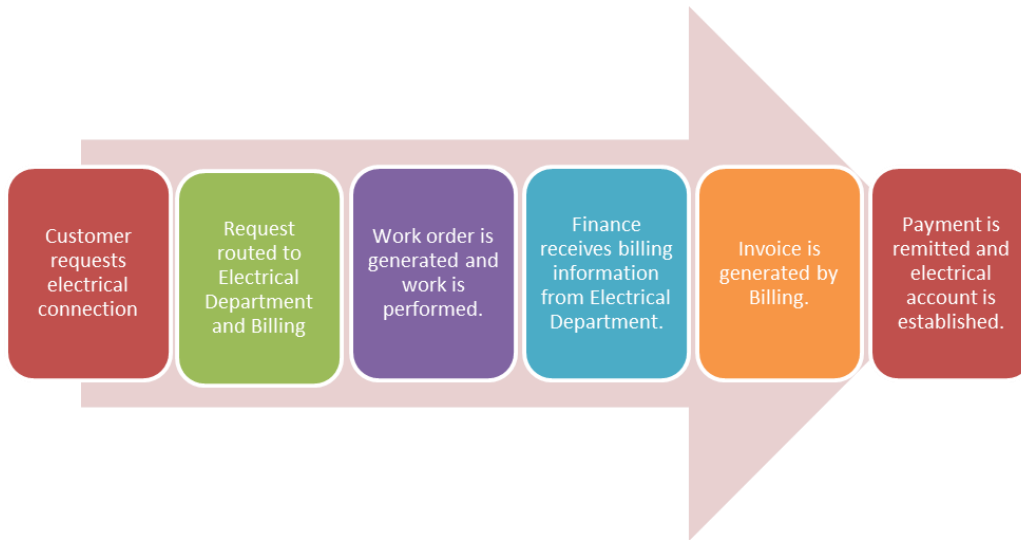
1. Customer visits customer service (CS) and requests service,
2. CS creates work order and forwards to the electric department,
3. Work is completed and warehouse personnel document cost (labor & materials) and send the information to Finance/Billing.
4. Billing creates invoice & mails to customer.
5. Customer then remits payment to Accounts Receivable.
6. Billing is notified when payment is received.
7. Billing is then able to activate and ongoing electric service account.

OBSERVATIONS AND ANALYSIS

The current process of establishing electrical service to new and remodeled buildings is cumbersome and lends itself to miscommunication and missed billing opportunities. Interviews with Finance and Billing staff reveal perceptions that invoices often fail to include an exhaustive list of all materials and labor expended. In addition, Billing staff point to frequent miscommunication between Finance and Billing with regard to which work orders have been satisfied. Our team observed examples of work orders that were entered into the system and billed many months after they should have been. The result is the current system provides abundant opportunity for errant billing and even fraud.

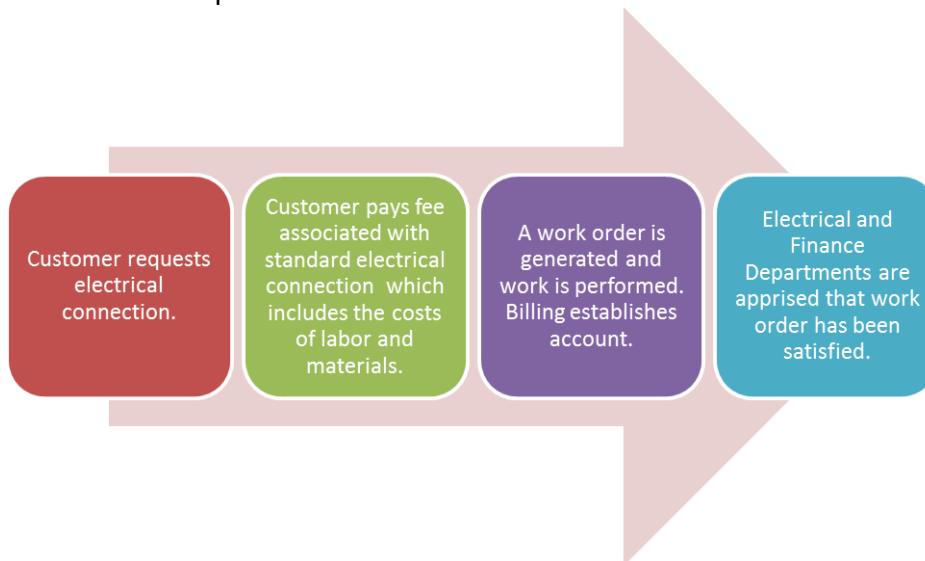
FINDINGS

CBS’s process associated with establishing electrical connections can be streamlined, thus reducing the chance for missed billings and fraud. The chart below illustrates the existing process.



RECOMMENDATIONS

In order to minimize the chances of miscommunication, missed and errant billings, and fraud, it is recommended that CBS simplify and streamline their electrical billing process. The following chart illustrates this revised process.



Specifically, CBS should establish and charge a fee structure associated with the establishment of electrical connections. Under the structure, residential connections would be less costly than commercial. Further, this fee should be collected at the beginning of the process, rather than billed at the end. The fee itself should be established at a rate and level, which is intended to capture materials and labor. In some cases, the fee may capture a small amount over the costs associated with materials and labor. In other cases, the fee may fall short of actual costs. The idea and concept here is that a standard fee would simplify the process, reduce errors, and generally provide the appropriate amount of compensation to CBS.

IMPACT / EXPECTED RESULTS

Improving the billing and collection process may improve revenue collections but will also standardize the delivery of services.

INVENTORY CONTROLS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Few controls are in place to ensure appropriate accounting for inventoried supplies and equipment stock that are shared and/or made available to non-municipal parties.</p>	<p>Immediately act to maintain an inventory of these stockpiles.</p> <p>Finance Department should immediately establish policies governing the charge of use and distribution of these vended materials and equipment.</p>	<p>Cost: \$0, internal Result: Reduced risk of fraud, reduced inefficient distribution, use.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

An examination of two facilities, the wastewater treatment and the public works facilities, revealed three locations where CBS keeps materials (piping, meters, valves, equipment, hoses, etc.). The photos above show stockpiles in two locations at the wastewater treatment facility. The third is located at Public Works’ main facility.

According to our interviews with staff, including the Director, these inventories are used to satisfy both municipal and contractor needs. Further, contractors frequently find themselves needing items such as meters and piping. Instead of delaying construction while such items are shipped or flown into town, contractors will often obtain materials from CBS. These transactions may include the exchange of cash, or the contractor may simply reimburse/restock the City with materials when shipments finally arrive.



OBSERVATIONS AND ANALYSIS

Staff indicates that such exchanges as described above have been occurring for more than 30-years. Meanwhile, our interviews with finance and billing staff reveal concerns that the lack of inventory control provides the potential for criminal activities. In fact, not only is such possible, but likely. For example, the Public Works Director informed our team that CBS is currently addressing an alleged theft of scrapped materials. Our examination of the inventory sites, as

well as interviews with staff, reveals no indication that materials are formally inventoried and that transactions are electronically recorded.

FINDING

The lack of inventory controls associated with materials stockpiles provides the potential for inefficiency and fraud/theft.

RECOMMENDATIONS

CBS can minimize the potential for inventory fraud by recording inventoried items, assigning identifier numbers to each unit, and periodically inventorying stockpiled items. In addition, Finance should maintain this inventory and require that all transactions with contractors, as well as City consumption, be recorded and reconciled on a routine basis. Consumption of City resources should also be periodically audited.

IMPACT / EXPECTED RESULTS

By establishing an effective inventory process, CBS will mitigate loss, reduce the potential for fraud, but also be able to maintain a service that is essential to the community.

PURCHASING

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. The City Manager and Public Works Director are not authorized to make emergency purchases >\$50,000</p>	<p>Adopt a policy relating to emergency purchases. Clearly define criteria, process for making emergency purchases.</p>	<p>Cost: \$0 Savings: will occur on a case-by-case basis. Benefits: Significant, repairs of delayed infrastructure; service improvements are also likely.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

The Electric and Public Works Department Directors have purchasing authority of \$25,000 while the City Manager can approve purchases of up to \$50,000. Above that limit, purchases must be approved by the Borough Assembly. Some of the facilities and equipment these two departments are very costly. Further, when problems occur, it is sometimes imperative that they be fixed immediately. If the City were to be without water or power for any length of time, the result could be catastrophic. Other broken items are necessary and while not critical to the immediate delivery of water or power, must also be repaired or replaced quickly.

OBSERVATIONS AND ANALYSIS

The Electric Department cites two examples of emergency situations where the maintenance issues required expenditures of over \$50,000 including (a) the exhaust mufflers involved in power generation which cost \$70,000 to repair, and (b) a breakdown of the primary bucket truck which cost \$100,000 to repair. In each case, Assembly approval of the expenditure was required prior to the repair being initiated. The result was a delay and, in the case of the latter, a costly substitution. The Department needed to rent a bucket truck at \$2,000 per week to temporarily replace the one that was out of service.

FINDINGS

While many factors that adversely impact the efficient operation of the Public Works and Electric Departments are often beyond the City’s control (regulations, delays in permitting and so on), spending authority is an area that the City Assembly has authority over. Further, in an emergency situation, a spending limit for the City Manager of \$50,000 is too low.

RECOMMENDATIONS

In emergency situations, the City should introduce a mechanism whereby the City staff can act more quickly and efficiently to solve problems. It is recommended that CBA adopt a policy for emergency purchases and establish the criteria for an emergency situation and the process that should be followed for the Department to make the necessary repair. Any purchase made under an Emergency Purchase Policy should be the City staff authority to spend up \$100,000 in emergency situations, with the Mayor’s signature required for authorization (Vice Mayor in absence of the Mayor)... The actual spending would then be reviewed at the first Assembly meeting following the authorization of the expenditure by the Mayor and City staff.

IMPACT / EXPECTED RESULTS

Difficult to estimate. Impact would depend on the nature of the emergency and time/money saved by not having to wait a week or so for the Assembly to approve the action. In the case of the bucket truck, it would have been approximately \$2,000 per week.

TAX ASSESSMENT & COLLECTIONS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>Current level of municipal services appears to be unsustainable.</p> <p>Current policies related to the tax structure may result in potentially “lost” tax revenue.</p> <p>Long-term infrastructure</p>	<p>Fill the Strategic Planning Committee.</p> <p>Conduct a Strategic Plan process as to guide the FY 2016 Budget process.</p> <p>Conduct an assessment of possible tax structures and implications of potential changes to the existing tax structure.</p> <p>Consider revising tax policies (described below).</p>	<p>Cost:</p> <ul style="list-style-type: none"> - Committee: Staff time - Plan Process: \$50,000 - Tax Assessment: Staff time or consult. - Tax Policy Revision: Staff time or consult. <p>Benefits: \$800,000 to \$2,400,000 / year in annual tax revenue.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

Municipal services in Sitka require sustainable revenue streams. Road repair is currently deficient and conditions are worsening daily. Municipal buildings and infrastructure is old and in many instances, inefficient, insufficient or unsafe. The City is responsible for paying half of the cost of the \$158 million Blue Lake Project, and with the additional \$16 Million in debt obligation proposed for the new Community Center (Centennial Hall), and infrastructure improvement needs of Police Department, Jail and Harbor facilities, revenues for debt service and revenues to maintain municipal service levels are in high demand and short supply.

As state-shared revenues are retracting and likely to trend toward less state-based revenues for local governments in Alaska, service levels in Sitka will be unsustainable and must either be reduced or an effort to increase in local revenues needs to begin.

OBSERVATIONS AND ANALYSIS

CBS has a small middle class. There is a high cost of living coupled with low-wage jobs. CBS does not charge a tax on sales over \$1,500. As of June 2014, there were nearly 667 senior citizens (out of a total population of approximately 8,700) that had children in the school district. Senior Citizens (over age 65) have property tax exemptions for the first \$150,000 of the value of their property.

Using part of the tax revenue collected from the tax cap revenue increase could be an effective way to improve municipal facilities and better serve both customers and visitors.

FINDINGS

Previously moving the tax cap limit from \$1,000 to \$1,500 generated an additional \$800,000 in tax revenue for the city. Consultants are uncertain as to the reasons for the \$500 increment or

the burden placed on the community, however the impact was useful towards delivery of municipal services.

Consultants also noted that the tax cap limit of \$1,500 could be circumvented easily by businesses that are bundling their sales in order to avoid paying taxes. Consultants anticipate that moving the tax cap limit up, could provide additional revenues necessary to provide debt service, repair infrastructure and replenish cash reserves of the City.

RECOMMENDATIONS

In light of some of the long-term infrastructure needs of the community combined with declining resources, it is recommended that CBS conduct an assessment of possible tax structures and implications of potential changes to the existing tax structure. Consultants understand that this is a highly sensitive personal and political issue, however, the revenue issue should be addressed with an examination of all expenses and potential revenue streams.

Consider the following tax policies:

- Elimination of the tax on food or rent or tax according to metrics associated with income.
- Revision of the tax code that allows seniors to continue to live tax free, but with age appropriate taxes for younger spouses and children.
- Consider increasing the tax cap limit in increments of \$500 to generate an additional \$800,000 (per increment) in annual tax revenue.

Amending or updating the tax structure could continue to provide the same protections desired for senior citizens, significantly reduce fraud potential, & ensure residents equitable tax burdens.

IMPACT / EXPECTED RESULTS

Costs:

Committee: Dedicated staff time or consult

Plan Process: \$50,000

Tax Assessment: Staff time or consult.

Tax Policy Revision: Staff time or consult.

Benefits: \$800,000 to \$2,400,000 / year in annual

Original Tax Limit	Potential Increase	Total Tax Limit	Additional Total Revenue
\$1,000	\$ 500	\$ 1,500	\$ 800,000 (previous)
\$1,500	\$ 500	\$ 2,000	\$ 800,000
\$1,500	\$ 1,000	\$ 2,500	\$ 1,600,000
\$1,500	\$ 1,500	\$ 3,000	\$ 2,400,000

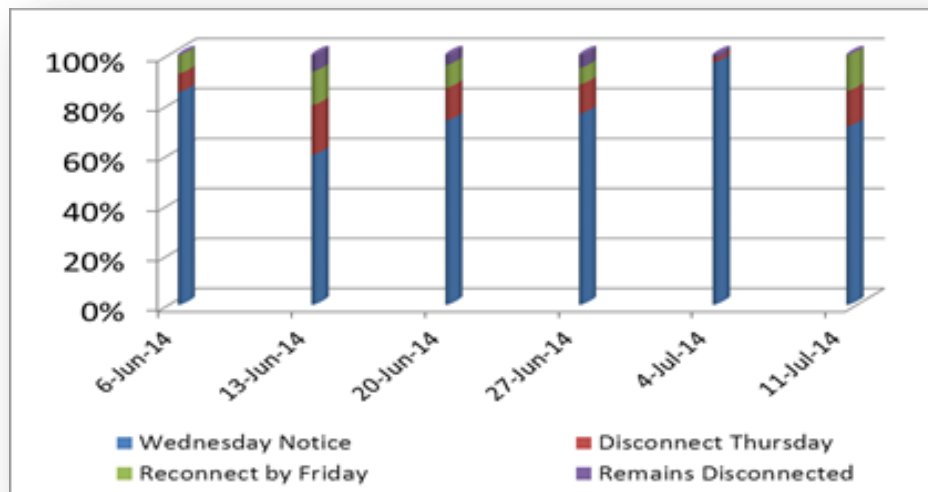
Note: An increase of \$500 from \$1,500 would generate an additional \$800,000. Incremental increases would generate the same increase in revenue.

UTILITY ACCOUNTS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Notice & collection process requires significant staff resources.	Re-examine the process for notifications and shut-offs.	Cost: ND, staff time, resources Result: Streamlining the notification process could result in greater efficiency and cost reduction.
2. A small number of delinquent payers (3% of all customers) exist and receive regular reminders (door hangers) to pay their bills.	Consider implementation of a policy, which assesses an increasing reconnection fee for delinquent payers. Work with delinquent customers to understand how to improve payment options.	Cost: \$0, internal Savings: recovery of \$300,000 in uncollected debt. Result: Imposing more significant reconnection fees could encourage timely payment.

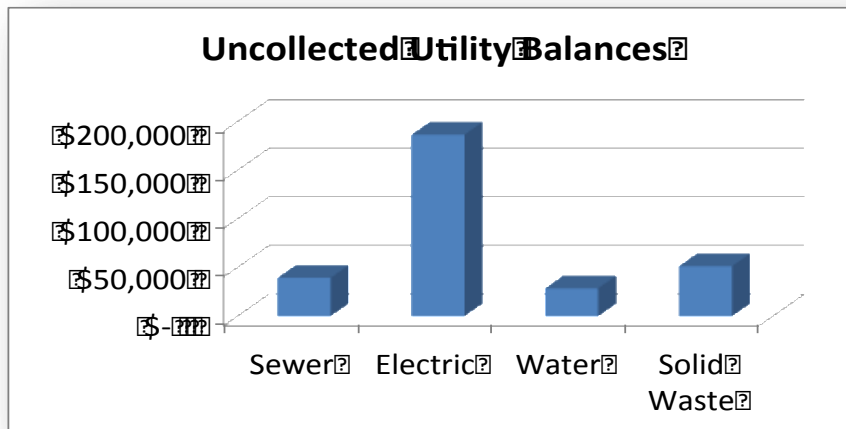
BACKGROUND AND SERVICE LEVEL INFORMATION

CBS Utility Billing, as of the date of this report, administers utility services to a slowly growing number of 5,403 utility customers. 3,728 are residential customers. Late and delinquent payers are provided with notices prior to service discontinuation. An examination of notice and disconnect activity is illustrated in the chart below.

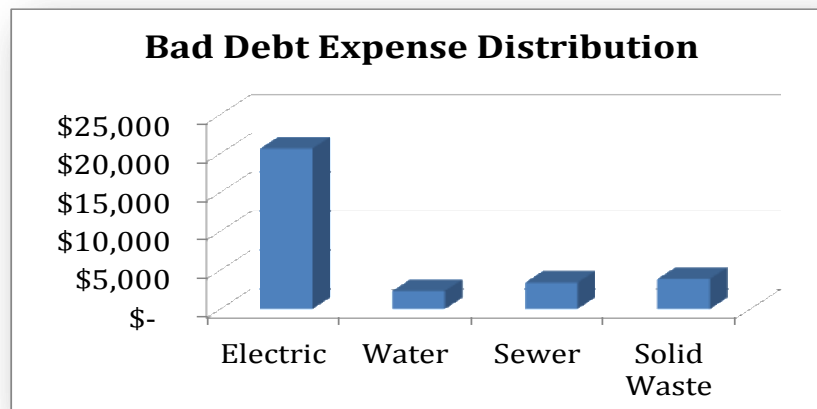


As can be seen by the chart above, collection efforts have been fairly successful despite the fact that there exists a \$299,287 outstanding collectible balance in utilities as of June 30, 2014. This balance has decreased slightly since April 30 of 2014, when it was \$307,409. Notices are issued to customers that disconnection is imminent on Wednesday of every week. Most customers resolve the bill quickly. Those who do not respond have their service disconnected on Thursday. The sampling we took during June and July showed that most customers who had their service disconnected, reconnected by the following day, Friday. The purple portion of the

charge above shows the number of customers who remain disconnected beyond Friday. The following chart illustrates the distribution of uncollected utility balances among the four utilities.



Meanwhile, Finance reports bad debt expense for utilities at \$30,445 for FY14. According to the Deputy Finance Director, this amount is fairly typical for CBS. How this bad debt is distributed among the utilities is illustrated in the chart below.



OBSERVATIONS AND ANALYSIS

NOTE: The Electric Department employees report a very small number of customers represent a very high percentage of those receiving door hanger reminders to pay their bills. These numbers are supported by collections statistics.

We found that in the first six months of calendar year 2014, the Electric Department delivered 1,077 door hangers. It actually terminated service for 118 accounts. In other words, 89% of the instances when a door hanger was delivered, the bill was either paid or arrangements were

occupant. It *is* clearly within the City's legal authority to impose a 'lien' on property for past unpaid balances - allowing the City to collect (previously considered uncollectible) debt at a transaction point such as a sale or refinance of property.

IMPACT / EXPECTED RESULTS

The goal is to minimize the number of delinquent payers and to maximize the collection of fees for service. While some delinquent bills are expected, implementing processes will assist the department in reducing costs. Perversely, the recommended actions could lead to a reduction of revenue to the CBS. If door hangers are replaced by some other medium, there would be no need for a door hanger charge. Further, fewer disconnects would lead to few fees for reconnection.

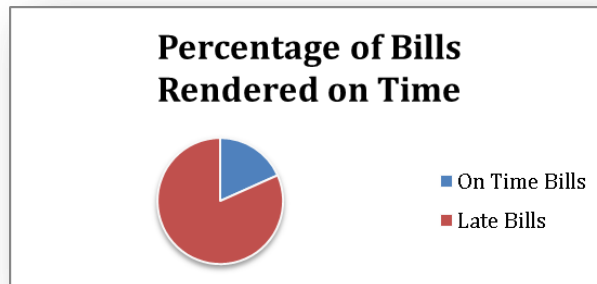
1. Replacing door-hanger system. *Cost:* ND, staff time, resources. *Result:* Possible increases in customer complaints that they did not receive appropriate notice that their electric service would be terminated. On the other hand, streamlining the notification process could result in greater efficiency and cost reduction.
2. Improve delinquent payer timeliness. *Cost:* \$0, internal. *Savings:* recovery of \$300,000 in uncollected debt. *Result:* Imposing more significant reconnection fees could encourage timely payment.
3. A Property-Owner Utility-Bill Ordinance. *Cost:* \$0. *Results:* To avoid thousands of un-reconciled customers, shift the ultimate obligation of utility billing to landlords and property owners. Utility balances tied to properties, not to customer names, will assure that utility balances are satisfied.

UTILITY BILLING

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. 82% of utility bills were not issued on time, 44% were late 8 times in 18 months.</p>	<p>Evaluate the existing process to determine potential of an automated system.</p> <p>Perform Job Audits & Performance Evaluations of associated staff.</p> <p>Provide staff training and / or termination if necessary.</p>	<p>Cost: ND, internal. Savings: potential lost revenue, time Results: Potential for significant service improvements to customers.</p>

OBSERVATIONS AND ANALYSIS

Utility bills are rarely rendered by the scheduled date as indicated in the following chart.



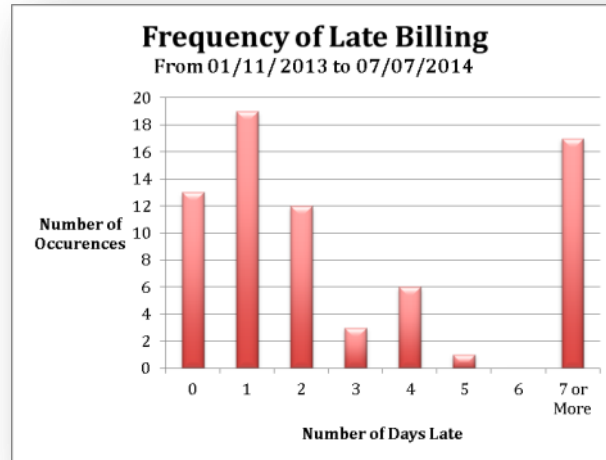
Source: City and Borough of Sitka

For the past 18 months, only 18% of the utility bills were rendered on time while 82% were not. Furthermore, every single customer in Sitka has received at least one bill that is seven or more days late. In fact, Cycle 4 customers have experienced significantly late billings eight times out of the past 18 months (44%).

The CBS has approximately 5,400 customers and four billing cycles per month (one each week). Hence, approximately one quarter (1,350 customers) of the total customer base is billed each week. Thus each case of late billing affects approximately 1,350 customers.

The consequences of late billings can be significant. Issues include:

1. Utility billing is a relatively straightforward activity and one of the very few activities that the City and Borough of Sitka performs that touches every resident and business monthly. When customers receive bills erratically, they notice and it reflects poorly on the government as a whole. *“Those guys at City Hall can’t even get simple stuff right.”*



- No adjustment is made in the collections cycle, but the due date remains the same as it would have been had the bill been rendered on time leaving the customer has fewer days to pay. For those on a fixed income, that can be a financial issue. They may receive two bills during the same month. Theoretically they realized they did not receive their bill and set some money aside. Unfortunately, many do not follow that practice.

FINDINGS

- Utility bills are not being rendered on time, causing customers a compressed timeframe to pay, and causing a significant impact on perceived professionalism of the City.
- The staffing level for utility billing is appropriate for a similar-sized customer base.

RECOMMENDATIONS

- Evaluate the existing process to determine causes for late bill issuance. Consider moving all account billings to monthly or bi-monthly rather than weekly.
- Perform Job Audits, Skills Assessments & Employee Performance Evaluations of all utility billing and collections-related positions. This includes the administration of a Job Survey, Skills Assessment and Performance Evaluation.
- Provide additional staff training or termination. The individuals performing these duties may be poorly suited for it. If identified, provide professional training or a change in personnel would be necessary

IMPACT / EXPECTED RESULT

It should be noted that the revenue impact on the City of late billing is minimal. People have no choice but to pay whenever they receive the bill. Some people may move during the period that bill is late and collection could be more difficult. On the other hand, the financial impact of bills that are issued late could be positive to the CBS. With a lesser amount of time to pay the bill, more people may be late and hence poor billing practices may lead to more late fees.

UTILITY BILLING – METER WORK ORDERS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
Meter replacement work orders are processed in an untimely, inefficient manner.	Continue to update work orders and monitor progress.	Cost: ND, internal. Savings: potential lost revenue, time Results: Potential for significant customer service improvements

BACKGROUND AND SERVICE LEVEL INFORMATION

Electric bills are generated by reading each customer’s electric meter and determining the amount of power used during the previous month. Most of the meters are still mechanical¹ and from time to time, need to be replaced. When the change is made, a work order is generated and sent to billing. The work order records the reading on the meter being taken out of service and the reading on the newly installed meter. The reading from the old meter is then used to calculate the consumption to the point at which the meter was replaced while the reading on the new meter is used at the basis for future consumption. If the meter change is not updated in the billing system prior to the next billing cycle, an erroneous bill will be generated because the last reading on the old meter will be subtracted from the current reading on the new meter. These bills can be quite large since meters operate on the same principle as an automobile odometer. For example, if the billing system has a last reading of 2,600 and then receives a reading of 0002, the billing system will assume the meter has gone all the way to 9999 and started over to get to 0002. The bill generated would then be for 7,401 kilowatts. Fortunately, the system has a built in feature to identify outliers and to have the readings re-checked.

OBSERVATIONS AND ANALYSIS

Consultants observed work orders which had not been updated in the system in a timely manner. Further inquiry discovered that the average number was/is between 3 and 6 per cycle. The result is the meter readers are being asked to return to the premise and double check the reading. When they do so, they find the new meter and that the reading was indeed correct. As a result, time is unnecessarily wasted.

Updating of work orders is performed by the billing technician. As noted in our finding concerning late billings, the amount of work the position performs is reasonable. It should also be noted that we have been informed that since our visit in July, the number of work orders not being updated in a timely manner has dropped to approximately one per cycle.

It certainly is reasonable for a work order not to be updated from time to time but it should be rare. In fact work orders should be among the first tasks completed. Further, prior to sending the meter staff out for a re-reading, billing should check to ensure no work orders need to be

¹ In the near future, the CBS plans to restart its meter replacement program whereby the mechanical meters are replaced by digital meters.

updated. At the same time prior to undertaking a re-read, the meter staff should check the recently forwarded work orders to determine if one needs to be updated for the property in question.

Before proceeding it is important to note that no one reported to us that any such erroneous bills were actually reaching customers. City staff, it appears to be doing a good job of acting as the goalie – that is, catching these situations before the bills are issued. Still time is wasted to re-check accurate readings.

FINDINGS

Not all work orders are being processed in a timely manner which leads to unnecessary re-visits to the property. The situation has improved significantly since July but additional room for improvement exists. The staffing level for utility billing is appropriate.

RECOMMENDATIONS

1. Evaluate the existing process to determine causes for inaccurate work order issuance.
2. Perform Job Audits, Skills Assessments & Employee Performance Evaluations of all utility billing and collections-related positions. This includes the administration of a Job Survey, Skills Assessment and Performance Evaluation.
3. Provide additional staff training or termination. The individuals performing these duties may be poorly suited for it. If identified, provide professional training or a change in personnel would be necessary

Finance Director needs to continue to monitor the situation to ensure it improves or at the very least does not revert to past practice.

IMPACT / EXPECTED RESULTS

Updating the work orders in a more-timely manner will not increase revenues but will lead to improved productivity on the part of the meter readers. They will be able to use the time saved for other matters.

GOVERNMENTAL RELATIONS

INTER GOVERNMENTAL & INTER-DEPARTMENTAL RELATIONS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Manager is reported to be leaving w/in 12 months.	Request current GR Manager to prepare Succession Plan.	Cost: See below Benefit: See below
2. Position performs work both similar, dissimilar to other department heads.	Conduct job survey and job description review of the City Attorney and Administrative Assistant.	Cost: \$750 to \$1,000. Consulting assistance. Benefit: Assurance of job functions, and capabilities of current employees.
3. Accomplishments & impact of position aren't well documented.	Request a summary of accomplishments including ongoing projects from the current GR Manager.	Cost: see above Benefit: Assurance of job functions, and capabilities of future employee.
4. Many ongoing projects, duties may not be easily assigned or delegated.	Determine if consolidation of functions / dissolving the position is warranted.	Cost: see above Benefit: see above

BACKGROUND AND SERVICE LEVEL INFORMATION

The Government Relations Director is involved in the coordination of City and Borough policies and priorities with other municipalities, state and federal agencies and other related groups. The Government Relations Director takes the lead on both Legislative and Congressional priorities and funding requests, coordinates advocacy trips, and is the primary contact with the City's lobbyist. This position also serves as CBS Coastal Management Coordinator, dealing with ACMP, Sitka Coastal Plan, consistency, permitting, coastal zone, and resource issues. Deputy Clerk provides production and grant support services as-needed.

The current Director of Government Relations has been working with the City and Borough for many years. Starting as a consultant for Coastal Management in 1987 – and working in this capacity for 20 years, and is looking at retirement within the next 12 – 18 months.

OBSERVATIONS AND ANALYSIS

Consultants observed that the duties performed by this position / department are similar to those of Intergovernmental Relations manager for a much larger municipality. Responsibilities performed are not dissimilar to many of the City and Borough's department heads which involve direct-dial contact with state officials and agencies which are extremely important as the City and Borough rely heavily on State funds and low-interest bond programs. These interpersonal relationships are intangible, invaluable and critical in maintaining an open pipeline to funds, permitting and state-sponsored support for urgent needs.

Because each of the Department Heads also has direct-dial access to state agency directors and supervisors throughout the State, it initially *seems* as if this position is redundant. However, there are unique functions which this position performs such as:

- Issuance of regular press releases,
- Correspondence with federal agencies and Members of Congress,
- Daily coordination with the contract Lobbyist,
- Tracking and advocacy on transportation planning and infrastructure (roads, marine, aviation), environmental challenges, Forest Service lands issues, public relations and special events and economic development,
- Institutional knowledge and long-term tracking of projects (*i.e. Breakwater Replacement*) despite staff turnover, and
- Continuing oversight and advocacy for broad CBS institutional interests.

The capability of the Government Relations director appears to be similar to the Clerk who maintains a high level of and intimate familiarity with projects being managed by multiple Department Heads including the City Engineer, City Attorney, City Clerk and Finance Director. The loss of the current Government Affairs manager will most certainly include a loss of institutional knowledge. To what degree this loss of institutional knowledge may negatively affect continuity of operations (COOP), increase risk, decrease staff efficiency, and negatively affect service delivery – remains to be seen.

FINDINGS

1. The accomplishments and impact of this position are not well documented. As this position is under consideration for being dissolved when the current manager leaves the city, It would be important to clearly know and understand the past and ongoing projects to assure continuity with either the maintenance of this position (and replacement with a new individual) or with dissolution of the position.
2. While the Governmental Relations Director position appears to address the needs beyond the eyesight and foresight of many of the department heads, the position currently lacks what it can best provide – a required coordination role among and between all departments. Consultants are unclear as to the *formal* internal coordination roles this positions is required to perform, nor are the consultants clear on whether this position can be dissolved and absorbed by other departments or department heads

RECOMMENDATIONS

1. Conduct job survey and job description review of the City Attorney and Administrative Assistant. Review of Job Descriptions and Job Survey will permit a careful examination regarding workloads and staff skills, and the current allocation of office time resources necessary to validate the need for additional personnel assistance and allow the City Manager to determine which (if any) duties and responsibilities can be split or shared among all other department heads.

2. Request a Summary of Accomplishments including ongoing projects from the current GR Manager. Should be reviewed as part of a discussion regarding the future of this position.
3. Determine if consolidation is warranted, and if so, re-write job description with new duties and reporting relationships and request / require current GR Manager to begin preparing a plan for successfully transitioning the responsibilities of this position to a replacement.

IMPACT / EXPECTED RESULTS

1. Job Skills Analysis: **Cost:** \$750 to \$1,000. Consulting assistance. **Result:** Thorough understanding of essential job functions, continuity of operations and duties.

HUMAN RESOURCES

HUMAN RESOURCES MANAGEMENT

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Departments have indicated a need for additional support related to employee discipline issues.</p>	<p>Continue to develop effective disciplinary policies and processes for CBS staff and members of the Collective Bargaining Units.</p>	<p>Cost: ND Benefits: Standards, expectations for employees, directors supports effective work environment. Solving issues mitigates risk and improve performance.</p>
<p>2. Department service-levels appear to exceed the level of staffing in HR.</p>	<p>Perform Job Audits, Skills Assessments & Employee Performance Evaluations of the HR employees</p>	<p>Cost: ND Benefits: validate or invalidate the most efficient employee to HR personnel ratio.</p>
<p>3. The workload for the Department seems to exceed what one person, the Director, can address.</p>	<p>Add an additional staff member Note: The CBS enacted this measure in September</p>	<p>Cost: Get from the CBS; consultant cannot figure it out from the budgets. They have re-categorized HR out of Admin into its own unit.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

The City has approximately 159 full time equivalent employees, three Collective Bargaining Units, and a Human Resources Department composed of one employee, the Director and part-time clerical support. The total 2015 operating budget for the Human Resources Department is \$280,338.63, which is 1% of the Total General Fund. Salaries and wages account for \$146,034.72 with another \$96,136.91 for fringe benefits. Total compensation of \$242,171.62 is 86% of the department’s total operating budget.

OBSERVATIONS AND ANALYSIS

The general standard used in government is that a City should have one person in human resources for every 100 employees. Based on that standard, the Human Resources Department has 1.5 FTEs, which is theoretically the right number of employees for the number of staff employed by CBS. However, the Human Resources Department is a full-service department that performs a number of activities including recruitment, on-boarding (activities associated with bringing a new employee into the organization), classification and compensation, benefits, safety / risk management, and employee and labor relations (including contracts, disciplinary actions and grievances).

While the Director works closely with the City Attorney, Municipal Solutions® observed that the department is under-staffed by approximately one person. During our interviews of other Department Managers, it was noted that other CBS departments are requesting additional support related to disciplinary action for employees. It is important that departments are able

to effectively manage their employees and have appropriate processes in place to proceed with disciplinary action, if necessary.

NOTE: in September, an additional staff person was added to address this need.

FINDINGS

1. Need for additional support related to employee discipline issues. It was observed that a general philosophy in regards to disciplinary action was that ten written warnings were better than three, which is understandable when HR has to defend their position with the unions and in court. It should also be noted that if employees are allowed to underperform, it adversely impacts the performance of all employees either because they become a bottleneck or because the morale of other, higher performing employees is adversely impacted.
2. Department service-levels appear to exceed the level of staffing in HR. The Human Resource Department appears to be understaffed as it is not as responsive to management needs as it should be. With more staff, the department might be more proactive; however, without a skills assessment and job survey, it is difficult to determine whether it is an issue of a) volume of work, b) individual HR employee capacity.

RECOMMENDATIONS

1. Disciplinary policy and process (ongoing). The City Manager should continue work with the HR Department to develop the disciplinary policies and processes with other departments through the CBS Personnel Policies and Collective Bargaining agreements. This continuing process will work to mitigate risks to the organization and effectively support the functions of the organization.
2. Job Audits and Skills Evaluations. Perform Job Audits, Skills Assessments & Employee Performance Evaluations of the HR Director. This includes the administration of a Job Survey, Skills Assessment and Performance Evaluation. This will assist the City Manager in determine if sufficient resources are available and to validate or invalidate the most efficient employee to HR personnel ratio.
3. Additional Staffing. Add an additional staff member so that the existing workload can be dealt with more expeditiously and completely.

Note: We understand that the CBS added an additional staff member in September and hence this need has been addressed.

IMPACT / EXPECTED RESULT

1. Disciplinary policy and process. *Cost: ND Benefits:* Continue developing and improving discipline standards and expectations for employees and directors will support a more

effective working environment. Addressing issues as they occur will mitigate CBS risk and improve performance.

2. Job Audits and Skills Evaluations. *Cost:* ND. Can be accomplished concurrently with other departments. *Benefits:* validate or invalidate the most efficient employee to HR personnel ratio.

By implementing these recommendations, general impact / results will include improved employee–labor relations, department productivity and will positively impact employee effectiveness throughout CBS.

INFORMATION TECHNOLOGY

COMMUNICATION INFRASTRUCTURE

For security reasons, this section has been provided to City Administration under separate cover.

LEGAL**LEGAL & RISK MANAGEMENT**

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Office maintains highly-developed skill sets, works w/ few resources.	Begin developing a city-wide Succession Plan.	Cost: \$5,000 - \$7,500. Benefits: SIGNIFICANT risk reduction, COOP, retain institutional knowledge.
2. City & Borough is at risk without Succession Plan.	Prepare, actively maintain a Service-level Report real time.	Cost: \$0. Benefits: Temporary increase in staff time.
3. A regular, simple report on activities and service levels is recommended.	Conduct job surveys & job description reviews.	Cost: \$750 to \$1,000. Consulting assistance. Benefits: Clear job functions & duties.
4. Workloads relating to staffing levels and skills difficult to determine.	Expand organizational structure, accommodate a part-time Paralegal.	Cost: <i>Intern:</i> \$3,000 to \$4,000; <i>Contractor:</i> \$5,000 – 7,000; Benefits: document backup storage complete.
5. File management & document imaging is needed.	Hire an intern or contractor to assist in document imaging and file management.	Cost: \$24,000*/ year. Benefits: Value added in pre-trial prep., case & records management.

BACKGROUND AND SERVICE LEVEL INFORMATION

The City Attorney's office manages a comprehensive list of responsibilities including: *Case Management, Code Revision & Enforcement, Contract Review, Mutual-Aid Agreements, Policy Revision, Fines & Fees, Risk Management, Planning & Zoning Review, Prosecutions of Civil and Criminal Cases, support to the Police Department, assists in the management of Property / Infrastructure, and assists the Sitka Tribal Court on cases involving minors consuming alcohol.*

Legal services are performed by 2 FTEs at a personnel cost of approximately \$ 248,000 per year. Total annual operating Budget for 2014 is \$305,214. City Attorney General Fund Revenue FY 2013 was \$337,078.

OBSERVATIONS AND ANALYSIS

The City Attorney position appears to require a highly-developed skill set. This position requires familiarity local, state and federal law, in addition to Police Policy and procedure, contract negotiation, policy review, code revision, personnel issues, criminal and civil law, risk management, and Human Resource law – to list a few functions performed. The current City Attorney's experience, skills and attributes as former District Attorney, Assistant Attorney General under Governor Palin, and a private law practice add significant value to CBS.

Like all Department Heads at CBS, the responsibilities of City Attorney also often include intergovernmental relations. With this current City Attorney's previously developed high-level and important connections at many levels throughout the state – this experience serves CBS well.

FINDINGS

1. City & Borough is at risk without a Succession Plan. The City and Borough is at considerable risk if it were to lose its current Attorney as it currently benefits significantly from the complexity and volume of work produced by this department. Similar to the Clerk's Office, this office needs a Succession Plan.
2. A simplified, regular report on service levels is recommended. While the City and Borough Attorney's office is able to provide a sample quarterly and semi-annual report, which included # of cases, court appearances, fines imposed and fines paid, a *simplified, comprehensive report* illustrating annual and multi-year service levels was not provided or was unavailable. Tracking and measuring service levels and measure performance on a monthly, annually and multi-year basis is important to overall transparency, performance measurement and fiscal responsibility.
3. Workloads relating to staffing levels and skills difficult to determine. Based on the limited information provided, it was difficult for our consultants to determine work-load / services levels as it relates to staffing. Distribution of work assignments and weight of effort was difficult to determine. Moreover, should the city find itself minus the Attorney for a prolonged period of time, it would be difficult to replace this individual as much of the department's core functions seems disconnected from the Administrative Assistant.
4. File management and document imaging is needed. Past case files are stored in a series of file cabinets and in open view. Similar to many other departments, document imaging is critically necessary for security of data, ease of use and continuity of operations in the event of an emergency situation.

As the City and Borough Attorney's office does not operate in a deficit (roughly a \$20,000 surplus based on 2013), the City should consider: (a) hiring an intern or contractor to assist in document imaging, or (b) hiring a part-time Paralegal to assist in pre-trial preparation, case and records management, and document imaging.

RECOMMENDATIONS

1. Begin development of a city-wide Succession Plan. Include policies and procedures to guide staff development, recruitment, and new-hire on-boarding and development.
2. Prepare and actively maintain a Service-level Report real time which should include:
 - a. Cases
 - i. # pretrial conferences
 - ii. # of cases by type (criminal, civil, juvenile and tribal), status (open, closed), and result (prosecutions, abeyances, suspensions, fines collected and issued by type (in \$))
 - b. Miscellaneous
 - i. # Codes, Policies and revised by name and type
 - ii. # Plans reviewed by name and type

- iii. # Personnel Actions, Hearings by # and type
 - iv. # Contracts reviewed,
3. Conduct job survey and job description review of the City Attorney and Administrative Assistant. Review of Job Descriptions and Job Survey will permit a careful examination regarding workloads and staff skills, and the current allocation of office time resources necessary to validate the need for additional personnel assistance.
 4. If needed, expand the organizational structure to accommodate the hiring of a part-time Paralegal to provide immediate assistance and long term continuity for the Department.
 5. Hire an intern or contractor to assist in document imaging and file management.

IMPACT / EXPECTED RESULTS

1. City-wide Succession Plan: Cost: \$5,000 - \$7,500. With some outside consulting correspondence and shepherding, can be done mostly internally. Results: SIGNIFICANT risk reduction, preserves continuity of operations, assures retention of skilled employees' institutional knowledge; promotes 'best fit' of new hires.
2. Annual Reporting: Cost: \$0. Slight increase in current staff time and attention.
3. Job Skills Analysis: Cost: \$750 to \$1,000. Consulting assistance. Result: Assurance of job functions, and capabilities of current employees.
4. Intern / Contractor: Cost: *Intern:* \$3,000 to \$4,000; *Contractor:* \$5,000 – 7,000; Results: Intern / Contractor – completed document imaging and backup storage complete.
5. Paralegal: Cost: \$24,000*/year. Results: Paralegal: Value added in pre-trial preparation, case and records management.

LIBRARY

STAFFING & SERVICE LEVELS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. The hours of operation are significantly higher than required for providing “Excellent Level” of service</p>	<p>Consider the preferences, lifestyle and needs of the community to reduce the number of hours of operation to the public.</p>	<p>Cost: \$0 Savings: \$50,000-\$80,000 /yr. Benefit:</p> <ul style="list-style-type: none"> - Maintain service level - Cost reduction
<p>2. The library provides a significant number of public Internet usages to both residents and tourists.</p>	<p>Improve wireless network tracking and review possible revenue models to monetize the wireless internet service to residents and tourists.</p>	<p>Cost: ND Revenue: \$10,000-\$50,000/yr. Benefits:</p> <ul style="list-style-type: none"> - Better network support and service to patrons - Opportunities for additional revenue
<p>3. Public internet has revenue potential.</p>	<p>Consider the revenue potential of advertising to offset the cost revenue potential of public internet network.</p>	<p>Cost: ND Revenue: \$10,000-\$50,000 /yr. Benefits: Increased local economic development, cost-offset of public internet service</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

The FY 2015 adopted budget for the Library Department in the City and Borough of Sitka is \$905,268. This is approximately 3.3% of the total General Fund budget. The total number of FTEs is 7.3, however CBS uses 10 additional temporary ‘intermittent’ employees (FTE total unknown).

The library is primarily funded through the General Fund with a limited amount of revenue being generated from user fees, grants, and partnerships with the local school districts.

The facility is open 72 hours per week and is frequented by over an estimated 100,000 patrons per year. The library provides over 125,000 annual patron checkouts as well as over 60,000 public Internet sessions.



OBSERVATIONS AND ANALYSIS

Each community is unique and requires different levels of library service. For example, in the 1980's the Wisconsin Department of Public Instruction developed standards that libraries can use to help them provide 4 different levels of service to their community. The current Wisconsin Public Library Standards (WPLS) are defined as "basic", "moderate", "enhanced", or "excellent" in serving the community.

At the time of this review the Library was moving to a temporary facility while the existing library undergoes an expansion. The expanded facility will provide more space to provide services for children and teens and the library will be able to accommodate additional community services. In consideration of the on-going expansion and library improvement initiatives, the chart below contains the Wisconsin Public Library's recommended standards for community service levels based on Sitka's population size of 9,046.

Wisconsin Public Library Standards	Level of Service				Sitka
	Basic	Moderate	Enhanced	Excellent	
Staff FTE	8.14	9.05	10.86	12.66	7.31
Volumes Held (Print)	54,276	59,704	65,131	84,128	62,664
Periodical Titles Received	134	149	188	232	247
Audio Recordings Held	2,895	4,071	4,613	6,694	4,441
Video Recordings Held	3,799	4,613	6,242	9,770	6,335
Public Use Internet Computers	10	15	20	25	12
Hours Open per Week	57	59	61	64	72
Materials Expenditures	\$57,804	\$76,981	\$92,450	\$116,151	\$90,800
Collection Size (Print, Audio, & Video)	63,322	67,845	75,986	93,174	76,209

Source: Wisconsin Department of Public Instruction, www.pld.dpi.wi.gov/pld_standard

It appears that Sitka provides an "Enhanced Level" of service in providing print volumes (62,664 held), periodical titles (247), audio recordings (4,441), video recordings (6,335), materials expenditures (\$90,800), and total collection size (76,209 for print, audio, & video).

Benchmarking is also a useful measurement tool to help evaluate the service and efficiency level of the library department. In Wasilla, a city of comparable size (8,456 residents), the library department budget is \$1,028,184, which is 6% of their total General Fund budget compared to Sitka's budget of \$899,454 or 3.3% of the General Fund budget. Wasilla has a salary expense of \$812,387, or \$85,514.42 average salary expense per FTE (9.5 total FTEs) compared to Sitka's average salary expense per FTE (7.3 total FTEs) of \$74,910.52.

Library Department Benchmarking Information	Sitka	Wasilla
<i>Dept. Budget as a % of General Fund Budget</i>	3.36%	6.06%
<i>Department Budget Per Capita</i>	\$99.43	\$121.59
Total Department Op. Budget	\$899,454	\$1,028,184
Total Salaries and Benefits	\$547,596	\$812,387
Materials Budget (Books, Audio & Video)	\$90,804	\$80,660
<i>Salary as % of Op. Budget</i>	61%	79%
<i>Circulation Budget as % of Op. Budget</i>	10%	8%
<i>Average Total Cost per Employee</i>	\$74,910.52	\$85,514.42
Total Employees (FTEs)	7.31	9.5

Source: City of Wasilla & City and Borough of Sitka published budget data

Staffing Levels & Hours of Operation

It is recommended that there is 1 FTE per 1000 persons. Sitka has the equivalent of 1 FTE to 1,237 persons. The number of FTEs of 7.3 is considered to be below the number of staff needed to provide "basic" level of services. It is recommended that the number of staff be between 10.8 and 12.6 in order to provide "enhanced" or "excellent" service. In Sitka, there are additional library student aides that may offset the need for hiring additional staff. In addition, Sitka boasts a 72-hour per week schedule. This is 8 hours a week more than even the "Excellent Level" of service recommend by the WPLS. The number of hours the Wasilla library is open to the public is 40 hours per week despite having a larger staff (9.5 FTEs) and departmental budget (\$1,028,184).

Circulation Information

One statistic that is helpful to measure is circulation of physical items per hour. In Wasilla, there are 3 circulation desks where they have 25 physical items per circulation desk per hour. This provides a measure that can provide some insight into how busy the circulation desk is. A low number of items circulating per hour, say 10 per hour, may mean that the employee does not need to occupy the circulation desk full-time and can go on to and accomplish other things in the library. However, a circulation of 100 physical items per hour signifies that there is a very high volume of traffic and there should be one employee stationed at the circulation desk full time. Sitka's circulation per hour is 73 items per hour. The City of Wasilla has 75 circulations per hour and 3 circulation desks. They spend about 7% or \$80,660 for the purchase of books, audio and video in FY 2014. They purchase their books at INGRAM and receive approximately 40% off of the cost of new titles. What they can't find on INGRAM they will purchase on Amazon.com. Their Audio/Visual includes 2,971 DVDs. Their total circulation volume is approximately 55-60 thousand items. They currently have 7 desktops but will be soon receiving 20 new desktops and 23 laptops.

Their current Internet policy is 1 hour per person per day. Total public Internet usage for FY 2013 was 18,856 as follows:

- 15,708 public internet sessions on Desktop computers
- 3,148 wireless internet sessions

The City and Borough of Sitka has 12 public use Internet computers and approximately 60,776 Internet sessions in FY 2014.

Library Department Information	Sitka (FY 2014)	Wasilla (FY 2013)
Staff FTE	7.31	9.5
Volumes Held (Print)	62,664	62,975
Periodical Titles Received	247	83
Audio Recordings Held	4,441	11,605
Video Recordings Held	6,335	2,841
Public Use Internet Computers	12	7
Hours Open per Week	72	40
Materials Expenditures	\$90,800	\$78,353
Collection Size (Print, Audio, & Video)	76,209	60,000

FINDINGS

1. Service quality appears high, however service levels appear much higher than expected for providing "Excellent Level" of service against comparable cities.

When comparing the library of the City and Borough of Sitka to the library of City of Wasilla, along with the WPLS data, it appears that Sitka is working hard to provide an excellent level of service to its citizenry. Based upon a variety of comparable metrics (circulation, inventory, hours of operation), it is clear that the number of hours of operation that the library is open to the public (72 hours) is significantly higher than Wasilla (40 hours) and even the standards of excellence proposed by the WPLS (64 hours for "Excellent Service"). The total number of circulated items per hour is roughly the same in both Wasilla and Sitka (75 and 73 respectively).

2. The library provides a significant number of free public Internet usages to both residents and tourists.

The City and Borough of Sitka have 12 public use Internet computers and provided approximately 60,776 Internet sessions in FY 2014. The amount of public Internet usage is significantly higher than Wasilla's total public Internet use of 18,856 sessions. Staff from the IT Department and the Library indicated that the wireless network is unstable and also has the limited ability to track users.

RECOMMENDATIONS

1. Consider the Wisconsin Public Library Standards in creating performance measures for the new library. By taking into consideration the preferences, lifestyle and needs of the community, the City and Borough of Sitka may want to consider a reduction in the number of hours of operation to the public, which may correspond to a reduction in departmental expenses.

It is clear that the number of hours of operation that the library is open to the public (72 hours) is significantly higher than Wasilla (40 hours) and even the standards of excellence proposed by the WPLS (64 hours for "Excellent Service"). The total number of circulated items

per hour is roughly the same in both Wasilla and Sitka (75 and 73 respectively). A caution to reducing the amount of hours is that the amount of items circulated per hour, and thus the number of staff required to provide adequate levels of service, may increase.

2. Create a Network Plan to address network issues and better track volume level for wireless Internet usage.
3. Consider public internet revenue options. It is recommended that the option to off-set a small part of the costs of the network by implementing a system can be accomplished using advertisements and sponsorships but would still allow the network to be free to use. Revenue option should not compromise the integrity of the organization. Several reasons why CBS should consider placing advertisements on its library computers.
 - A. CBS is in a unique position. Because of local and tourist use of the city's wireless network, the local and non-local population served makes targeting easy for local, regional, and national advertisers alike.
 - B. This is not an uncommon practice. Schools in Virginia and Arizona offer commercial advertising on their websites. Municipal Media Solutions is one of several companies which provide services to government agencies looking to sell advertising on their websites. Several of MMS clients include:
 - The Cook County Assessor – www.cookcountyassessor.com
 - Washington State Department of Transportation - www.wsdot.com
 - Metra – www.metrarail.com
 - Pace Bus - www.pacebus.com
 - Massachusetts Bay Transportation Authority (MBTA)- www.mbta.com
 - Massachusetts Registry of Motor Vehicles- www.massrmv.com
 - Metropolitan Atlanta Rapid Transit Authority (MARTA) - www.itsmarta.com
 - The Alachua County, FL. Appraiser – www.acpafl.org
 - The Village of Schaumburg, IL – e-Newsletter
 - The Metropolitan Mayor's Caucus – www.mayorscaucus.org
 - Bloomingdale Township – www.bloomingdaletownship.com
 - Winnebago County Geographic Information Systems - www.wingis.org
 - Clean Air Counts – www.cleanaircounts.org

Active Network (www.activegovernment.com) also provides similar services. Their clients include the City of Cedar Hill, TX, City of San Clemente, CA, Loudoun County, VA, and City of Scottsdale, AZ.
 - C. New Revenue Stream. Monetizing web traffic is free money. With very little effort, the Library's public network can become mini revenue centers. Part of this study is focused on helping CBS generate new revenue without placing an increased burden on taxpayers. Additional revenue created by online advertising, however small, website marketing will allow CBS to serve residents and promote businesses.
 - D. It doesn't cost CBS additional expense. Other than a small amount of set up time, the CBS can have its website generating revenue with no additional costs. Many companies

also offer this set-up service, but operate on a gross revenue sharing basis. The costs and time associated with setting this up include:

- Development of advertising packages and pricing,
- Billing, Collections, and Reconciliation (can be automated)
- Managing advertiser relationships
- Ongoing Program Management
- Advertising Content Control
- Ad Trafficking and Reporting (can be automated)
- Ad Server Management
- Technical Support
- Customer Service

IMPACT / EXPECTED RESULTS

As the City and Borough of Sitka begins to prepare for the expansion of their library, it will be important to consider the level of service they would like to provide, and the amount of staffing levels, hours of operations and other expenditures associated with providing the desired level of service.

1. Service Levels & Performance Measures. The Library had 3,663 total hours of service in FY 2014. The total cost per hour of providing all library services was \$245.55 / hr. (FY 2014 Amended budget of \$899,454 divided by the total hours of service 3,663). If you reduced the library hours of operation to the recommended 64 hours of service per week by the Wisconsin Public Library Standards, or 3,328 hour per year, the estimated savings to the City and Borough of Sitka is the net difference in the amount of hours of operation (3,663 - 3,328 = 335 hours) multiplied by cost per hour of providing total library services in FY 2014 (\$245.55) which is approximately \$82,259.25 in savings. While admittedly this number does not completely account for all fixed costs that may or may not be impacted by a reduction in operating hours, it approaches the idea of a cost savings that could be realized through a reduction in the hours of operation.

Another way to approach the cost savings by reducing the hours of operation is by considering the salary expense per hour of operation. The salary expense per hour of operation is calculated by taking the total salary and benefit expense of \$547,596 and dividing that by the total hours of operation, or 3,663. The total per hour salary and benefit expense is \$149.49/hr. By reducing the hours of operation by 335 hours, that is a reduction in salary expense of \$50,079.15 (\$149.49/hr. multiplied by 335 hours).

2. Internet Use Measurement. Improved wireless network tracking to measure cost / benefits of the service. Information can also be used to evaluate possible revenue models to monetize the wireless internet service to residents and tourists.
3. Public Internet Advertising. The amount of Internet usage (60,776) is significant and may be used as a source to generate ad revenue to offset the cost of providing network support and service. Business owners understand that converting leads into customers is important to help their companies grow. Based on a lead conversion rate of only 1% of all Internet traffic (60,776 in FY 2014) for an average sale of \$10, would generate additional revenue to a company of \$6000. Depending on the willingness of a business or multiple businesses to pay for advertising, the City and Borough of Sitka may be able to generate between \$10,000* and \$50,000 in advertising revenue. (*This number is based on 10 businesses paying \$1,000 to have an advertisement on the Internet for the entire year).

PLANNING

STAFFING, PROCESS, POLICIES & PROCEDURES

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Dept. is providing short-range planning support of building, code and developer-type services but performs less long-range planning.</p>	<p>Perform a staffing skills analysis and review of department functions.</p> <p>Consider hiring a Planner II for long-range & inter-departmental planning</p>	<p>Cost: \$1,500, 30 days Benefit: increased interdepartmental performance; long-range planning.</p> <p>(see below)</p>
<p>2. Land Use Code needs Revision.</p>	<p>Planner II or consultant.</p>	<p>Cost: \$10,000 (consultant); \$0 Planner II Benefit: increased reliance on modern principles and practices; long-term continuity of land use decisions</p>
<p>3. Planning Director retiring.</p>	<p>Develop Succession Plan.</p> <p>Consider merging Planning into a Development Services Department.</p>	<p>Cost: \$0, internal Benefit: potential customer service improvements; long-range planning, inter-departmental coordination.</p>
<p>4. Documentation is paper based and stored on the lower level of City Hall.</p>	<p>Implement electronic records going forward and work towards electronic records for all old records.</p>	<p>Cost: \$7,000 to \$10,000. Benefit: Records are more protected in case of disaster and easier to search for staff.</p>
<p>5. Application process is mostly paper based and somewhat confusing.</p>	<p>Review software options to improve the Planning application process.</p>	<p>Cost: \$10,000 + annual fee Benefit: More automated process can improve efficiencies for constituents and staff.</p>
<p>6. GIS services are used in an ad-hoc / not departmental-wide manner.</p>	<p>Determine overall organization GIS needs, possibly centralize GIS and provide more functional GIS tools for staff & constituents.</p>	<p>Cost: \$0 internal, may require training + license fee. Benefit: Improved quality of GIS data with more tools available for staff to use.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

The Planning Department budget for FY 2014 was \$256,376, which is approximately 1% of the Total General Fund budget. Total salaries and wages were \$130,530 with an additional \$95,132 in Fringe Benefits. Total Salaries and Benefits were \$225,662 or 88% of the departmental budget. There are 2 FTEs in the Department; a Planning Director and a Planner I, which provide support for all planning and zoning processes and committees. The department oversees part of the GIS functionality.

The City and Borough of Sitka (CBS) has several plans and through various activities:

- Master Plans such as the *Capital Improvement Plan (CIP)*, *Sewer Master Plan*, *Stormwater Master Plan*, *Harbor System Master Plan*, *Road Master Plan*, *Solid Waste Plan*, *Municipal Water System Master Plan* are but a few of the plans developed and being used on a daily basis,
- The Comprehensive Plan was completed in 2002 and updated in 2007, and
- Assembly Vision activities in 2010 through 2013.

OBSERVATIONS AND ANALYSIS

Planning Documents

Comprehensive Plans, Master Plans and Strategic Plans have different purposes. The above-mentioned Master Plans exist for various departments and are critical for the effective management of specific department activities. They appear to have been produced principally through outside consultants with little assistance from the Planning Department. While these documents are a great start and resemble much of the same thoughts and ideas conveyed in a Strategic Planning process, however, these documents are not synthesized. Each of these Master Plans are representative of the needs are for a specific department, utility or infrastructure, but do not reflect not what goals, priorities and expected service levels the residents of Sitka have. They do not include widespread community participation and input and are not as cohesive as a Strategic Plan would require.

The Comprehensive Plan and Assembly Visions are the closest the City has come to a full Strategic Plan. The Comprehensive Plan was created in 1999, updated in 2002 and ‘snapshot’ updated in 2007 to establish policies and standards to guide decision-making on land use decisions, capital improvements, economic development, intergovernmental issues, and the allocation of fiscal resources among municipal units. Within Sitka’s Comprehensive Plan are three different types of plans:

1. a General Land Use Plan
2. an Economic Development Plan, and
3. a Capital Improvement Plan

The Comprehensive Plan is intended to guide decision-making, however with the current land-use code, planning and development fees and plan review process needing to be updated, the plan isn’t as closely adhered to as would be expected.

Assembly Visioning process and documents are also a useful tool for the assembly to communicate its desires, offer counsel to Senior Management and to better understand the constraints Senior Management are under. A review of these documents reflects and engaged relationship of open communication and ability to reach consensus on most important items.

While each of the individual plans is important, they cannot be as effective without a community-based Strategic Plan which includes input from wide input of community stakeholders, business and residences. Strategic Plans communicate the values of the

community, the desired services and service levels, and which is the basis for decision-making. All plans should be implemented under policies and values of the Strategic Plan.

FINDINGS

1. Non-Strategic functions. The department appears to be providing principally *short-range* planning services to support building, code and developer-related needs and performs less *long-range* planning. As nearly every department has their own Master Plans, this department could have a much larger leadership / participation role in (a) synthesizing department Master Plans, (b) updating the Land Use Code and (c) assisting in the facilitation of the Strategic Plan.
2. Land Use Code needs Revision. The Land Use Code is the enabling legal document for all development and building standards.
3. Retiring Planning Director. The Planning Department is facing the retirement of the Planning Director. How is the director replaced? Could the planning and zoning services be consolidated into another department? Much of the knowledge of what has happened in the Planning Department over the last 20+ years is only found with the Director so there will be a significant loss of institutional knowledge. This should be mitigated in the future with better documentation.
4. Documentation is paper based and stored on the lower level of City Hall. Most of the Planning documentation is either stored on the lower level of City Hall or in the current Director's head and not really anywhere else. Both are a cause for concern and could lead to issues for the City in the future. Getting these records in an organized digital archive will help this situation. There are several ways to accomplish this. One way is to tie it into the centralized document imaging system that has been implemented in other departments. The other is to tie it into the development services software proposed previously. This second option could provide an easier search mechanism as it could also be tied to GIS so any information about a project could be obtained with a few clicks of the mouse.
5. Planning application process. Sitka does not have a well-defined planning process. Planning application processes are largely a paper-based process and performed in an ad-hoc manner. Doors are always open for local residents to 'walk-in'. This process could be automated and more transparent.
6. GIS services are used in an ad-hoc manner; not used interdepartmentally. GIS function. Use and maintenance of GIS services and appears to be scattered throughout the organization and with an outside vendor. Discussion should be held to determine what the GIS needs are and who should be responsible for it. Consolidate the main responsibility into one department if possible.

RECOMMENDATIONS

1. Perform Job Audits, Skills Assessments & Employee Performance Evaluations of all departments. This includes the administration of a Job Survey, Skills Assessment and Performance Evaluation. Also consider hiring a Planner II to perform long-range planning and
2. Land Use Code revision. Hire a consultant or assign duties to Planner II to assist.
3. Conduct a Fee Study. Review Fees in comparison to other similar agencies within Alaska and the Northwest US.
4. Succession Plan & Consolidation. Develop a Succession Plan. Consider merge of Planning into a Development Services Department. Consider merging Planning into a Development Services Department. Create more of a one-stop shop for constituents developing in the community. A retiring Director provides an ideal opportunity to reevaluate the organization of the department. In the case of the Planning Department one approach would be to merge this small department with others such as the Building Division of Public Works and possibly others to create a Development Services Department which could serve as a one-stop shop for constituents looking to develop in the community. This would also provide an opportunity to reassess the duties of the staff in the new combined department and determine further efficiencies.
5. Documentation is paper based and stored on the lower level of City Hall. Implement electronic records going forward and work towards electronic records for all old records. Documents for all planning and zoning applications are only found on paper on the lower levels of City Hall. Must at least provide document imaging for this information so there is a backup copy of this valuable information. Document imaging will also allow quicker search capabilities for staff research.
6. Improve application planning process. Review software options to improve the Planning application process and consider creating an online planning application process. Streamlining paper based processes is an easy way to gain efficiency. The current planning application process is just such a process. Reviewing this process and implementing some automation software will make it easier for staff to track each case and having online tools available for the constituents will make it easier for them to see the status of their case.
7. GIS use. Determine overall organization GIS needs, possibly centralize GIS and provide more functional GIS tools for staff & constituents. GIS has been somewhat neglected by the organization. The Planning Department has been able to implement a basic GIS system with the help of Public Works staff to provide maintenance and a third party vendor to provide online services. This could be expanded in multiple directions and has been requested by departments such as the Building department who would like to

have access to information in the field when doing inspections. Emergency services and Utilities could also make use of a more robust GIS system.

IMPACT / EXPECTED RESULT

1. Job Audits & Evaluations. Will determine whether performance issues exist, to what degree employee performance issues can be improved with or without consolidation. **Cost:** \$1,500. 30 days. **Result:** increased interdepartmental performance.
2. Land Use Code revision. **Cost:** \$10,000, consultant + staff: **Benefit:** enabling legal authority to enforce land use plan & policy. Increased reliance on modern principles and practices; long-term continuity of land use decisions. **Impact:** ND
3. Fees have not been reviewed for 20+ years. Reviewing the Planning fees in comparison to other similar organizations could also bring additional revenue. Since fees have not been changed in over 20 years it is highly likely that fees could be increased without creating a huge impact on constituents developing in the community. Few residents like raised fees or taxes, but a regular review could find that certain fees are out of line and can be adjusted up or down. **Cost:** \$7,500 **Benefit:** Possible increase in revenue.
4. Succession Plan & Consolidation. **Cost:** \$0, internal **Benefit:** Succession Plan.
5. Documentation is paper based and stored on the lower level of City Hall. **Cost:** \$7,000 to \$10,000. **Benefit:** rapid query capability, data protection / data recovery protection.
6. Improve application planning process. **Cost:** \$10,000 + annual license fee. A tool for all Development Services processes could be implemented for around \$10,000 plus an annual license fee. **Benefit:** More automated process can improve efficiencies for constituents and staff.
7. GIS integration. **Cost:** \$ 0, internal (may require additional licenses). **Benefit:** Improved quality of GIS data with more tools available for staff to use

STRATEGIC PLANNING

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>Most of the CBS Departments have Master Plans & Comprehensive Plans, but they are not tied to a community-based Strategic Plan which identifies the values of the residents within the community, their desired levels and quality of services and their priorities.</p>	<ol style="list-style-type: none"> 1. Administer a Customer Service Survey. 2. Immediately Staff, train the Strategic Plan Committee. 3. Train Elected Officials and Management Staff. 4. Conduct citizen Focus Groups. 5. Conduct Stakeholder Workshops to develop vision and policies 6. Quantify the draft Strategic Plan elements. 7. Adopt and implement the Strategic Plan 	<p>Cost: \$35,000 to \$40,000 – 6 month process.</p> <p>Savings: \$ millions over 10 years (life of the plan)</p> <p>Benefit: Unnecessary cost avoidance, efficient allocation of resources, service levels & quality which matter most to citizens; greater community cohesiveness, sustainability</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

Many local governments are starting to realize the critical importance of community-based Strategic Planning. Nevertheless, where such pertains to the absence of such a plan, Sitka is not alone. A recent ICMA State of the Profession survey reveals that less than two thirds of American communities claim to have a strategic plan. The survey also shows that smaller communities like Sitka are more likely not to have a plan. A little more than three quarters of those who have plans actually link them to their budget process. The shocking number, however, is that only approximately 30% of cities claiming to have strategic plans involve their citizens in the formation of that plan.

There is great power associated with asking citizens what they value most, before attempting to appropriate their resources to satisfy citizen expectations. Communities with strategic plans also tend to develop in a more positive manner than those municipalities who lacks such a plan. According to the International City and County Management Association (ICMA):

“Communities that take the time to educate their residents and then offer them the opportunity to participate in activities such as local strategic planning and financial decision making are undoubtedly more likely to experience greater success in these areas.”
 ~ Civic Engagement – An Outgrowth of Civic Awareness – ICMA)

OBSERVATIONS AND ANALYSIS

The City and Borough of Sitka (CBS) should be complimented for several plans and activities:

1. Assembly Vision activities in 2010 through 2013. These documents are a great start and resemble much of the same thoughts and ideas conveyed in a Strategic Planning process, however, these documents are only representative of what goals, priorities and expectations the Assembly and management staff have. They do not include widespread

community participation and input and are not as cohesive as a Strategic Plan would require.

2. Master Plans exist for various departments and are critical for the effective management of specific department activities. Master Plans such as the *Capital Improvement Plan (CIP)*, *Sewer Master Plan*, *Stormwater Master Plan*, *Harbor System Master Plan*, *Road Master Plan*, *Solid Waste Plan*, *Municipal Water System Master Plan* are but a few of the plans developed and being used on a daily basis.
3. The Comprehensive Plan, completed in 2002 with help from the Assembly and staff with stakeholder assistance – while comprehensive – is not being fully utilized. This Plan was established to guide decision-making on land use decisions, capital improvements, economic development, intergovernmental issues, and the allocation of fiscal resources among municipal units. Within this Comprehensive Plan are three different types of plans:
 4. a General Land Use Plan
 5. an Economic Development Plan, and
 6. a Capital Improvement Plan

Unfortunately, Comprehensive Plans and Strategic Plans have different purposes. While each of the individual plans is important, they cannot be as effective without a community-based Strategic Plan which reflects the values of the community.

FINDINGS

- **CBS lacks a community-based Strategic Plan which identifies the values of the residents within the community, their desired levels and quality of services and their priorities and which ties together all other existing policies and plans.**

Unclear Community Vision. Consultant interviews with administration, staff, and community stakeholders reveal a diversity of cultures and priorities among the 8,800 people that call Sitka home. Local individuals reflect specific cultures which are manifest in various ways. Interviews with many stakeholders conveyed feelings of disenfranchisement and friction between their culture and the predominant population. Sitka's two radio stations - an AM station and an FM station – are claimed to represent two of the predominant ideologies. An interview with the indigenous Sitka Tribe revealed another. Competing ideologies and cultures are not unusual or uncommon in local government; however, they should be understood and put to good use.

While the Comprehensive Plan document and its elements are of good quality, they have not been utilized as effectively as a tool for community-based decision-making and annual budgeting. A Comprehensive Plan is an implementation mechanism of a Strategic Plan.

RECOMMENDATIONS

With such diverse perspectives, histories, and ideologies, and considering the significant demands placed on CBS resources it is critical that the differences among the various cultural

and stakeholder groups come together through a Community-based Strategic Planning exercise to chart a course forward.

Such an endeavor includes the collection, at a grassroots level, of feedback and data from which can be formed a community vision and priorities. A community-based strategic plan will provide CBS policymakers with the basis for budgetary decision-making. It will empower both the Assembly and staff to say no to opportunities that do not align themselves with community priorities and yes to those opportunities, which are aligned with what citizen's value most. Most importantly, the successful execution of a community-based strategic planning initiative will likely build bridges between cultures, histories, and ideologies as it focuses attention and resources on those needs that are the most critical to the community at large. Strategic Planning steps include:

Phase I: Preliminary

1. **Community Customer Service Survey.** Conduct a survey of all community stakeholders to ask them about what the CBS is doing right and where they need improvement in particular areas, including economic development, service delivery, leadership, and other areas. This feeds into the strategic plan process, but also begins promotion and engagement process. Promote through local news media, distribute through customer addresses or online for reduced costs.
2. **Strategic Plan Committee.** Complete the staffing of the Strategic Plan Committee. Identify key stakeholders from (a) survey responses, and (b) identification of key staff and stakeholders to chair the Committee.

Phase II: Orientation & Training

3. **Training of Strategic Plan Committee Training.** Provide facilitated, professional training for Strategic Plan Committee members.
4. **Training Sessions.** Consultant teaches Strategic Planning principles and techniques with Committee, for Management Staff, Assembly members and citizens. There would be a series of strategic planning work sessions where both strategies (the "what") and tactics (the "hows") are created.
5. **Focus Groups.** Hold a series of focus groups with stakeholders and local residents where you share with them the results of the survey. Create working groups to create a vision and values statements for the community and organization.

Phase III: Strategic Planning

6. **Stakeholder Workshop.** Committee conducts a workshop with consultant, Assembly members and Management Team to take the survey results, and focus group results (vision and values statements) and narrows down a focus on no more than 10 strategic issues for the next 5 years.
7. **Staff Vetting / Quantification.** Once the strategic plan is created it would be shared and vetted with staff. The plan will be quantified, prioritized in terms of time, resources and money.

Phase IV: Strategic Plan Adoption

8. **Approval & Adoption.** When completed, the Strategic Plan would be approved and adopted by the Assembly.
9. **Budget Planning.** When completed, the Strategic Plan should be a part of a priority-based FY 2016 budget process.

Phase V: Implementation & Action Planning

10. **Management Training.** Management staff receives training on Strategic Planning and Performance Management techniques and the creation of effective Action Plans. Management staff members learn how to measure Action Plan Progress, and motivate staff on reaching the objectives of the Strategic Plan.
11. **Staff Training.** Management would then train professional and front-line staff on the new strategic plan and how to become aligned with it and how to best implement it.

Phase VI: Performance Measurement

12. **Performance Measurement.** Management would monitor the performance of their staff and report to the governing body on its progress in dashboard format.
13. **Annual Review.** Every year the Strategic Plan would be reviewed in terms of any new data, challenges, etc.

IMPACT / EXPECTED RESULTS

Cost: \$35,000 to \$40,000 – 6 month process.

Savings: \$ millions over 10 years (life of the plan)

Benefit: Plan completion by April 2015 – in time for budget planning, unnecessary cost avoidance, efficient allocation of resources, service levels & quality which matter most to citizens; greater community cohesiveness, sustainability

PUBLIC SAFETY

EMS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. No formal retirement / replacement plan for EMS units which tend to wear down at accelerated pace.	Adopt a Fleet Management and Replacement Policy for all units. Implement designated apparatus replacement fund.	Cost: >\$20,000 / annually Benefits: Will mitigate future repair or emergency replacement costs and reduce risk to public.
2. Equipment expensive to purchase and maintain; needs CIP	Adopt an Equipment Capital Improvement Plan for equipment retirement and replacement.	Cost: \$5,000 / annually Benefits: Mitigates future repairs or emergency replacement costs; reduces risk & strain on GF budget.
3. CBSEMS appears to comply with general operational policies	Develop written Policies and Procedures for <i>Personal fitness, and Outside employment</i> , Legal review of policies	Cost: \$0 - ND, can be completed by staff or vendor. Benefits: Standard policies and procedures are necessary to support an efficient and effective professional department and to reduce liability.
4. EMS relies on the use of volunteers to supplement full-time staff.	Scheduling and deployment of staff resources should be analyzed annually for effective & efficient utilization.	Cost: No additional costs Benefits: In order to minimize risk and ensure responsiveness to emergencies.
5. Operates under the authority, direction and overview of a professional physician.	Annually review the medical direction provider's licensure for complaints & disposition of complaints.	Cost: No additional costs Benefits: Improved quality of care to patients.
6. Retains a third party collection agency for accounts receivable and maintains that it cannot provide this function internally.	- Annually explore a reduction in third party collection fees. - Explore other contractual service options with State, Federal, Tribal or area industry.	Cost: No additional costs Benefits: Potential to increase revenues for the General Fund.
7. EMS is permitted to cross-train staff.	EMS employees may cross train CBS PD employees, at no additional cost	Cost: No additional costs Benefits: Improves employee skills, employee morale, services to residents, and citizen confidence in public safety services.

OBSERVATIONS AND ANALYSIS

EMS APPARATUS & EQUIPMENT

The total Ambulance General Fund budget for FY 2014 was \$310,071, which is approximately 1.2% of the Total General Fund budget. Total Salaries and Wages were \$70,304 with additional Fringe Benefits of \$58,772.

CBSEMS is comprised of a fleet of three (3) box-type ambulances. A new unit was received recently, leaving two other units which are five (5) and seven (7) years old, respectively. Based on reported call volume of approximately 1,000 responses annually, the units tend to wear down at an accelerated pace. The cost of replacement can vary between \$60,000 to more than \$100,000. Without a formal retirement/rotation plan, the EMS service delivery could be significantly impacted if one of these units becomes inoperable.

CBSEMS equipment is specialized and expensive to purchase and maintain, as well as having the useful life of much of this equipment reduced due to extensive and nearly continual use, based on the reported average of 1,000 EMS responses per year. Cost vary, but can be included in an equipment needs analysis to determine priority need.

EMS STAFFING

CBSEMS utilizes and depends upon the skills and abilities of many volunteers, in supplement to the full-time staff. This is a great advantage for CBS and is exemplary of residents drawing together and using their combined strengths in safeguarding the community. Staffing and scheduling should be reviewed to ensure adequate coverage and service level maximization.

EMS POLICY DEVELOPMENT

CBSEMS reports to be in compliance with general operational policies.

EMS MEDICAL DIRECTION

As required, the CBSEMS operates under the authority, direction and overview of a professional physician. CBSEMS receives medical direction from a physician in Sitka. This can be of great convenience as most transportable injuries will be seen in a Sitka facility in which the physician maintains privilege. Additional benefit may be received by the patient, as the physician may be familiar with, or even may have previously treated the patient, if familiar to Sitka.

EMS REVENUE ENHANCEMENT

CBSEMS retains a third party collection agency, which is reported to deliver +/- 95% of all accounts receivable. The fee for the third party collection agency is seven percent (7%). Based upon additional discussions with CBS administrative and technology upgrades, it is not anticipated that such a collections service could be provided internally. CBS would be well served to review collection fees to establish a baseline of collection expectations. This may allow future baseline expectations and performance from the vendor.

EMS CROSS TRAINING

Cross-training among emergency service providers enables better performance individually and collectively which, in turn, increases public confidence and support. In a small and isolated area as Sitka, it is of tremendous benefit for all emergency services to work in unison. Additionally, the financial benefits can be measured over time in areas of overtime, on-scene time, and transportation time and improves interagency communications with dispatch and each other.

FINDINGS

1. Fleet. Older EMS apparatus need to be refurbished or rotated out of the fleet. Department needs to adopt a fleet Management & Replacement Policy (MRP) and Equipment Capital Improvement Plan (EQUIP).
2. Staffing. Conducting an analysis of volunteer availability and scheduling will identify areas of improvement in to supplement full-time staff.
3. Policies Compliance & Reporting. CBSEMS appears to be in compliance with general operational policies, however some expected policies and procedures are absent and needed. Legal review of all policies is recommended.
4. Medical Direction review. A minimum of annually reviewing medical direction provider for licensure complaints, staff concerns and general coordination needs to be established.
5. Revenue collection review. Semi-annually review vendor collection rates and fees to establish a baseline of vendor performance expectations.
6. Cross training. The FD & EMS is permitted (and should continue) to cross-train PD staff.

RECOMMENDATIONS

1. EMS Apparatus & Equipment.
 - a. Adopt a Fleet Management and Replacement Policy for all EMS units, to mitigate future repair or emergency replacement costs. Conservative estimates project the need to establish a designated apparatus replacement fund of at least \$20,000 annually.
 - b. Adopt an Equipment Capital Improvement Plan (EQUIP) to identify and plan for equipment retirement and replacement for all EMS equipment, to mitigate future repair or emergency replacement costs. Conservative estimates project the need to establish a designated CIP of at least \$5,000 annually.
2. EMS Staffing. Based on the reported number of EMS calls for service annually (+/- 1,000) the scheduling and deployment of staff resources should be analyzed to determine the most effective and efficient utilization. The results of the analysis may recommend additional full-time employees, but it may also show areas of improvement in scheduling and deployment of volunteers to improve supplement to full-time staff.
3. Policy development. It is recommended that EMS develop written policies and procedures for the following areas: Personal fitness, Outside employment, Legal review of policies
4. EMS Medical Direction. CBSEMS should annually review the medical direction provider's licensure for complaints and/or disposition of complaints.

5. EMS Revenue Enhancement. CBSEMS should annually explore a reduction in third party collection fees. CBS EMS should explore additional contractual service options with State, Federal, Tribal or area industry.
6. EMS Cross Training. CBS EMS employees may cross train CBSPD employees, at no additional cost, in the following areas:
 - Apparatus orientation for equipment location, nomenclature and purpose to assist in efficient and effective on-scene treatment.
 - Vehicle operation, emergency driving and communications with medical direction can improve lifesaving abilities and timeliness in transportation of patients.
 - Proper patient lifting techniques can minimize employee injury from patient handling.
 - EMS staff can provide basic first aid training and refresher training.

IMPACT / EXPECTED RESULTS

The recommendations surrounding Fire and EMS services will result in overall service improvements, higher employee morale, and more effective budgeting for high-cost fire and EMS equipment and apparatus that are necessary to ensure the safety of fire and EMS staff. In addition, the department should look for opportunities to reduce the cost of third-party collections for EMS transport services by identifying alternative providers of this service.

1. Fleet Set-aside and Policy Revision:
Annual set-aside repair fund - Cost: \$20,000 annually. Benefits: Mitigates future repairs and emergency replacement costs; reduces risk to public.
Equipment Capital Improvement Plan (EQUIP): Cost: >\$5,000 annually. Benefits: Mitigates repairs and replacement for all EMS equipment; reduces risk to firefighters.
Fleet Management & Replacement Policy: Cost: \$0.
2. EMS Staffing deployment review. Cost: \$0. Benefits: Mitigates risk; ensure after-hour responsiveness.
3. Policy development. Cost: \$0 Benefits: Standard policies and procedures are necessary to support an efficient and effective department.
4. EMS Medical Direction. Cost: \$0 Benefits: Annually review medical director's license for complaints, staff concerns and general coordination.
5. EMS Revenue Enhancement. Cost: ND Benefits: Reviewing vendor collection rates and fees may determine improve in EMS revenues.
6. EMS Cross Training: Cost: \$0. Benefits: Improved employee moral; improved service; citizen confidence.

FIRE

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Compliance with operational policies is good, but expected operational policies are missing.</p>	<p>Develop written Policies and Procedures for: <i>Personal fitness, Outside employment & Ride-along (w/waiver)</i></p> <p>Legal review of policies is recommended.</p>	<p>Cost: ND, can be done internally Benefits: Standard policies and procedures are necessary to support an efficient and effective department.</p>
<p>2. Cross-training PD staff is recommended.</p>	<p>CBSFD may cross train CBSPD, at no additional cost.</p>	<p>Cost: \$0 Benefits: Improved interoperability, employee morale, improved service delivery and citizen confidence.</p>
<p>3. Old apparatus in fleet should be rotated out or refurbished; Annual 'set-aside' needed.</p>	<p>Adopt a Fleet Management & Replacement Policy (MRP).</p> <p>Adopt an Equipment Capital Improvement Plan (EQUIP).</p>	<p>Cost: Minimum of \$15,000 / year. Benefits: Will mitigate future repair or emergency replacement costs.</p>
<p>4. Effective use of volunteer staff to supplement paid staff; Fire station night shift understaffed.</p>	<p>Review staffing & scheduling methodology annually to ensure deployment & staffing methods remain effective.</p> <p>Add volunteer staff to firehouse night shift.</p>	<p>Cost: ND. Can be completed internally with assistance from HR & Finance. Benefits: Minimize risk; ensure after-hour responsiveness.</p>
<p>5. New Public Safety Facility needs coordinated leadership.</p>	<p>Form a Regional Public Safety Committee to aid in the preliminary design and funding of multi-agency, multi-use facility.</p>	<p>Cost: ND. Should be designed by committee: Fire, EMS, Police, State, other stakeholders Benefits: Reduced long term costs, greater interoperability & cooperation.</p>

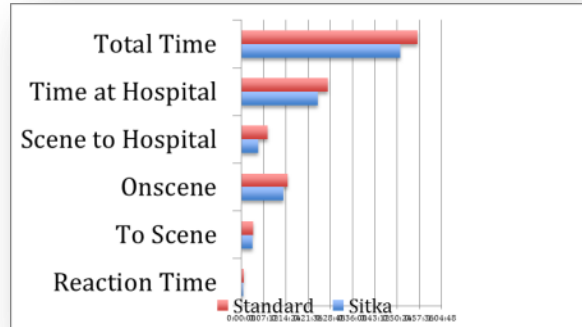
BACKGROUND AND SERVICE LEVEL INFORMATION

In FY 2014, the Fire Protection budget was \$1,696,074.43, which is approximately 6.3% of the Total General Fund budget. There are 9.5 FTEs with a total salary and wage expense of \$710,740 and another \$414,587 for Fringe Benefits. The total compensation of \$1,125,327 represents approximately 66% of the total Fire Protection Departmental budget, which is an average cost per employee of \$118,455.47. In addition to full-time staff there are 25 volunteer firefighters. The department covers a large geographic area of 2,900 square miles and is domiciled in one central station.

The significant difference between CBS and the other Alaskan community's examined is that CBS relies on a mostly volunteer fire department. With 9.5 full time equivalents and 80 volunteers, the department has a considerable amount of community support, and perceived performance and community trust is high. Of the 80 volunteers, there are 45 emergency medical technicians (EMTs), 25 firefighters, 2 paramedics, 3 EMT III's and 4 EMT IV's.

OBSERVATIONS AND ANALYSIS

Our team’s observations, interviews with Fire staff, and analysis of performance data reveal a department that generally well operated and performing well within industry parameters. While the department does not appear to regularly benchmark against National Fire Protection Association standards (NFPA), output measures that are tracked appear very appropriate and even impressive as we compare such against measures Municipal Solutions generally expects to find. We offer the following chart comparing Sitka performance against standard performance expectations or measures based on our experience and observations:



It must be kept in mind that ISO states that there are no national standards that relate fire department timeliness. ISO ratings are primarily based on the appropriation of resources and travel distances rather than pure timeliness. Meanwhile, the NFPA standards prescribe methodologies based on percentiles of achieving certain timeliness measures. For example, NFPA 1221 calls for dispatching to be accomplished within 60 seconds 95% of the time. Meanwhile, NFPA 1710 prescribes a standard of 60-second turnout time for at least 90% of calls. This standard also calls for 4 minutes or less engine travel time to 90% of the incidents; 8 minutes or less for first alarm assignments (deployment) to 90% of incidents; 4 minutes or less to 90% of EMS incidents; and 8 minutes or less for ALS unit travel time to EMS incidents 90% of the time.

We nevertheless find no fault with the methods used by the Sitka Fire Department with regard to measuring response performance. In fact, as stated, Sitka’s timeliness measures exceed those we generally expect to find within comparable fire agencies.

FIRE POLICY DEVELOPMENT

CBSFD reports to be in compliance with general operational policies.

FIRE APPARATUS & EQUIPMENT

Our review of fire operations further revealed that the current average age of Fire apparatus and service vehicles is over 20 years. CBSFD is comprised of a fleet of three (3) primary fire response vehicles. CBS maintains two (2) structural-rated fire trucks which are 20 and 21 years old, respectively. A 75' aerial ladder truck was engaged approximately two years ago.

Based on reported call volume of approximately 200 responses annually, there does not appear to be a pressing need to retire these vehicles, at this time, but it is important to remember that the age of the fleet increases the cost of ongoing maintenance and increases the risk that any particular piece of apparatus will be unable to function at any critical moment. Cost of repairs, maintenance and replacement on one item alone can easily and quickly exceed \$100,000. Without a formal retirement/rotation plan, the FD's service delivery could be significantly impacted if one of these units becomes inoperable. Water supplies appear adequate for the city size.

Firefighting equipment is specialized and expensive to purchase and maintain. Based on the reported average of 200 responses per year, regular inspection and replacement of equipment, both apparatus and personal protective equipment should be in place.

FIRE STAFFING

It was reported one individual staffs the fire station overnight – which is insufficient. Staffing redundancy is necessary in order to minimize risk and ensure responsiveness to emergencies.

Staffing levels appear to be appropriate and even healthy given the size of this agency. CBSFD utilizes and depends upon the skills and abilities of 80 volunteers, to supplement the use of 9.5 full-time staff. This is a great advantage for CBS and is exemplary of residents drawing together and using their combined strengths in safeguarding the community. Based on the reported number of FD calls for service annually (200) the scheduling and deployment of staff resources should be analyzed to determine the most effective and efficient utilization. Staffing and scheduling should be reviewed annually to ensure adequate coverage and service level maximization. Such analysis will adjust staffing and improve scheduling and deployment of resources and volunteers to better supplement full-time staff.

FIRE CROSS TRAINING

Cross-training among emergency service providers enables better performance individually and collectively which, in turn, increases public confidence and support. In a small and isolated area as Sitka, it is of tremendous benefit for all emergency services to work in unison.

Additionally, the financial benefits can be measured over time in areas of overtime, on-scene time, and transportation time and improves interagency communications with dispatch and each other.

PUBLIC SAFETY FACILITY

EMS and Fire staff have discussed the need for, and potential funding and construction of, a new joint-use facility.

- The current estimated cost for such a facility varies between \$25,000,000 to \$50,000,000 dependent on agency involvement and use. The size and location of the facility is also dependent upon the project partners, land availability and cost. These issues will be negotiated as partnerships and cost-sharing mechanisms are identified.

- Potential project partners may include, but are not limited to City and Borough Police, Fire and EMS; Superior Court; Tribal Courts; Prosecution agencies; Citizen advocacy and Social services; Historical groups; State and Federal agencies and any other suitable and funding available partners should be pursued.

FINDINGS

1. **Policies Compliance & Reporting.** CBSFD reports appear to be in compliance with general operational policies, however some expected policies and procedures are absent and needed. Legal review of all policies is recommended.
2. **Cross training.** The FD & EMS is permitted (and should continue) to cross-train PD staff.
3. **Fleet.** Older Fire and EMS apparatus need to be refurbished or rotated out of the fleet. Department needs to adopt a fleet Management & Replacement Policy (MRP) and Equipment Capital Improvement Plan (EQUIP).
4. **Staffing.** Effectively use volunteers to supplement full-time staff. Add an additional volunteer to the overnight shift at the Fire Station.
5. **Public Safety Facility.** A joint-use facility is recommended to save costs and increase interoperability. The project appears to need leadership, cohesive planning and cooperative decision-making. A third party facilitator may be needed.

RECOMMENDATIONS

1. **Policy Compliance & Reporting.** It is recommended that CBSFD develop written policies and procedures for the following areas: Personal fitness, outside employment and ride-along (w/waiver). Legal review of policies is recommended.
2. **Training / Cross Training.** CBSFD may cross train CBSPD, at no additional cost, in the following areas:
 - Apparatus orientation for equipment location, nomenclature and purpose to assist in efficient and effective "knock-down" of a fire.
 - Vehicle operation, emergency driving and emergency communications with dispatch can improve life and property preservation in a fire response.
 - First responder on scene response safety, such as utility locating and shut-off, evacuation and rescue.
 - SCBA (air pack) operation, handling, safety and refilling.
 - Hydrant connection training.
 - Fire cause recognition (arson investigation).
 - Basic fire ground safety and security.
3. **Fleet set-aside and Policy Revision.**
 - a. CBSFD should adopt a **Fleet Management & Replacement Policy** for all FD units, to mitigate future repair or emergency replacement costs. Conservative

estimates project the need to establish a designated apparatus replacement fund of at least \$10,000 annually.

- b. CBSFD should also adopt an **Equipment Capital Improvement Plan** to identify and plan for equipment retirement and replacement for all fire and PPE, to mitigate future repair or emergency replacement costs. Conservative estimates project the need to establish a designated CIP of at least \$5,000 annually.
4. Staffing. CBS should immediately act to ensure that at least two individuals are staffed overnight at the fire station. CBS should also more closely examine scheduling and deployment of staff resources to determine the most effective and efficient utilization.
5. Public Safety Facility. A joint-use facility is recommended to save costs and increase interoperability. Form a Regional Public Safety Committee to aid in the preliminary design and funding of joint-use facility.

IMPACT / EXPECTED RESULTS

1. Policies. *Costs*: \$0. Can be done internally. *Benefits*: Standard policies and procedures are necessary to support an efficient and effective department.
2. Cross Training: *Cost*: \$0. *Benefits*: Improved employee moral; improved service; citizen confidence.
3. Fleet Set-aside and Policy Revision: **Annual set-aside repair fund** - *Cost*: \$15,000. **Fleet Management & Replacement Policy**: *Cost*: ND. *Benefits*: Mitigates future repairs and emergency replacement costs; reduce risk to public; policy & procedure to assist mitigating costs.
4. Staffing deployment. *Cost*: \$0. Can be done with assistance from HR & Finance Departments. *Benefits*: Minimize risk; ensure after-hour responsiveness.
5. Multi-use, multi-agency Facility. *Cost*: \$25M-\$50M. Should be a partnership driven project: Fire, EMS, Police, State, other stakeholders. *Benefits*: Reduced costs, greater interoperability & cooperation.

POLICE

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Aging facilities expect to experience increased maintenance costs;	Upgrade HVAC and electrical systems. Construct a multi-agency public safety/judicial facility	Costs: vary between \$25,000,000 and \$40,000,000. Benefits: "one stop", multi-agency public safety facility could house Police, Fire, EMS, Courts, Prosecutors, Advocacy services.
2. A Fleet Management & Replacement Policy is needed	Draft, adopt Fleet Management & Replacement Policy.	Cost: minimum of \$10,000 annually. Benefits: Manages & mitigates future repairs & emergency costs.
3. Certified police staffing appears adequate, dept. may be a "training ground" for officers causing high turnover.	Consider other subsidies & benefits to retain Officers.	Cost: <u>Subsidies:</u> Not Determined Benefits: Increased employee retention, improved community affinity, improved officer skills and abilities, reduced academy training costs, reduced overtime for staff time off and training.
4. Department appears compliant with operational policies.	None.	Cost: \$0 Benefits: Standard policies and procedures support an efficient and effective professional department and to reduce liability.
5. Police cross-training is recommended.	Cross train CBSFD and EMS in multiple areas.	Cost: No additional cost. Benefits: Improved crime scene investigation, traffic control, conflict resolution, vehicle and facility security, and personal security.
6. Prisoner incarceration is costly and deterioration of the jail poses potential for various security risks.	<ul style="list-style-type: none"> a. Alternate work release programs with Courts. b. Annually review State reimbursement rates, process, procedure c. Explore potential savings by using prisoners for minor janitorial or landscaping d. Explore video/audio conferencing court attendance options. e. Consider reducing prisoner visitation schedule or increase jail staffing. 	Cost: ND. Benefits: Multiple <ul style="list-style-type: none"> a. Reduce # of prisoners held, savings in cost of prisoner transport, meals, personal health needs and other liability expenses. b. Timely reimbursement improves operations by accurate posting available funds for projects and other issues. c. Although available on a case-by-case basis, prisoners can perform basic duties in the place of vendors or contractors, allowing for budget savings. d. Minimized liability, safety and security of physically transporting prisoners to local or distant hearings. e. Limiting visitation to no more than once per day, or a few times per week will reduce potential escape or physical resistance concerns and will allow staff to focus on priority jail issues. f.

<p>7. Dispatch and jail staffing levels are insufficient for continued and effective 24/7 coverage.</p>	<p>Improve full coverage and efficiency of dispatch and jail operations by adding staff.</p> <ul style="list-style-type: none"> ○ <u>Jail</u>: Two (2) full-time jail officers; ○ <u>Dispatch</u>: Two (2) part-time dispatchers. 	<p>Cost: <u>Jail Officers</u> x two (2)-\$105,000 (<i>total costs</i>). <u>Part-time Dispatchers</u> x Two (2) - \$40,500 (<i>payroll cost only</i>).</p> <p>Benefits: Improved performance and employee morale; Enhanced security and liability protection.</p>
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BACKGROUND AND SERVICE LEVEL INFORMATION

The total Police Department Operating budget was \$4,287,727, which accounts for approximately 16% of the Total General Fund budget. In FY 2014 there were a total of 32.5 FTEs. The total salary and wage expense was \$1,998,203 with an additional \$1,469,197 in fringe Benefits. The total salary and benefits of \$3,487,400 represent 81.3% of the total Departmental budget.

The Police Department provides multiple services including patrol, jail, dispatch, and animal control services. When compared with other similarly sized communities, the combined public safety budget of \$4,287,727 is significantly less than Ketchikan and Wasilla, with a budget of \$5,385,656 and \$7,137,034 respectively. It is Municipal Solutions experience that most communities of similar size to Sitka expend over 40% of their budget on emergency services. As such, it can be argued that CBS emergency services are in need of increased funding, primarily to supplement jail and dispatch staffing and services.

Police Benchmarking Information	Ketchikan	Sitka	Wasilla
Population	8,250	9,046	8,456
<i>Dept. Budget as a Percent of Total Operating Budget</i>	30.13%	16.02%	42.05%
<i>Department Budget Per Capita</i>	\$652.81	\$473.99	\$844.02
Total Department Op. Budget	\$5,385,656	\$4,287,727	\$7,137,034
Total Salaries and Benefits	\$2,460,732	\$3,487,400	\$6,067,937
<i>Salary as % of Op. Budget</i>	45.69%	81.33%	85.02%
<i>Average Total Cost per Employee</i>	\$67,788.76	\$107,304.62	\$112,369.20
Total Public Safety Personnel	36.3	32.5	54

FINDINGS

FACILITY

The current police department has outdated HVAC, electrical, and IT infrastructure. The current electric service must be upgraded to meet future needs. IT racks are not in a secure location due to the way the building was subdivided to meet the initial needs of the Police Department when they moved in. One location is in a hall closet that is not presently monitored by video surveillance equipment. The facility also houses the jail and dispatch, which will be addressed in sections to follow. As the Fire and Police facilities continue to age, maintenance costs are expected to continue to increase.

POLICE VEHICLES

CBS should be complemented for its list of assets and depreciation schedule for all vehicles. Consultants were unable to identify a specific Fleet Management & Replacement Policy.

STAFFING

Currently, it appears that the number of certified police staffing is adequate, however, CBSPD is reportedly perceived to be a "training ground", or "stepping stone" for new hires to gain experience and then leave for other areas. This is not unusual in a small area, particularly one so geographically isolated as Sitka. However, salaries compared with living costs may show disparity between the actual salary and the actual living expenses. Staffing the Jail appears *inadequate*. See comments below.

POLICY DEVELOPMENT

CBSPD reports to be in compliance with general operational policies.

CROSS TRAINING

In a small and isolated area as Sitka, it is of tremendous benefit for all emergency services to work in unison. Consultants were surprised that more frequent interagency coordination, planning and training don't take place. Cross-training among emergency service providers enables better performance individually and collectively which, in turn, increases public confidence and support. Additionally, the financial benefits can be measured over time in areas of overtime, on-scene time and transportation time and improves interagency communications with dispatch and each other.

JAIL

The current detention facility is over 40 years old and is reported to be a continual maintenance and repair expense drain. It is reported the jail operations costs approximately \$650,000 per year, with reimbursement from the State. It was determined the State was delinquent on reimbursement for some time, but has once again become current. There is a potential the facility could fail to comply with many current detention facility standards, and increased liability exposures may become significant if this continues.

- Open Air Prisoner Transport. One area of significant concern is the "open air" prisoner delivery to the jail. Most facilities provide a secure, gated or otherwise enclosed area for prisoner arrival. However, there is no such ingress security in place at this facility. The potential for security risk is enhanced until this issue is resolved.
- Staffing levels not addressing use of facility. The jail was initiated as a 'short term incarceration facility' but occasionally is required to hold a prisoner for a longer time. The jail is designed to hold up to 12 prisoners per day, but the average is reported to be five (5) prisoners per day, with each staying approximately 5.5 days. This is an average, however. If there is only one (1) prisoner in the jail each day, the staffing needs do not decrease since 24/7 monitoring is required. Jail staffing levels cannot be compared to staffing levels in other emergency service departments since sufficient staff levels must

be maintained whether there are one or twelve prisoners being held. The jail staff is composed of five (5) jail officers and one (1) supervisor. This staffing level does not meet industry standards.

- Staffing for Visitations. The jail publishes a visitation schedule that offers visitation up to three times (3X) each day. The staffing needed to adequately provide security for this generous visitation schedule is insufficient.

Jail video monitoring is sufficient for cells and common areas, but is reported to be in need of upgrade and increased coverage. The jail staff monitors the video and is provided contingency assistance from the dispatcher on duty.

DISPATCH

Database and records security appears to be adequate and the transition of paper records to digital imaging / electronic records is ongoing.

Consultants observed that police dispatch staffing levels are *insufficient* for 24/7 service provision. Dispatch staff are comprised of five (5) dispatchers and one (1) supervisor – but because currently provides communication services to several CBS departments and community organizations, and must multitask continually throughout their shift, including monitoring video surveillance of the jail. As a result, the potential for a loss of active surveillance is high. This risk can be decreased with the addition of jail and/or dispatch staff – details described further in the Staffing section of this report.

The dispatch technology is antiquated for current industry standards and needs to be upgraded. It is reported that CBSPD is exploring the potential for implementation of a mobile data terminal operation in police vehicles which can reduce multitasking demands of the Dispatcher.

RECOMMENDATIONS

1. Facility.

- The HVAC System also needs to be replaced.
- Electrical system needs to be upgraded.
- Construct a multi-agency public safety / judicial servicing facility to serve Police, Fire, EMS, Superior Court, Tribal Courts, Prosecutors, Advocacy services and any additional partners should be pursued. The public advantage would be to provide a "one stop" servicing facility. Coordination between all public safety and public enforcement / advocacy agencies could be improved and the gaps in service, communication, and timely citizen issue resolution would be minimized. Prisoner air transportation to Juneau, which is reported to occur more than 15 times each year, could be significantly reduced. Combining the courts in close proximity to the jail will enhance prisoner, officer, staff and public safety as open air prisoner transport could be eliminated. Additionally, the efficiency and time-savings involved in court and jail processes could be significantly enhanced.

2. Vehicles.

Adopt a fleet management and replacement policy for all PD vehicles to mitigate future repair or emergency replacement costs. Establish a designated vehicle replacement fund of at least \$10,000 annually.

3. Staffing. Decrease the responsibilities of the Dispatchers by adding additional staff. A choice of two options is recommended:

- Jail: Consider the addition of at least two (2) additional Jail officers to provide better support for safety and security, as well as officer training, staff time off and sufficient 24/7 prisoner contact and monitoring.
- Dispatch. Consider the addition of two (2) additional part-time personnel for better security and safety.
- Other subsidies and benefits. Explore additional subsidies and benefits to retain police officers including: *housing fees, medical costs subsidy, personal property storage and handling fees and meal subsidization as potential areas to decrease expenses.*

4. Policy Development. None**5. Cross Training.** Cross train CBSFD and EMS in the following areas:

- *Crime scene preservation, evidence preservation and collection, traffic control, diffusing conflict, crowd control, apparatus and fire station security, firefighter personal security.*

6. Jail.

- Alternate work release programs. Explore and coordinate alternative work release programs with the courts, in order to reduce the number of prisoners being held inside the facility. This analysis may indicate significant savings in the cost of prisoner transportation, meals, personal health needs and other liability expenses for incarcerated persons.
- State reimbursement rates. Annually review the State reimbursement rates, process and procedure in order to maximize the resources available and assure the reimbursements are complete.
- Work Crews. Explore the potential expense savings by using prisoners for minor janitorial or landscaping functions performed by other paid providers.
- Court Attendance by Video. Explore alternative court attendance options such as secure jail to court video/audio conferencing, thereby minimizing the liability, safety and security of physically transporting prisoners to local or distant hearings.
- Visiting hours vs. staffing levels. Consider a less generous prisoner visitation schedule or increase jail staffing.

7. Dispatch.

- Staffing levels. Staffing appears *inadequate*. Consider the addition of two (2) additional part-time personnel.

- Technology. Continue digitization / document imaging of records and development of electronic files. Work with IT to assure proper retention and back-up of data, case files, report and evidence.
- Cost-sharing. Explore contractual service opportunities with other emergency service agencies to enhance revenues for Dispatch.

IMPACT / EXPECTED RESULTS

1. **Facility.** Costs: vary between \$25,000,000 and \$40,000,000. Cost could be offset through pro-rated cost-share partnerships with other local, state agencies, grant funding and the Federal Forfeiture Fund to pay down the debt of a multi-agency facility. Benefits: A "one stop", multi-agency public safety servicing facility could:
 - *Improve services, communication, and provide timely citizen issue resolution,*
 - *Significantly reduce prisoner air transportation expense and risk to Juneau,*
 - *Enhance prisoner, officer, staff & public safety during prisoner transports to court,*
 - *Eliminate the need for open air prisoner transport, and*
 - *Enhance the efficiency and time-savings of court and jail processes.*
2. **Vehicles.** Cost: minimum of \$10,000 annually. Benefits: Manages future repair needs and mitigates impact of emergency replacement costs.
3. **Staffing.** Cost: **Jail**: Two (2) Jail officers - \$105,000. **Dispatch**. Two (2) part-time dispatchers - \$40,500 (*payroll cost only*). Benefits: Increased employee safety and security, reduced risk, officer training, reduced overtime / staff time off and sufficient 24/7 prisoner contact and monitoring.
4. **Cross Training.** Cost: No additional cost. Benefits: Improved crime scene investigation, traffic control, conflict resolution, vehicle and facility security, and personal security.
5. **Jail.** Cost. **ND.** Benefits. Reduction in cost could be eliminated if the services were provided all under the same roof.
6. **Dispatch.** Cost: No additional cost. Benefits. Possible enhancement / offset of revenues.

PUBLIC WORKS

BUILDING MAINTENANCE

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Fees have not been comprehensively reviewed for 20+ years	Conduct Fee Study benchmarking Plan Review fees of similar agencies, formalizing review process & updating policies.	Cost: \$8,500 to \$10,000 Results: Collection of revenue based on direct review costs & staff time.
2. Services could be tied in with other development services.	Consider merging Building Department into a Development Services Department w/ Planning	Cost: ND, internal Benefits: Create more of a one stop shop for constituents developing in the community.
3. Documentation is largely paper based and stored in City Hall	Implement electronic records going forward and work towards electronic records for all old records.	Cost: \$7,000 to \$8,000 Benefits: Records are more protected in case of disaster and easier to search for staff.
4. Permit process is mostly paper based	Review software options to improve the permit application and inspection process Complete digital imaging process.	Cost: ND. Solutions exist for \$25,000 to \$30,000 range Benefits: Automation improves efficiencies for staff & customers; imaging provides query-able data, reduces risk of catastrophic loss.
5. Would like tablets, GIS information in the field	Purchase tablets, install mobile version of permitting software, ensure network / remote access & GPS capability.	Cost: \$600 to \$1,500. Benefits: Automated inspection process provided real-time, punctual and efficient inspections.

BACKGROUND AND SERVICE LEVEL INFORMATION

The Building Division of Public Works is staffed by 2 full time employees and is responsible for all building inspection services as well as the Fire Marshal inspection responsibilities. The division provided almost 700 inspections and over 200 plan reviews in 2013. The total Public Works Building Official expense for FY 2014 was \$236,178, which represents approximately 0.9% of the Total General Fund budget. The total salaries and wage expense was \$121,661 with an additional \$82,568 in Fringe Benefits. The Total Salary and Benefit expense of \$204,229 is approximately 86% of the total Public Works Building Official budget.

OBERVATIONS AND ANALYSIS

Work within the department appears very responsive to the inspection needs of the Community. Unfortunately, consultants discovered that the City is accommodating builders in a manner which is neither efficient nor effective. Consultants identified:



- no formally documented plan review / building inspection process which can be handed to a customer and reviewed offsite as part of a customer's preparation for a possible development or site improvement,
- no current way to measure / recover the cost of staff time performing plan-review and inspections,
- no scheduled hours for inquiries, rather an open-door policy among planners, building officials and utility department representatives accommodates local inquiries for building process-related information.

Each of these items is necessary to require development to 'pay for itself' and doesn't create a practice of government subsidizing development at the expense of other General Fund services.

FINDINGS

1. **Permit Fees** - Permit fees haven't changed since 1997. There is also no same day inspection fee and permits are open indefinitely without penalty. Fees should be reviewed. If an increase is warranted possibly increase over time to limit the immediate impact on the public. Permit fees currently cover about 60% of the division's expenses.
2. **Staffing** - The current staffing appears to be adequate for the tasks, however greater efficiency and customer service might be achieved by moving / consolidating the Division under a Development Services Department. With the culture and unwritten policy of providing 'personal attention' to customers, a one-stop shop could be very useful and should be considered.
3. **Documentation** – Although the department manages new permits electronically, the process is still paper-based. As is consistent with many departments, there are also several files of paper copies of information containing historic data on permits which need to be appropriately archived – and if possible – made available online for public inspection. Department staff has begun to scan inspections, however Funds for staffing and software to complete document imaging is recommended, but has not been formally requested by the department.
4. **Permit Software** - Staff is interested in using tablets in the field to reduce workload and be more efficient. Adequate online software is needed in order to accommodate this service. A software process will also improve on the Excel based tracking system in place now as well as provide better permit and inspection tracking capabilities to citizens and contractors. GIS would be needed for this type of system. Cloud based services are available for this type of service.

RECOMMENDATIONS

1. Conduct Fee Study benchmarking Plan Review fees of similar agencies, formalize internal review process & policy review. Reviewing the Building permit fees in comparison to other similar organizations could also bring additional revenue. Since fees have not been changed in over 20-years it is highly likely that fees could be

increased without creating a huge impact on members of the development community. A regular review of building fees will assure Sitka is competitive and adjusted over time.

2. Consider merge / consolidation of Building Department into a Development Services Department w/ Planning. Create one-stop-shop.
3. Implement electronic records process and digital archiving for old records. Most of the Building documentation is stored in City Hall. This is a cause for concern and could lead to issues for CBS in the future. Getting these records in an organized digital archive will help this situation. There are several ways to accomplish this. One way is to tie it into centralized document imaging system that has been implemented in other departments, or be included in the document imaging process into the development services software proposed previously. Tying into the existing system would provide easier query functionality and would be tied to GIS so any information about a project could be obtained with a few clicks of the mouse.
4. Review software options to improve the permit application and inspection process and complete the digital imaging. Streamlining paper based processes is an easy way to gain efficiency. The current planning application process is just such a process. Reviewing this process and implementing some automation software will make it easier for staff to track each case and having online tools available for the constituents will make it easier for them to see the status of their case.
5. Mobility. Purchase tablets, install mobile version of permitting software, ensure network / remote access & GPS capability.

IMPACT / EXPECTED RESULTS

1. Fee Study. Cost: \$8,500 to \$10,000. Results: Collection of revenue based on direct review costs & staff time.
2. Consolidation. Cost: ND, internal. Benefits: Create more of a one stop shop for constituents developing in the community.
3. Electronic Records. Cost: \$7,000 to \$8,000. Benefits: Records are more protected in case of disaster and easier to search for staff.
4. Software options. Cost: ND. Solutions range between \$25,000 and \$30,000. Benefits: Automation improves efficiencies for staff & customers; imaging provides query-able data, reduces risk of catastrophic loss.
5. Mobility. Cost: \$600 to \$1,500. Benefits: Automated inspection process provided real-time, punctual and efficient inspections.

ENGINEERING, SOLID WASTE, FACILITIES, STREETS, WATER AND WASTEWATER

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Staffing skills & duties need re-evaluation; staffing levels appear appropriate.</p>	<p>Review department needs, functions and services and conduct a review of staff qualifications and experience. Identify realignment options.</p>	<p>Cost: \$8,000 - \$10,000, 30 days Savings: ND, significant efficiencies Benefits: Maximized usefulness of infrastructure; significantly reduced maintenance budget.</p>
<p>2. Significant infrastructure needs w/ no clear funding source or completion strategy; no support from Assembly and Public.</p>	<p>Create a long-term strategy and reliable funding source for infrastructure replacement and construction. Conduct a public awareness campaign.</p>	<p>Cost: ND, internal (lobbying budget) Benefits: Maximized infrastructure life; reduced maintenance budgets and mitigated risk.</p>
<p>3. Department appears to provide unnecessarily extensive support to 15 committees and commissions.</p>	<p>Use of staff resources should be re-examined and reduced.</p>	<p>Cost: \$0 – 1-2 month process of review by administration and approval of Assembly. Savings: ND. Benefit: Reallocation of staff time and resources.</p>
<p>4. Department is lacking the guidance of an Assembly-approved Strategic Plan.</p>	<p>Begin a strategic planning process (see Section on Strategic Planning).</p>	<p>Cost: \$35,000 to \$40,000 – 6 month process. Savings: \$ millions over 10 years (life of the plan) Benefits: Expense avoidance, resource allocation efficiency, sustainability, department & community satisfaction</p>
<p>5. CBS uses its limited resources to perform the work of others, and / or taxpayer dollars are improperly spent.</p>	<p>Engineering standards should be established and rigorously enforced. Performance bonds should be retained to assure work lasts as expected or is replaced without further taxpayer expense. Institute a policy that the CBS does not perform work outside the CBS public right-of-way.</p>	<p>Cost: \$ financial and liability – unnecessary risk. Savings: Potentially significant. Benefits: Reductions of operating costs / expense, and reduced liability.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

The Public Works Department provides an extremely wide variety of services to the residents and businesses of Sitka. Its functions include the following:

- Building Inspection
- Parks and Recreation
- Engineering
- Fleet Maintenance
- Gary Paxton Indust. Park
- Landfill: *Construction*
- Landfill: *Biosolids*
- Maintenance: Facilities & Grounds
- Residential Roads
- Solid Waste Disposal
- Water services, and
- Wastewater services

The department also oversees the City's leases and rock quarry, and applies for and manages the grants and oversees the City's leases. The Department also plays a large role in preparing the City's legislative policy.



Management Support

The Department provides support to 15 boards, commissions and committees and these require significant resources. Supporting these entities requires significant time of Public Works staff. Consultants do not believe that support to so many committees and commissions is the best use of CBS resources, nor do Consultants believe the level of public involvement will be diminished. This concern does not only apply to the Public Works Department, but all departments.

Budgets

The total FY 2014 budgets for key divisions in Public Works-related departments which merit specific focus:

- Streets Department division was \$1,506,870.45, which represents approximately 5.6% of the Total General Fund Budget. *The total Salaries and Wages expense was \$312,146 with an additional \$209,596 in fringe benefits. The total compensation of \$521,742 is approximately 34.6% of the total Streets Department budget.*

- Water Fund total expenditures totaled \$1,584,039 while revenue was \$1,586,000. *The total Salaries and Wages were \$218,057 in addition to fringe benefits of \$145,242. Total compensation of \$363,299 represents 22.9% of total Water fund expenditures.*
- Wastewater Fund total expenditures were \$2,776,326 while revenue was \$2,439,000. *The total Salaries and Wages were \$652,391 with an additional \$422,712. Total compensation of \$1,075,103 represents 38.7% of the total Wastewater Fund expenditures.*
- Public Works Administration division budget was \$520,946, which represents 1.95% of the Total General Fund budget. *Total Salaries and Wages were \$276,249 with an additional \$197,811 for Fringe Benefits. Total compensation of \$474,060 is approximately 91% of the total Public Works Administration Budget.*
- Engineering Department budget was \$1,063,468, which represents approximately 4% of the Total General Fund Budget. *The total Salaries and Wages expense was \$646,925 with an additional \$274,892 in Fringe Benefits. The total compensation expense of \$921,817 represents 86.7% of the total Engineering Budget.*

Staffing

In 2015, the Department is budgeted for 43 FTEs with a General Fund Budget of \$6.5 million (including \$4.3 million for Public Works functions and \$2.2 million for Internal Service funds). FTEs include seasonal positions.

Capital Investment

CBS's FY2015 Enterprise Fund Budget is \$11 million and the Capital Projects Budget of \$79 million. Over the next five years, the Capital Improvement Plan is estimated to be \$150,000,000.

OBSERVATIONS AND ANALYSIS

As noted, the Public Works Department provides a wide array of services. The functions of Public Works addressed in this section are: *Engineering, Facilities, Solid Waste (including landfills), Water, Wastewater and Streets.*

Engineering

Five employees (the Municipal Engineer, two Senior Engineers, a Project Manager and a part time Engineering Drafting Manager) work in this area. The staff oversees the Capital Projects Program and all the engineering associated with CBS' 14 major structures, the harbors and airport. While they do not provide support to the Electric Department, they have also supported the school district and the hospital. Some of its other duties include leading the efforts to obtain loans and issue bonds; submitting grant applications, grant management reporting; managing building leases; and providing contract coordination. It also helps apply development standards.

Engineering Department Benchmarking Information	Ketchikan	Sitka	Wasilla
Population	8,250	9,046	8,456
<i>Budget as a Percent of Total Operating Budget</i>	7.43%	3.97%	6.63%
<i>Department Budget Per Capita</i>	\$161.08	\$117.56	\$133.09
Total Department Op. Budget	\$1,328,873	\$1,063,468	\$1,125,417
Total Salaries and Benefits	\$716,123	\$921,817	\$530,422
<i>Salary as % of Op. Budget</i>	54%	87%	47%

While total Salaries and Benefits paid to Sitka Engineering employees appears high (*\$921,817 or 87% of the total Engineering budget*) when compared to the cities Ketchikan and Wasilla, which have a similar sized operating Budget of \$1,328,873 and \$1,125,417 respectively, the total operating budget in Sitka is lower, overhead is lower, and cost of operations is lower. Personnel costs in the budget reflect temporary employees hired to assist with \$30,000,000 in capital projects which are much larger than the average of \$1-2,000,000 in years past.

Currently, the Engineering Department is a general fund account. It is not an enterprise fund, however a significant portion of the Engineering salaries is provided through grant funds. If the City & Borough were to create an enterprise fund for Streets, and if it were to assure that all enterprise funds included the expense of Engineering, then the financial General Fund burden of Engineering services could be reduced and more properly assigned to the enterprise funds.

Solid Waste

This service is no longer performed internally, but rather provided inter a Contractual Services – agreement. There are no CBS employees associated with this department. Private vendors collect the trash and deliver it barges that take it to Washington where the landfill is located. CBS has been very successful in the privatization of this service.

Facilities & Grounds *(includes parks maintenance)*

These divisions have seven (7) employees who are responsible for maintaining the CBS's structures and grounds. This includes 4 employees who are responsible for parks and recreation facilities

Streets

This division has five (5) employees who maintain 24 miles of primarily residential roads. The State maintains the primary roads.

Water & Wastewater

CBS owns and operates a 6.5 MGD water treatment plant and 5.3 MGD wastewater treatment plant distribution and collection systems. Operations and maintenance is provided by a division composed of 12 staff:

- 1 Environmental Superintendent
- 3 Water Treatment Operators,
- 5 Wastewater Operators *(includes 1 Lab Specialist and 1 Maintenance Specialist)*, and
- 3 Maintenance Personnel *(an electrician, a mechanic and short-term apprentice mechanic)*.

Management Support

The Department provides support to 15 boards, commissions and committees and these require significant resources. Supporting these entities requires significant time of Public Works staff. Consultants do not believe that support to so many committees and commissions is the best use of CBS resources, nor do Consultants believe the level of public involvement will be diminished. This concern does not only apply to the Public Works Department, but all departments.

Funding Deficiencies and Potential Risks

With the wide and varied responsibilities comes a myriad of issues. Much of the CBS's infrastructure has been built with money from other sources, such as grants. The public does not appear to understand these sources are declining and that local monies will likely be needed for at least some significant infrastructure projects. CBS's roads will all need to be reconstructed over the next 20 years at an estimated cost of \$45 million dollars. Yet no funding source exists. Referendums to authorize a dedicated funding source failed in 2009 and 2011.

Additionally, as stated previously, a significant portion of the Engineering salaries is also covered by grant funds. This puts the City at risk should funding sources become less available.

Finally, the Department is sometimes called upon to perform activities the CBS is not responsible for and / or is outside the public right-of-way. Some examples include being asked to repair state roads and private drainage systems, removal of abandoned cars on private property and burying bears that died and are lying outside the public right of way. The result is further funding deficiencies as budgeted monies are not used for what they are intended. Instead they are being used to solve other agencies' or individuals' problems.

Leasing

Lease management is not a typical Public Works function. It rarely requires any engineering or other expertise that Public Works typically has. Instead it requires knowledge of facilities management and the law. The latter is important but is not needed on an on-going basis.

Rock Quarry

The City's rock quarry is reaching the end of its life and a new quarry will need to be opened soon. The issues going forward are related to land use and permitting.

Construction of Street Infrastructure

The construction quality of the aging **Street Infrastructure** adhered to relatively weak by engineering standards. Roadways not constructed to expected engineering standards causes the roadways deteriorate more rapidly and rely on resident tax dollars to replace it. Many of these were built by private developers. Engineering standards should be established and rigorously enforced, and performance bonds retained by CBS to assure work lasts as expected or is replaced without further taxpayer expense.

Building and Construction Inspections

The CBS does not presently have a function to insure construction meets acceptable building and construction standards, both in terms of sound practices and safety.

Strategic Plan

While the Department has a **Capital Improvement Plan**, it does not have a Strategic Plan that the community has created and the City and Borough Assembly approved. As a result the Department is looking at a wide variety of needs and demands but does not have the mechanism to prioritize them.

FINDINGS

In 2013, the Department underwent a peer review by the American Society of Civil Engineers (ASCE) in 2013. Consultants echo the group's findings and do not wish to reiterate all of them but add some of our own reemphasizing some of the ASCE's more important findings, but not referencing them specifically:

1. Staffing needs skills re-evaluation and reassignment. Staffing levels appear appropriate. Engineers are performing administrative functions such as lease management and supporting Boards and Commissions. Among the many functions Public Works oversees are some of which should be managed by other departments or at least by people with different skill sets. For example, Engineering needs to play some role in grant applications and management but not to the degree it presently does. Engineering also supports a large number of committees, boards and commissions. Lease management, among other things, is something that is better overseen by people with other skill sets. In other words, the engineers spend time on activities that could be better supported by others. The engineers could focus on the areas they have been trained to perform.

Staffing levels seem appropriate for the routine, day-to-day operations and the operations seem well run. Two staffing question consultants arose:

First, the CBS should consider which of the current boards, committees and commissions it has are cost effective. While citizen participation is important and worthwhile up to a point, it is not without cost in terms of the CBS' resources.

Second, our consultants noted the Wastewater Deputy position who directly oversees the water and wastewater operations has not been filled. Initially it seemed like an extra level of supervision which might offer a reduction in expenses, however, consultants fully agree that rehiring this position is an appropriate course of action since the Superintendent is nearing retirement.

2. Infrastructure needs a reliable funding strategy, source – does not appear to have the support of residents or assembly. How the CBS's infrastructure will be maintained over

the long term is a serious issue and needs to be addressed. Adherence to rigorous engineering standards does not appear supported by the Assembly and the public in the past. The result is premature repair and replacement of infrastructure in streets and for the general public of Sitka to be assuming that cost instead of the private developer. \$45 million is immediately needed for the road reconstruction. Significant capital demands exist in other areas, such as the harbors, as well. CBS needs to continue to undertake a public education campaign to communicate the urgency of the infrastructure needs of the community, the proposed plans for infrastructure investment, and the issue of declining financial resources. The alternative is to ignore the problem until it gets so bad residents realize something needs to be done and are willing to permit a tax adjustment to pass.

3. Department appears to provide unnecessarily extensive support to 15 committees and commissions. Use of staff resources should be re-examined and reduced.
4. The Department is lacking the guidance of an Assembly-approved Strategic Plan. It should be part of a larger plan for the government as a whole.
5. Building & Construction.
 - a. The Public Works Department is sometimes called upon to work on projects the CBS is not responsible for and / or is outside the public right-of-way. The result is one of the following or both:
 - i. The CBS uses its limited resources to perform the work of others, and / or
 - ii. Taxpayer dollars are improperly spent.While it may be nice to please everyone, it is illegal to take public monies and spend them to support private interests such as work on private property. It often involves trespassing and can create a legal liability into the future. If the Department builds or alters private property, the owner may require the Department to return to repair the “damage” it has done.

RECOMMENDATIONS

1. Staffing skills realignment. A number of the Department’s administrative functions should be moved to other departments. While CBS is a relatively small government and everyone must wear many hats, engineers are in very short supply both here and nationally. Hence they should be focused on engineering activities. Consequently we suggest the following activities be moved to other departments. We have also suggested where we think they might be moved but recognize the CBS staff is much more familiar with the situation and resources. It will be better able to judge where these functions should go.
 - Move *lease management* Planning and Zoning (P&Z).
 - Move the *rock quarry* to P&Z. The most significant issue with respect to the quarry is that it will soon need to be closed and another opened. The land use

and required permitting is best handled by P&Z. The on-going management is minimal.

- Move *grant* and *loan applications* to Finance with *grant management* support from the Engineering Department.

Further, review the existing boards, committees, and commissions to determine which are necessary and which are not. Eliminate those that are not. For the remainder determine if there is another department that would be more appropriate to support them. It may be that Public Works is the best agency to support some or all of the remaining committees, etc.

Finally, Engineering appears to lack staffing necessary to handle construction inspections beyond the basic Building Official Inspections that only focuses on codes and life/safety reviews. Seasonal construction projects (private) generally have construction inspectors on staff or hire out this service seasonally. In Sitka, this service is not provided and hiring inspection firms from outside Sitka can be extremely expensive. An individual focused on quality control and risk which performs construction inspector functions documenting all construction activity, making sure the contract requirements are met, quality control, risk management, and contract management/communication are addressed – would be a welcome addition to the department. Whether this person could function as a ½ time position or fulltime position is undetermined.

2. Infrastructure needs a reliable funding strategy, source. Create a long-term strategy for infrastructure replacement and construction. In addition to the information already contained in the Master Plans, this *strategy* should include a public information and education plan as well as a feasible funding formula for necessary improvements.
3. Review and update engineering standards; receive training in enforcement. Construction and engineering standards for streets, harbor and drainage appear to need to be updated, strengthened and enforced. The greater enforcement of construction and engineering standards will assure that private developers and contractors will turn over infrastructure to CBS that will last their expected life without additional taxpayer expense. Building inspectors and Public Works Engineers cannot allow for the causing premature repair and replacement of infrastructure investments in streets. Surety Bonds and Performance Bonds should be retained for a period of time sufficient to assure work quality was sufficient so that additional taxpayer resources will not be necessary prematurely for repair and maintenance.

Consulting assistance is highly recommended with additional enforcement training.

4. Committee and commission support: Use of staff resources should be re-examined and reduced.

5. Strategic Plan. The CBS needs to develop a Strategic Plan for the Department and the government as a whole. Strategic Plan would provide guidance to the Department in prioritizing and undertaking its tasks and impose discipline on CBS departments as a whole.
6. Building & Construction.
 - a. Engineering standards should be updated and rigorously enforced, and performance bonds retained by CBS to assure work lasts as expected or is replaced without further taxpayer expense.
 - b. Institute a policy that the CBS does not perform work that other entities should be performing and that it does not perform work outside the public right-of-way.
 - c. Continue to explore the costs / benefits of paperless inspection technology including networked handheld devices and software and adopt as opportunity and cost are possible.
 - d. As stated in section 1 above, Engineering appears to lack staffing necessary to handle construction inspections beyond the basic Building Official Inspections that only focuses on codes and life/safety reviews.

IMPACT / EXPECTED RESULTS

1. Staffing Skills and Realignment. **Cost:** \$8,000 - \$10,000, 30 days if completed by a consultant, \$0 if internalized. **Savings:** ND. **Results:** Maximized use of human resources.
2. Identification of funding sources & Public Awareness Campaign. **Cost:** Continued Lobbying budget, internal. **Savings:** \$ millions in replacement costs. **Result:** Maximized infrastructure life; reduced maintenance budgets; mitigated risk and reduced maintenance & replacement costs.
3. Committee and Commission support. **Cost:** \$0 – 1-2 month process of review by administration and approval of Assembly. **Savings:** ND. **Benefit:** Reallocation of staff time and resources.
4. Strategic Plan: **Cost:** \$35,000 to \$40,000 – 6 month process. **Savings:** \$ millions over 10 years (life of the plan). **Benefit:** Expense avoidance, resource allocation efficiency, sustainability, department and community satisfaction.
5. Building & Construction:
 - a. Eliminating Departmental work outside the CBS's property and right-of-ways. **Cost:** ND **Savings:** Potentially \$ significant. **Benefit:** The CBS' resources will be preserved for the project they are intended, monies will be spent legally and future liabilities will be avoided.

- b. Engineering standards should be updated and rigorously enforced, and performance bonds retained by CBS to assure work lasts as expected or is replaced without further taxpayer expense. **Cost:** \$2,500 every 3-4 years / 6 month process. **Savings:** potential loss of revenue, premature infrastructure placement costs. **Benefit:** high quality maintenance, reduced risk.
- c. Institute a policy that the CBS does not perform work that other entities should be performing and that it does not perform work outside the public right-of-way. **Cost:** none. **Savings:** reduced risk to the CBS. **Benefit:** same as previous.
- d. Explore the costs / benefits of paperless inspection technology including networked handheld devices and software. **Cost:** undetermined. **Savings:** undetermined. **Benefit:** undetermined.
- e. Considering hiring a PT or FT employee to handle construction inspections with a focus on quality control and risk. This position will be responsible for documenting all construction activity, making sure the contract requirements are met, quality control, risk management, and contract management / communication are addressed. **Cost:** undetermined. **Savings:** undetermined. **Impact / Benefit:** Having an FTE responsible for construction inspection and QC of our projects would significantly reduce risk and increase quality.

FACILITIES

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Tracking software not used to prioritize, maximize building maintenance effectively.	Begin full utilization of this maintenance software. Review service level needs of building maintenance activities.	Cost: \$0. Software purchased. Benefits: greater accountability, productivity, and customer service.
2. CBS appears to pay more for custodial services that is warranted.	Review current custodial contract and align the service level with CBS needs. Prepare and issue new RFP.	Cost: <u>Contract Review:</u> ND, internal Savings: <u>Contract:</u> >\$30,000 / year. Benefits: Significant cost savings, greater accountability.
3. In-housing Building maintenance could produce significant cost savings	Consider internalizing Custodial Services with 4 fulltime staff.	Cost: <u>Staffing:</u> \$155,000 (4 FT @ \$13/hr. x 2080 hrs.) Savings: <u>Staffing:</u> >\$60,000 Benefits: Significant cost savings, greater accountability.

BACKGROUND AND SERVICE LEVEL INFORMATION

CBS maintains 231,079 ft.² of primary municipal space. The square footage includes the airport, animal shelter, Centennial Building, City Hall, the City State building, a corrosion control facility, fire station, the Kettleson Library, a Marine services center, a public services center, a recycling building, the senior center, the Sawmill Cove Administration building, a transfer station, a boat Company building, and the wastewater treatment plant. In addition to this space, CBS also maintains a variety of generator buildings totaling 3826 ft.² and eight restrooms/concession buildings totaling 6428 ft.²

All of this is maintained with a small crew of three maintenance technicians. While custodial services are contracted out, less than half of total municipal space is custodian on a regular basis (97,230 ft.²). The total monthly cost associated with custodial services is \$17,236 or \$206,832 annually. This equates to approximately \$2.12 per square foot. This cost includes all consumables such as paper and cleaning products. Custodial services include general cleaning, windows, and floors. (See table 1 below)

Table 1: Cost of Custodial Services

FACILITY	SQUARE FOOTAGE	MONTHLY CUSTODIAL COST
Airport	19,701	\$5,906
Animal Shelter	3,200	\$400
City Hall	17,158	\$2,833
City State	27,302	\$4,426
Public Services Center	20,441	\$1,208
SCIP WWTP	3,000	\$600
Restrooms, score booth, and concessions	6,428	\$1,863
TOTALS	97,230	\$17,236

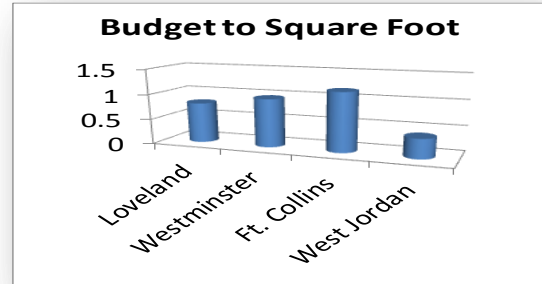
The Maintenance Tech crew, meanwhile, utilizes a work order system (*Maintenance Connection*) to organize, and distribute tasks on a daily basis. However, this system is not utilized to its fullest capacity. In fact, work orders are generated solely for preventative maintenance tasks. Municipal Solutions® consultants found no prioritization, or tracking associated with

repairs and departmental requests.

OBSERVATIONS AND ANALYSIS

In a recent survey of custodial costs for the City of Fort Collins Colorado, Municipal Solutions® consultants found that the highest cost incurred by cities in that area emerged at about one dollar in \$1.16 per square foot, about half of the cost paid by CBS. (See chart below).

The basis for greater scrutiny of CBS costs associated with outsourced custodial services. For example, our experience in this area reveals that insourcing cities generally employ in the neighborhood of .035 to .04 full-time equivalents (FTE) per 1000 ft.². **Using a ratio of .035 FTE and considering the 97,000 ft.² currently cleaned at CBS, we could expect a need for 3.5 FTE (3.395) in order to appropriately clean CBS’s municipal space.**



Even considering the cost of consumables, uniforms, and equipment, etc., the costs associated with outsourcing custodial services, even if such aligns well with those costs incurred by other Alaskan communities, appears to represent an inefficient allocation of resources. The table below illustrates what our team would expect in terms of insourced custodial services, even assuming four FTE’s working 2080 hours per year at an hourly rate of \$13 with benefits and an added 10% for custodial consumables.

Table 2: Insourced vs. Outsourced Custodial Services
(Example)

Utilizing these insource numbers, CBS would still pay approximately \$1.60 per square foot, well above our previously benchmarked numbers. Indeed, our past studies have generally found custodial services to be effectively and efficiently outsourced. However, notwithstanding whether or not CBS’s costs compare well with those of other Alaskan communities, it appears that the municipality should consider insourcing custodial services.

Insourced Custodial	Cost in \$	Contractor	Cost in \$
LABOR <i>(\$13/hr. @ 2080 hours per year (\$27,040 annual salary). Benefits are calculated 30% of salary or, in this scenario, \$8,112.)</i> 4 FTE	\$140,608	LABOR <i>(Total contract of \$326,832 including consumables.)</i>	\$206,832
CONSUMABLES	\$14,060	CONSUMABLES	NA
TOTAL	\$154,668	TOTAL	\$206,832

FINDING

1. Software. CBS is not maximizing the utilization of its work tracking software in order to adequately prioritize building maintenance work and account for maintenance tech activities.

2. Custodial Services Contract. CBS also appears to be paying more – \$30,000 to \$50,000 more for outsource custodial services, than would be expected of a municipality of similar size.
3. Staffing. Considerable savings (>\$60,000) could be possible if CBS brought this function in-house (*includes consumables*).

RECOMMENDATIONS

1. Software.
 - a. Begin full utilization of this maintenance software.
 - b. Review policies & procedures of building maintenance activities.

CBS should require departments requesting building maintenance service to utilize CBS's current software platform. In short, all work, including preventative maintenance and repairs, should be requested, prioritized, and tracked utilizing CBS's current software. Management should use reports from this system as the basis for decision-making concerning building capital outlays and staffing.

2. Custodial Services Contract.
 - a. Review service-level of building maintenance activities.
 - b. Carefully scrutinize its current custodial contract and consider re-bidding and insourcing alternatives.
 - c. Prepare and issue new RFP.

Staffing. Consider internalizing Custodial Services with 4 fulltime staff. If RFP doesn't produce expected cost-savings, consider internalizing building maintenance services to produce a cost potential cost savings of more than \$60,000.

IMPACT / EXPECTED RESULT

1. Software. **Cost:** \$0. Software is already purchased and in use. **Benefits:** greater accountability, productivity, and customer service.
2. Custodial Service Contract. **Cost:** Contract **Review:** ND, internal. **Potential Savings:** >\$30,000 / year. **Benefits:** Significant cost savings, greater accountability.
3. Staffing- Internalization of Building Maintenance. **Cost:** \$155,000 (4 FT @ \$13/hr x 2080hrs). **Savings:** Staffing: >\$60,000. **Benefits:** Significant cost savings, greater accountability.

FLEET

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. CBS is a candidate for significant savings in fuel & maintenance expenses.</p>	<p>Develop a multi-departmental fleet rotation and replacement policy that will maximize the utility & investment of the fleet.</p>	<p>Cost: ND, internal Savings:</p> <ul style="list-style-type: none"> • 25% to 33% (>\$1,000,000) of their fleet maintenance budget. • 30% improvement in fuel economy • Up to 50% reduction in diesel fuel costs for vehicles
<p>2. There is no definitive, definable fleet replacement policy.</p>	<p>Include departmental stakeholders in fleet acquisition decisions.</p>	<ul style="list-style-type: none"> • Maximized usefulness of vehicles and equipment; significantly reduced maintenance budget
<p>3. Purchase decisions are not made collaboratively.</p>	<p>Join a purchasing consortium.</p>	

BACKGROUND AND SERVICE LEVEL INFORMATION

According to the CBS organizational chart and personnel documents, CBS maintains an internal fleet operation, composed of two mechanics and a fleet manager – however, the CBS only currently has two employees in the Central Garage. This operation provides primary care for 95 vehicles and pieces of equipment (*Central Garage Sinking Fund Report for FY2013*). An examination of the municipality’s inventory reveals that half of the stock is composed of light trucks, while CBS also cares for a small contingent of heavy trucks, sedans, SUVs, vans, or multi-passenger vehicles, and fire/EMS apparatus. Our examination of the facility revealed that it is adequately stocked and managed. The municipality stocks primarily preventative maintenance supplies such as tires, filters, and lubricants.

Other parts and supplies are required as the need arises. Maintenance and repair histories, meanwhile, are recorded in inadequate and automated fashion. Interviews with department heads reveal high satisfaction with fleet services. Our interview with the fleet manager reveals a ‘can-do’ attitude and enthusiasm specific to keeping service vehicles in service.

OBSERVATIONS AND ANALYSIS

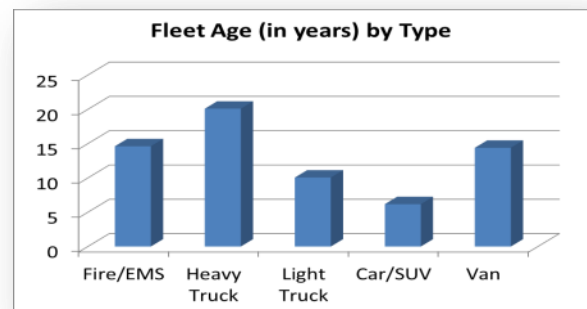
Consultants identified that the present disposal and purchasing decisions are the product of departmental and mechanic recommendations based on their estimation of a given unit's age and usefulness to the fleet. The lack of an objective, rational policy and procedure exposes the municipality to possible fraud and creates a possible scenario where most units are not being rotated in a cost-efficient manner. The lack of such a policy and methodology could partially be responsible for the lack of rotation in the CBS fleet.

Our review of data associated with 78 units listed in the report reveals an average age of 11.42 years per vehicle. The majority of the fleet is older than 10 years. Of the 78 active rolling vehicles examined, 45 are a decade or older. The entire inventory totals 891 years.

Consultants found no evidence of a written or defined methodology related to fleet rotation that guarantees unit replacement at the point when cost efficiencies are at their absolute highest. Without such, CBS is exposed to the likelihood that resources are being unnecessarily expended maintaining antiquated stock. There are practices and standards that can assist the Municipality in rationally determining when vehicles should be moved out of the system. In fact, consultants observed that the current replacement fund appears unsustainable and fleet charges among departments are inequitable and based on old data.

While many cities and municipalities across the United States have established policies lengthening out the useful life of their vehicles, CBS finds itself in a different situation. It is likely that the antiquated nature of the fleet is translated itself into the unnecessary expenditure of resources, which could be better invested in new fleet vehicles. CBS has software that tracks vehicle maintenance. It is therefore possible to quantitatively and fiscally determine the magnitude of the current replacement methodology. Any definitive measure would require extensive analysis of data, including the complete maintenance history of the existing fleet.

Nevertheless, based on our experience with other municipalities as well as very conservative assumptions, we can conclude the necessity for CBS to begin to address its aged fleet and rotate vehicles out of its inventory, which have reached or exceeded their useful life. Such a move saves resources. It may also improve the safety of employees who are called upon to use these vehicles on a daily or as needed basis.



FINDINGS

1. CBS is a candidate for significant savings in fuel & maintenance expenses.
2. No written or defined fleet rotation methodology exists which promotes more efficient replacement.
3. Purchase and maintenance decisions are not made collaboratively. Currently,
 - a. each department make its -own vehicle purchasing decisions and perform their own maintenance,
 - b. fleet charges to other departments are inequitable (staff is working to address this), and
 - c. vehicle rotation methodology is relatively non-existent.

These practices need to be discontinued and new policies adopted and followed.

RECOMMENDATIONS

1. Adopt a comprehensive 15-point Fleet Rotation Policy. Collaboratively review and establish a similar multidimensional decision-making model / policy associated with vehicle disposals and acquisitions. The Borough of Westwood in New Jersey, for example, has had a 40% improvement in its fuel economy over the past seven (7) years after implementing a standardized fleet replacement policy.

Consultants complement CBS for its automation of vehicle maintenance and repair records. It can enhance and build upon the benefits associated with this tool through the establishment of a policy, a fleet rotation methodology that maximizes investment in each vehicle. Specifically, clearly articulate a fleet replacement policy and methodology that incorporates multiple dimensions associated with the utility of any given fleet unit is required. There are practices and standards that can assist the CBS in objectively determining when vehicles should be moved out of the system. In an IQ Report, published by the International City and County Management Association (ICMA), the following is provided:

“The department should have a written replacement policy that is based, in part, on economic factors, with the goal of reducing overall equipment life cycle costs (procurement, maintenance, and disposal). The bottom line is that vehicles and equipment should be replaced when owning and operating them costs more than owning operating their replacements.”

When the annual maintenance costs of a vehicle or piece of equipment, combined with its trade-in or disposal value equals a figure greater than the cost of purchasing a new unit, it is time to consider the disposal and or replacement of the vehicle. The determination of the inputs associated with this calculation is possible with accurate, factual, and computerized data associated with the maintenance history of any vehicle. Beyond this formula lays a more complex methodology associated with determining whether a vehicle should be eliminated from the fleet.

Gone are the days when vehicles were automatically rotated when they reach time related and mileage thresholds. The contemporary utilization of these criteria supports and provides the basis for vehicle evaluation, not necessarily elimination.

2. Include departmental stakeholders in fleet acquisition decisions. Department staff members each have different expectations and preferences. Those preferences however, should be tempered and rooted in prudent decision-making. Joint-purchase decisions assure what is in the best interest of CBS as a whole rather than the desires of one individual or individual department. Fleet replacement and acquisition decisions should include the input and feedback

from the departmental users. Departments should be involved in setting not only policy, but also priorities associated with fleet replacements. The needs of each department can evolve over time.

3. Join a purchasing consortium. CBS should consider other financial factors such as the initial cost of the vehicle or piece of equipment in question. Its resale value. Its fuel economy, as well as its repair record. Non-fiscal considerations include the overall condition of the vehicle's body, mechanical condition, its suitability for the job intended, the image that CBS wishes to portray, employee morale, and the impact on the fleet staff's workload. When to begin the consideration or rotation of a fleet unit is a determination that varies among jurisdictions. Below are two examples:
 - The City of West Jordan, Utah, utilizes a 14-point system associated with its fleet replacement policy. Vehicles accumulate points based on age, use, and vehicle history. When a unit reaches 14 points, the City evaluates the unit and determines whether to dispose of it or transfer it to a different department.
 - The City of Peoria, Arizona has, as have many municipalities throughout the country, recently lengthened the number of years and mileage before a vehicle would be considered for rotation. In Peoria, departments are provided with incentives associated with maximizing a unit's life and use.

Note: While CBS staff look at and consider purchasing through the State or other alternatives, consultants were unaware of any formal relationships or memberships with other local governments, boroughs or formal purchasing consortiums.

IMPACT / EXPECTED RESULTS

1. Adopt a comprehensive 15-point Fleet Rotation Policy. The operating budget for the 2014 Central Garage Fund (repair budget) is \$935,769. The implementation of these recommendations will save approximately 25% of the repair budget over the next five (5) years if implemented – approximately \$1,000,000.
 - If CBS implements a '**vegetable oil in lieu of**' half of its diesel fuel program, then 50% of the diesel fuel purchased for vehicle and equipment use can be eliminated. Vegetable oil can be obtained from the restaurants in Sitka as well as the cruise ships that visit. The oil can be filtered by the fleet operations unit and then used in diesel engine vehicles. **(Refer to Attachment A for additional information.)**
2. Collaborative purchasing decisions. Such inclusion will enable CBS to avoid accusations of departmental favoritism and potential general staff frustration while reinforcing an equitable, clear policy which serves the public interest.

- If CBS chooses to replace vehicles and equipment which are more fuel efficient than those presently in service, it is anticipated that fuel economy of the CBS fleet will improve by 30% over the next seven (7) years.
3. Purchasing consortium. Joining a purchasing group of public agencies (State contract, co-operative among local governments) could effectively save CBS expenses while obtaining high-quality vehicles at a bulk-price over standard retail options.

PARKS & RECREATION

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Outsourcing of some parks maintenance functions appears feasible, could provide some cost savings.	Prepare and issue RFP / RFI to identify suitable local / regional contractors.	Cost: ND Savings: \$10,000-\$15,000 per year Benefits: Increased productivity of existing full-time staff, savings from seasonal staff.

BACKGROUND AND SERVICE LEVEL INFORMATION

CBS actively maintains and manages 40 parks, grounds areas, ball fields, recreation sites, trails, one remote cabin and other open spaces. In all, CBS maintains 109 acres and 10.67 miles of trail. This includes the following:

- 7 parks
- 3 playgrounds
- 2 recreation sites
- 11 ball fields
- 27 landscape areas
- Kaisei-Maru interpretive memorial site
- Tom Young Cabin
- Cemetery
- 10,67 miles of trail
- 27.2 acres of turf (1,186,661 sq. ft.)

In 2014, CBS appropriated approximately \$600,000 to the Recreation Department which amounts to approximately 2% of the General Fund. As a matter of comparison, CBS appropriates significantly less per-capita for recreation services than the neighboring community of Juneau and less than Wasilla and Anchorage.

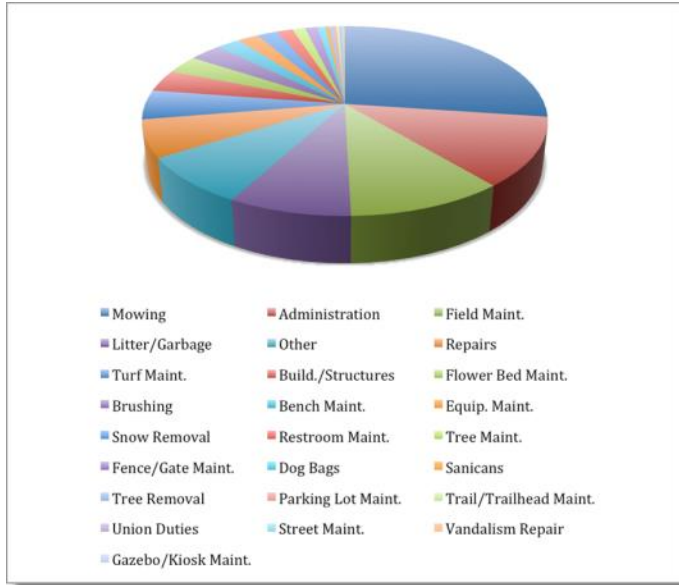
	Anchorage	Juneau	Sitka	Wasilla
<i>Budget as a Percent of Total Operating Budget</i>	4.95%	3.99%	2.24%	4.77%
<i>Recreation Budget Per Capita</i>	\$ 72.13	\$ 394.85	\$ 66.35	\$ 95.78
Total Department Op. Budget	\$ 21,539,654	\$ 12,854,600	\$ 600,236	\$ 809,930
Total Salaries and Benefits	\$ 10,394,976	\$ 3,769,100	\$ 326,848	\$ 594,669
<i>Salary as % of Op. Budget</i>	48%	29%	54%	73%

In 2003, CBS issued a request for proposals specific to mowing, weeding, trimming, fertilizing, thatching, edging, etc. for municipal ball fields, parks, city facilities, schools, harbors, medians, and cemetery. The City sought to establish a seven-year, renewable contract with a service provider.

The table on the right details the lawn areas and quantities itemized in the 2003 RFP:

According to staff, the 2003 RFP failed to identify a contractor that would be able to assume the duties and services stipulated in the request for proposals. Meanwhile, a small parks crew, including four seasonal workers, provides open space maintenance. CBS, meanwhile, expends approximately \$45,000 per year to compensate four seasonal workers.

Lawn Areas	Square Feet
Airport	7,846
Baranof School	2,800
Blatchely MS	6,000
Castle Hill	1,000
Cemetery	32,400
Centennial Bldg.	31,950
City/State	6,300
Crescent Harbor	89,600
DeGroff Island	1,750
High School	70,000
Library	11,425
Lightering Facility	3,000
Moller Lower	65,110
Kimsham	239,580
Municipal Bldg.	1,200
Pioneer Park	5,000
Public Works	2,500
Sealing Harbor	87,196
Sitka Com. Hospital	17,275
Swan Lake	24,800
Pacific High	6,000
Thomsen Harbor	15,700
Transfer Station	4,800
Turnaroud Park	28,750
KGH Ball Field	94,300
Verstovia School	16,925
Whale Park	4,200
Waste Water Plant	55,650
Total Sq. Ft.	933,057



The chart above breaks down parks maintenance functions by type and number of hours dedicated to each function, from June through September. There were 6,360 total number of hours dedicated to 25 primary duties.

OBSERVATIONS AND ANALYSIS

As the chart above illustrates, approximately 27% of man-hours are dedicated to turf mowing alone. Another 8% of hours are spent on sanitary duties and 319 hours (5%) are spent on turf maintenance. These functions, in our experience, are some of the most outsource-able parks functions. While the limited contractor pool may present CBS with difficulties associated with privatizing all parks functions, we believe that the following parks functions can be outsourced:

- Mowing
- Sanitary (Litter removal, garbage cans)
- Turf Maintenance
- Brushing
- Tree Maintenance
- Tree Removal

The removal of these tasks would correspondingly eliminate 2,913 man-hours during a six-month schedule. Given an hourly wage of approximately \$10.80 per seasonal worker (\$45,000/1040 hours/4 seasonal workers), CBS can expect to eliminate \$31,460 in wages alone by outsourcing. Therefore, CBS would not financially benefit from an RFP unless the cost is below the \$31,000.

FINDING

A scarcity of capable contractors and the corresponding magnitude of parks functions pose the primary obstacles associated with outsourcing parks maintenance functions; this despite the fact that nearly half of all current labor lends itself to outsourcing.

RECOMMENDATIONS

CBS should issue an RFP / RFI for the most outsource-able functions of parks and recreation maintenance.

IMPACT / EXPECTED RESULT

If CBS is able to contract with a private provider, the estimated savings could be \$10-\$15,000 per year. *Cost:* ND. *Savings:* \$10,000-\$15,000 per year. *Benefits:* increased productivity of existing full-time staff, savings from seasonal staff.

PORTS & HARBORS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Harbor operations face escalating ongoing costs associated with operating and maintaining this significant asset.</p>		
<p>1. Fee schedule does not automatically appreciate w/ the annual Consumer Price Index (CPI).</p>	<p>Maintain a fee schedule which generates revenue at an appreciation rate of 2.5% annually or the CPI.</p>	<p>Cost: None, internal. Savings: ND Benefit: prudent approach to capital infrastructure maintenance & replacement.</p>
<p>2. Delinquency fees are high and need to be curbed;</p>	<p>Adopt a policy reducing tolerance for delinquent patrons: 60 days delinquent = eviction and placed on the harbor’s waiting list*</p>	<p>Cost: ND. Savings: ND, significant efficiencies. Benefit: Realigns costs vs. expense of operating the ports and harbors & staff collection activities.</p>
<p>3. Lightering fees need to be brought into better alignment with other Alaskan ports.</p>	<p>Recommend increasing the fee by at least 25% *</p>	<p>Cost: None, internal. Savings: a 25% increase in the lightering fee expects to net >\$15,000 / year. Benefit: prudent approach for infrastructure maintenance & replacement;</p>
<p>4. Fish Box Tax does not distinguish between box weight of 25 lb. & 50 lb.</p>	<p>Amending the fish box tax from a flat fee ‘per box’, to a ‘gross weight’ or ‘per box weight’ formula.</p>	<p>Cost: ND. Revenue: up to \$200,000 / year. Benefit: Increased tax revenue; should apply to harbor infrastructure improvement</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

Total FY 2014 revenue for the Harbor Fund was \$7,454,200 and total expenditures were \$4,261,491. The total Salaries and Wages were \$462,963 with an additional \$363,242. The total compensation was \$826,205, which represents approximately 19.4% of total Harbor Fund expenditures. **The harbor facilities are currently in need of repair or replacement at the current estimate of \$16,000,000.**



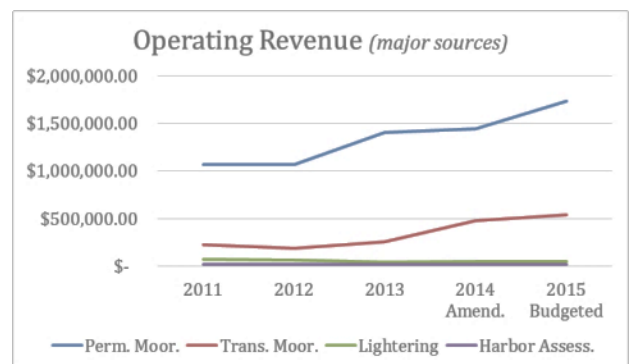
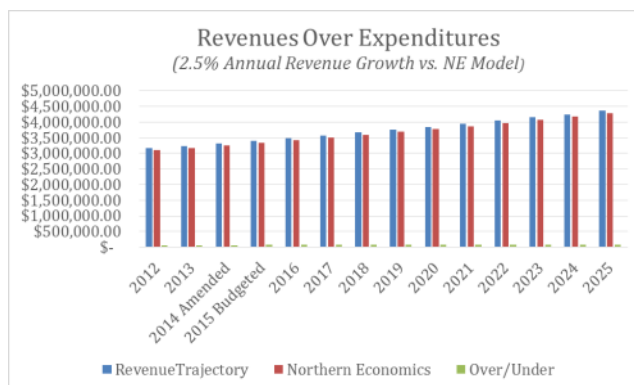
The CBS Harbor System consists of five harbors with more than 1300 stalls and more than 40,000 linear feet of moorage. Stalls range in size from 16 feet to 150 feet. The city maintains a wide range of infrastructure associated with the Harbor system, including Fisherman’s Work Float, Marine Service Center Bulkhead, Thomsen Harbor Breakwater Float, boat launch ramps, two cruise ship lightering docks, fish cleaning stations, title girds, a seaplane base, and parking areas. CBS currently has more than 1100 permanent moorage holders, of which more than nine in 10 are Alaska residents. Recreational vessels make up about 60% of the user base, with commercial fishing vessels contributing 30%, and charter vessels and other vessel types making up the remaining 10%. Sitka’s harbors also have a waiting list for moorage. The list currently exceeds 300 vessels – include those waiting for a stall and commercial fishing vessels.

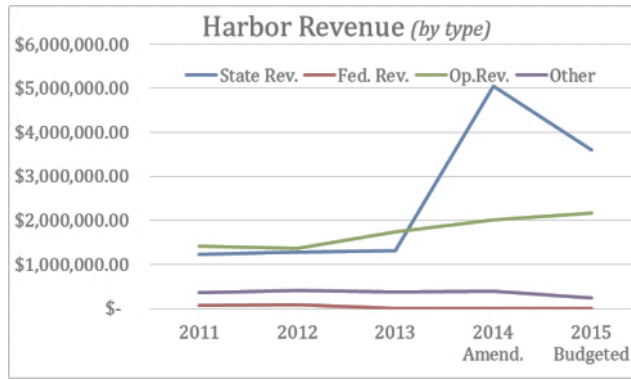
Under the current moorage rate structure, CBS generates approximately \$2.28 million annually in moorage revenue (\$1.73 million in permanent moorage and \$544,000 in transient moorage), as well as \$237,000 of other revenue. Total revenue, less grant revenue, is expected to exceed \$3.8 million by the close of fiscal year 2015. As noted in a 2012 Northern Economics report commissioned by CBS, revenue had been sufficient to cover operating needs, but was not enough to cover depreciation or facility replacement. Since the issuance of that report, CBS has acted to increase fees.

OBSERVATIONS AND ANALYSIS

Fiscal Conditions

The CBS harbor operations have historically been supported by state, Federal, and operating revenues. A review of these sources indicates significant grant funding has been received from the State of Alaska in the last two years and is expected once again in the 2015 budget. As mentioned previously, operating revenue has been on an incline since CBS adjusted moorage these in 2012. Lightering fees, associated with accommodating larger cruise ships, has conversely been on a decline since 2012. Meanwhile, Federal assistance has all but dried up since 2013. The chart below illustrates these trends.

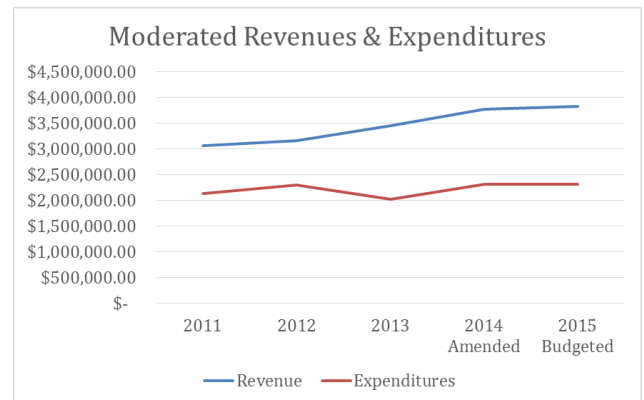




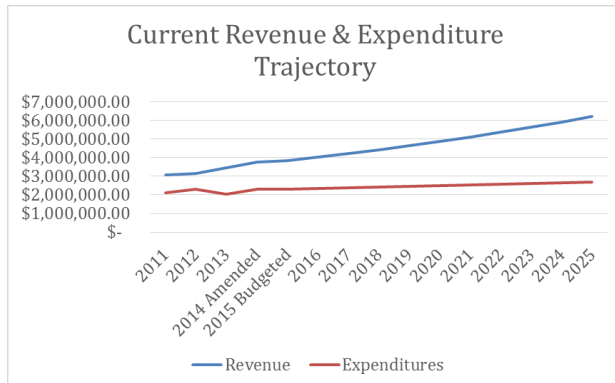
An examination of operating revenue shows four primary sources: permanent moorage, transient moorage, lightering, and harbor assessments. As mentioned above, lightering revenue has declined in recent years, while harbor assessments have remained static. Moorage revenue has increased significantly since 2012. Recent increases adopted by the Assembly were in response to recommendations made in a 2012 analysis of

harbor operations conducted by Northern Economics. The following chart shows a five year trend of these four primary operating revenue sources.

An examination of revenue versus expenditures, meanwhile, reveals the recent impact associated with CBS receiving nearly \$7 million in grant revenue over the last two years. The chart below also shows the increase in revenues associated with adjusting moorage rates in 2012. Finally, the chart also shows intended expenditures of grant funding in 2014 and 2015.

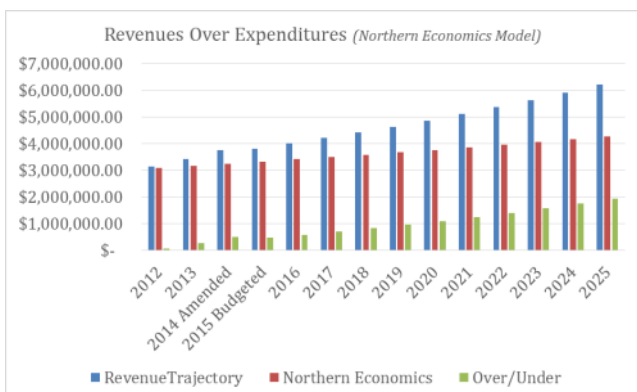


The inclusion of grant funding and capital expenditure activity partially obscures the true historical relationship between revenues and expenditures.



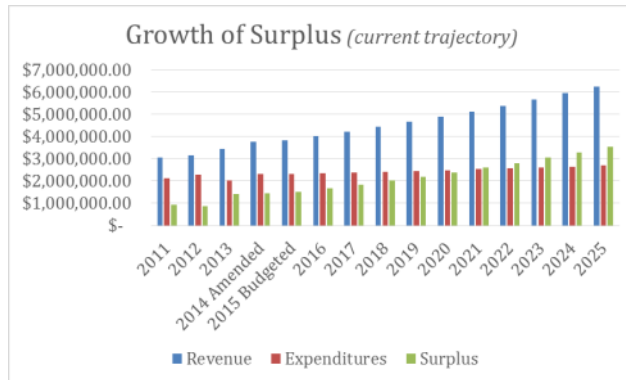
The following chart shows revenue and expenditure trends. It attempts to extract large grant funding and capital expenditures from the trends by utilizing historical data and extrapolating to the present. The two trend-lines illustrate what the trends look like in the absence of extraordinary grant funding and capital expenditures.

The next chart illustrates revenue and expenditures at historic rates of increase and extrapolates these trends to the year 2025. In fact, our analysis shows that at its current trajectory (which shows a 5% annual revenue growth and a 1.5% annual expenditure growth), CBS will have realized \$31.65 million of revenue over expenditures by the year



2025. The following chart illustrates the impact of these trends on surplus growth.

In the 2012 Northern Economics analysis, it is suggested that \$3.1 million (in 2012 dollars) is required to meet all operational and capital needs of the Sitka harbor operations. Using this as a baseline assumption as well as the current 5% annual growth rate in revenues, as well as assuming a 2.5% inflationary factor associated with expenditures, we can expect that CBS will have realized \$13.5 million of total revenues over expenditures by 2025. The following chart illustrates this.



Our analysis shows that by maintaining annual revenue growth at 2.5% annually, CBS will be able to provide for operational and capital expenditures through 2025, and still be able to realize a cumulative surplus of \$1 million by that year. The following chart illustrates this.

The conclusion of our analysis is that CBS has appropriately reacted to the Northern Economics recommendation to maintain a fee structure that supports both operational and capital needs. Without the fee increases that ensued following the presentation of the Northern Economics report, CBS would not have had the funds necessary to meet over \$100 million in capital needs. The city is now in a position that should enable it to maintain stasis with expenditures by maintaining an annual growth rate in revenues of 2.5%. In order to accomplish this, CBS will need to continue to maintain market parity specific to its fee structure. The following discussion will focus on this topic.

Delinquencies

Interviews with harbor staff revealed that delinquencies associated with tardy stall occupants/patrons represent an ongoing problem for CBS. According to staff figures, and the last batch of collection letters sent, 162 were sent to patrons who are currently 30 days late, 27 letters were sent to patrons that are 60 days late, and 66 letters were sent to patrons who are currently 90 to 120 days delinquent. Meanwhile, the harbormaster reports that his assistant charged with collections spends 25% of her time writing and mailing letters to delinquent stall occupants.

Fish Box Tax

In January 1, 2007, a flat rate tax of \$10 per box was levied on packaged fish or seafood caught by fish charter customers and collected by whoever packages the fish. There are three established fish processing facilities in Sitka, with additional fish processing that occurs at various lodges. The total fish box revenue collected for FY 2013 was \$112,890.

It was observed that the per box fish tax is levied on boxes that are between the weight of 25 lb. and 50 lb. boxes.

In conducting a small benchmarking study of comparable cities and towns in Alaska, consultants noticed Sitka charges 'by the box' rather than 'by the pound' most other communities do. As a result, City of and Borough of Sitka may be missing up to \$200,000 in potential revenues per year.

FINDINGS

Harbor operations face escalating ongoing costs associated with operating and maintaining this significant asset. Findings include:

1. Automatic Fee Adjustments. Fee schedule:
 - a. does not automatically appreciate to cover the cost of inflation or parallel the annual Consumer Price Index (CPI),
 - b. does not permit the accumulation of working capital to cover the costs of operation,
 - c. does not provide enough revenue to accumulate working capital, and
 - d. does not create enough revenue to create an emergency reserve.
2. Delinquency fees are high and need to be curbed. CBS can do more to better administer its operations and minimize delinquencies by implementing policies that more effectively discourage tardy payments.
3. Lightering Fees. Lightering fees need to be brought into better alignment with other Alaskan ports.
4. Fish Box Tax. By not differentiating between the weight of a 25 lb. and 50 lb. box of fish, the City and Borough may be missing potential revenue of up to \$200,000 / year as compared to both boxes being equally taxed at a flat rate of \$10.

RECOMMENDATIONS

By proactively adjusting fees in the last two years to better align revenues with these needs, CBS has begun to realign costs of operations with revenues. Adjustments to the fee schedule will be necessary to meet operations and \$16,000,000 in capital improvement needs.

1. Fee / Policy Adjustments. CBS should remain vigilant of the harbors capital needs and adjust its fee schedule as needed in order to align resources with those needs.
 - a. Assure that a fee schedule is established which:
 - i. generates revenues at an appreciation rate of at least 2.5% annually or the CPI,
 - ii. permits a small accumulation of working capital, and
 - iii. creates an emergency reserve.
2. Delinquencies.
 - a. CBS should adopt a policy reducing tolerance for delinquent patrons. After examining the policies of other Alaskan harbors, it is recommended that at 60 days delinquency, owners can be evicted and placed on the harbor's waiting list.

- b. Lightering. CBS should immediately examine whether the lightering fee has been set at an appropriate level. Our examination and subsequent recommendation increasing this fee by at least 25% (or \$15,000) / year.
- c. Fish Box Tax. CBS should consider the costs and benefits associated with changing the fish box tax from a flat fee per box, to a percentage of gross weight or may charge a flat fish box tax of \$10 per every 25 lb. box of fish.

Flat Fish Box Tax	50 lb. boxes	25 lb. boxes
Total lbs. of Fish	1,000,000	1,000,000
# of Boxes	20,000	40,000
Total Box Revenue @ \$10/box	\$200,000	\$400,000

IMPACT / EXPECTED RESULTS

Recommended fee and policy adjustments are necessary for operations and capital improvements. The following impacts can be anticipated:

- 1. Fee / Policy Adjustments.
 - a. Maintained fee schedule. **Cost:** ND. **Revenue:** up to \$200,000 / year. **Benefit:** Increased tax revenues and positive fiscal operations to improve harbor infrastructure over time, plus an emergency reserve.
- 2. Delinquency Fees. **Cost:** ND. **Savings:** ND, significant efficiencies. **Benefit:** Realigns costs vs. expense of operating the ports and harbors & staff collection activities.
 - a. Lightering Fee. **Cost:** None, internal. **Savings:** a 25% increase in the lightering fee expects to net >\$15,000 / year.
 - b. Fish Box Tax. **Cost:** ND. **Revenue:** up to \$200,000 / year. **Benefit:** Can effectively raise more tax revenue by collecting \$10 more per every 25 lbs. of boxed fish that was previously being unrealized in a 50 lb. box.

STREETS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Poorly established and / or enforced engineering standards appears a primary cause for premature aging of street infrastructure</p>	<p>Department and CBS Attorney should begin to review and revise Engineering & Design Standards; from a consultant can provide both state and national context, training</p>	<p>Cost: \$10,000 (consulting fees) + staff time. Savings: \$ millions over 20 years. Benefit: improved enforcement and project management; longevity of street infrastructure.</p>
<p>2. Street Department successful in maintenance given many constraints</p>	<p>Department Management should continue to maintain its Street Inventory, Road Master Plan and continue to retain high quality, resourceful employees.</p>	<p>Cost: \$ as budgeted; Savings: ND. Benefit: ongoing training to assure design, engineering, project management standards sustained.</p>
<p>3. 70-80% of the street infrastructure is at or beyond its lifespan.</p>	<p>See below.</p>	<p>See below.</p>
<p>4. Strategy & long-term (20-year) commitment needs to be addressed immediately.</p>	<p><u>Strategy and Commitment.</u> a. Revisit the Local Improvement District for \$20 million LID. b. Seek Federal/State Funds. Use LID as “match” c. Undertake a public education campaign</p>	<p><u>Strategy and Commitment.</u> Cost: ND (to be determined); Savings: potentially significant. Benefit: long-term solution.</p>

BACKGROUND AND SERVICE LEVEL INFORMATION

Streets Department division was \$1,506,870.45, which represents approximately 5.6% of the Total General Fund Budget. The total Salaries and Wages expense was \$312,146 with an additional \$209,596 in fringe benefits. The total compensation of \$521,742 is approximately 34.6% of the total Streets Department budget. Funding for road and repair maintenance comes from the General Fund. The budget for FY 2015 is \$1.3 million for road improvements.

Many of the city’s 22.13 miles of residential streets were not paved until a Local Improvement District (LID) was created and State grants aided funding in the 80s and 90s.

OBSERVATIONS AND ANALYSIS

Consultant observations of local street conditions were that many of the roads are in need of repair and show signs of cracking and potholes. Consultants were curious if the Street Department maintained a street inventory and, if so, to what level of effectiveness this information was used in ongoing street maintenance and forecasting complete street repair. Consultants were presented with a copy of the CBS’s Street Inventory and Pavement

Management Plan. These documents demonstrate that not only are department staff familiar with construction and engineering standards, but they also have produced a comprehensive street inventory and complete Road Master Plan. Both documents continue to aid CBS in the ongoing and forecasted street maintenance.

Unfortunately, consultant observation and review of the Street Inventory creates more questions than answers. Why does the Street Inventory lack depth information? Consultants learned that a combination of factors have led to the current condition of the poor streets. Poor adherence to standard engineering and design standards, including use of the proper road base (in some areas no road base was observed), as well as and possibly poor construction practices such as compaction and proper drainage design.



Maintenance Quality

Despite the tremendous influx of state funding 20-30 years ago, the lower than expected funding for re-investment during the past 10 years, and the unknown details of individual road quality, and lack of as-built information requiring staff to often ‘work blind’, the roadways should be in *worse* condition – particularly given Sitka’s climate. Considering the above-mentioned problems were not all known simultaneously but have come to light over the last 3-4 years, street maintenance has been completed remarkably well. While some of the roadways were not initially constructed to the expected engineering standards with required materials, proper depth and compaction of road base and proper depth of asphalt, staff has done a tremendous job extending local streets beyond their expected life – nearly double the expected life of the streets! Assembly and residents can be assured that their streets have been *exceeding* their initially anticipated life spans.

All can be assured that this department has accomplished a lot with very little the past 4-5 years to stretch the remaining life of the asphalt and base as long as possible. Given the limited financial re-investment put into street repair and maintenance the past 10 years, ‘patch and fill’ simply isn’t an option. Continuing the status quo will only cause the roadways deteriorate more rapidly and rely on an even greater amount of local tax dollars to replace it. The challenge now for CBS is ‘*what to do about it?*’

FINDINGS

1. As reported by the Engineering Department, roads which were constructed 20+ years ago failed to properly adhere to expected engineering standards. While lack of adherence to established expected engineering standards may have been the cause for some premature aging of street infrastructure (precede current administration).
2. Street Department has been remarkably successful in maintenance and given many constraints. The City and Borough staff have worked feverishly in the past 10 years to establish and adhere strictly to engineering standards and rigorous construction management Department inventory, planning documents, offices and even the sign repair shop were all in better than expected order.
3. 70-80% of the street infrastructure is at or beyond its reasonable lifespan. The Street Department needs a reliable funding strategy and source for future road reconstruction.
4. A long-term (20-year) commitment needs to be addressed immediately. While CBS should be complemented for its \$1.3 million investment for 2015, this cannot be sustained for 20 years when an estimated \$45 million is immediately needed.

RECOMMENDATION

1. Engineering & Design Standards; Training. Department and CBS Attorney should review and revise Engineering & Design Standards, including bid specifications and bond requirements to assure adherence and enforcement to protect future street infrastructure projects. The assistance of a consultant can provide both state and national context on road standards as well as provide professional training to staff.
2. Ongoing maintenance. Department Management should continue to maintain its Street Inventory, Road Master Plan and continue to retain high quality, resourceful employees.
3. Strategy and Commitment.
 - a. LID - Although a combined street-hospital millage increase was voted down in 2011, consultants strongly recommend the Assembly revisit the millage rate increase option for a \$20 million LID - strictly for local streets. The LID will only partially fund street improvements.
 - b. Seek matching Federal & State Funding – Receiving a ‘matching contribution’ from federal and state sources is much more likely with a matching contribution by the city without having to fully fund replacements.
 - c. Public Education - CBS needs to continue to undertake a public education campaign to communicate the urgency of the infrastructure needs of the community, the proposed plans for infrastructure investment, and the issue of declining financial resources. Doing nothing will only worsen the financial position of the City and have a negative impact on the local economy until a tax adjustment will eventually pass.

IMPACT / EXPECTED RESULTS

1. Engineering & Design Standards. **Cost:** \$10,000 (consulting fees) + staff time. **Savings:** \$ millions over 20 years. **Result:** improved enforcement and project management; longevity of street infrastructure.
2. Ongoing maintenance. **Cost:** \$ as budgeted; **Savings:** ND. **Result:** ongoing training will assure design, engineering and project management standards are maintained.
3. Strategy and Commitment. **Cost:** ND (to be determined); **Savings:** potentially significant. **Result:** long-term solution.

WATER & WASTEWATER

WATER & WASTEWATER

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Facility clean, well-maintained.	Continue to monitor and maintain facility.	Cost: ND, as budgeted, staff. Savings: continuous. Benefit: efficient management of facility and public resources.
2. Telephone lines or system need replacing, upgrade.	IT needs to assess and replace defective equipment or run new line as needed.	Cost: estimated <\$5,000; Benefit: risk of mis-alarm; staff time and attention;
3. Old ventilation system caused corrosion of lab equipment.	Continue to monitor air quality within the facility.	Cost: ND Savings: potentially significant. Benefit: continue ongoing monitoring, replacement as needed.
4. Staffing levels appear appropriate, however staffing needs & skills should be reevaluated.	Conduct Staffing skills assessment and a review of department functions, service levels. Adjust as necessary.	Cost: \$1,500, 30 days; consultant & staff time. Benefit: assurance of sustainable, efficient operations.
5. Dep. Superintendent vacancy should be filled.	Hire a Recruitment Consultant.	Cost: \$22,500, 90 days. Benefit: reduced risk, opportunity to be trained by Department Director.

BACKGROUND AND SERVICE LEVEL INFORMATION

CBS owns and operates a 4 MGD water treatment plant and 5.3 MGD wastewater treatment plant. Operations and maintenance is provided by a division composed of 11 staff:

- 3 Water Treatment Operators,
- 5 Wastewater Operators (*includes 1 Lab Specialist and 1 Maintenance Specialist*), and
- 3 Maintenance Personnel (*an electrician, a facilities person and an apprentice*).

The 2014 amended budget data states the Wastewater Fund total expenditures at \$2,776,326 and revenue was \$2,439,000. The total Salaries and Wages were \$652,391 with an additional \$422,712. Total compensation of \$1,075,103 represents 38.7% of the total Wastewater Fund expenditures.

The Division Head, the Environmental Superintendent, is assisted by a Deputy Superintendent who oversees a Chief Water Operator and a Chief Wastewater Facilities Operator. The Deputy Superintendent position is currently vacant.

OBSERVATIONS AND ANALYSIS

The Wastewater Treatment Fund division runs a very efficient operation. Having examined the local streets, and visited aging buildings and other facilities, consultants were concerned about the potential for another aging public facility. An unannounced tour of the facility reflected a

high-quality operation, well-maintained working environment and well organized and capable staff. The facility is in very good condition and the facility appears to be very well-run.

In comparing the fiscal health of all utility funds, the Wastewater Fund maintains a revenue positive operating environment with a positive balance in its undesignated working capital. The Fund completed a Sanitary Sewer Master Plan in 2012 and has benefitted from Assembly-approved fee increases for FY 2015.

Wastewater treatment involves *primary treatment only (essentially the removal of basic solids and sending the effluent to the ocean)*. The water treatment process involves essentially adding chlorine and fluoride to surface water – an appropriate process given the relatively high quality of CBS raw water. While this level of treatment is well below what is required in many local governments throughout the lower 48 states, however, it is appropriate given Sitka's location and proximity to other populated areas.

FINDINGS

1. Facility was clean, and extremely well-maintained.
2. Telephone systems (possibly only the lines) need replacing, upgrade. During our visit, the automated alarm system continued to call the office phones. Staff reported a frequent problem with the phone system.
3. Old ventilation system was insufficient and caused corrosion of electronic and lab equipment.
4. Staffing levels appear appropriate, however staffing needs & skills should be reevaluated.
5. The Deputy Superintendent vacancy needs to be filled.

RECOMMENDATIONS

1. Facility. Continue to monitor and maintain facility.
2. Telephone system replacement. IT needs to assess and replace defective equipment or run new line as needed.
3. Ventilation System: Continue to monitor air quality within the facility to assure proper ventilation is occurring. Budget and replace as necessary.
4. Staffing skills assessment. Because of the numbers of employees in this department has on the financial, quality of life, and economic development of the City, a review of department functions, services and staff qualifications, skills and experience is recommended. A realignment of organizational structure and staffing should be made if determined necessary.
5. Hire an executive search firm to identify and assist in filling the Deputy Superintendent vacancy.

IMPACT / EXPECTED RESULTS

1. Facility. **Cost:** as budgeted. **Savings:** continuous. **Result:** efficient management of facility and public resources.

2. Telephone System. **Cost:** estimated <\$5,000; **Savings:** ND. **Result:** risk of mis-alarm; staff time and attention;
3. Ventilation System. **Cost:** continuous; **Savings:** potentially significant. **Result:** continue ongoing monitoring and replacement as needed.
4. Staff Skills Assessment. **Cost:** \$1,500, 30 days; consultant & staff time. **Savings:** ND. **Result:** assurance of sustainable, efficient operations.
5. Recruitment Consultant. **Cost:** \$22,500, 90 days. **Result:** reduced risk, opportunity to work with and be trained by Department Director prior to his departure.

ELECTRIC UTILITY

ELECTRICAL DEPARTMENT: OPERATIONS

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
<p>1. Transmission efficiency (energy lost) meets the national average of 6%.</p>	<p>Continue to implement system improvements to increase transmission efficiency</p>	<p>Cost: ND Result: Increased efficiency, decreased operational costs</p>
<p>2. Residents should be encouraged to conserve & reduce energy consumption.</p>	<p>Continue to promote and develop alternative sources of power & conservation programs Analyze a rate structure which encourages conservation.</p>	<p>Cost: ND Result: Reduced consumption = lower infrastructure demands. Results: minimized and/or postponed need for new infrastructure and attended costs.</p>
<p>3. Older meters don't allow monitoring of use and efficient management.</p>	<p>Expand the use of new meter reading technology – technology that will allow for better consumption monitoring.</p>	<p>Cost: ND Result: Greater monitoring and measurement of revenues, current and future infrastructure needs.</p>
<p>4. Department is facing increasingly challenging staffing needs and potential continuity loss.</p>	<p>Upgrade Systems Engineer to System Engineer / Deputy Director to improve recruiting. Develop a Succession Plan for all key positions. Begin transition / recruitment process for Department Director.</p>	<p>Cost: No fiscal impact if implemented. Alternative could be costly. Result: If recruitment is started early, finding a suitable applicant is more likely and less costly.</p>
<p>5. Commercial customers do not have a rate structure that promotes energy conservation.</p>	<p>Short Term: The Electric Utility generates power using water flow and dams. Presently it has excess capacity and until it approaches capacity, usage should be encouraged. Long Term: As long as the State of Alaska is willing to fund future growth in capacity, continue on the current path. Should that funding be eliminated at some point, then once the current electrical usage reaches 80% of capacity, the CBS should review the existing rate structure to take advantage of the new technology and flatten demand</p>	<p>Short Term Cost: None Long Term Cost: Political & economic issues. Short Term Results: Increased revenues to the Utility. Long Term Results: Adjusting rates when external dollars are no longer available to fund increases in capacity would lead to reduced consumption and to avoid or at least postpone a large capital project and related costs.</p>

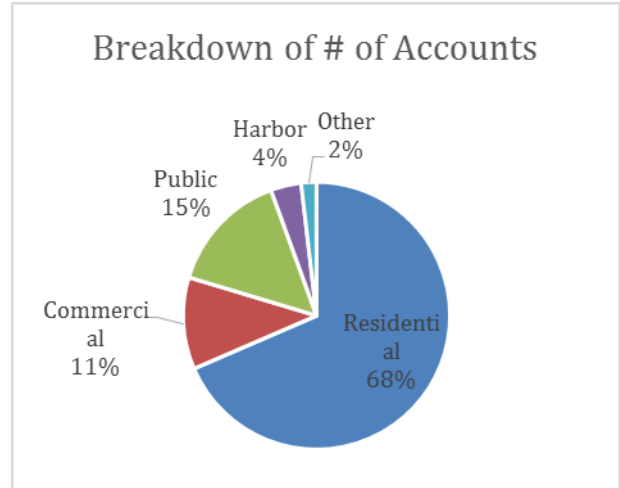
BACKGROUND AND SERVICE LEVEL INFORMATION

The Department seems to be extremely well run. One measure CBS compares to other utilities in terms of system-wide electricity losses. THE CBS's is 6% (source: Sitka Energy Department) is

identical to the nationwide average 6% (source: U.S. Energy Information Administration, 1900 - 2012). The staff members are knowledgeable and dedicated.

Staffing. The Electric Department is an enterprise fund and therefore no General Fund dollars are utilized to support its operation. The department is supported by 26 FTE's which conduct four functions: Transmission and Distribution (10 employees) Generation (11 employees) and Administration / Other (5 employees).

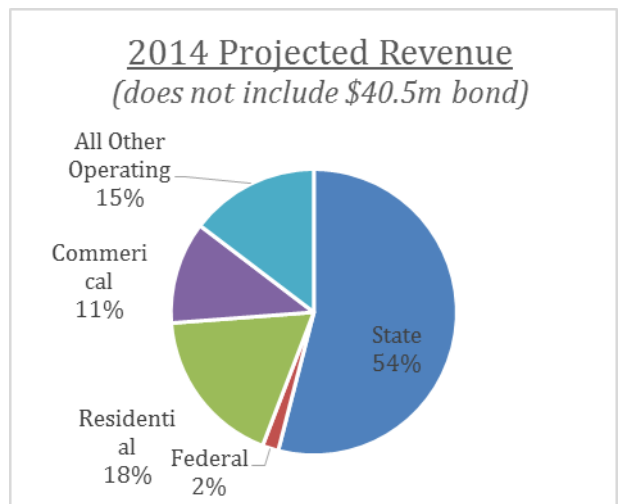
The Electric Department provides power to approximately 5,400 accounts. Almost 69% or 3,700 are residential, 11% or 600 are commercial, 15% or 800 are harbor, and 4% or 200 are governmental. The department is funded through State Grants (54%), Residential Fees (18%), Commercial Fees (11%), Other Operating Revenues (18%), and Federal Grants (2%).



Rate Structures. The rate structures for local customers are as follows:

- Residential:
'Increasing Block Rate' (the more electricity used, the **higher** the price per kilowatt),
- Commercial / Government / Harbor:
'Declining Block Rate' structure (the more electricity used, the **lower** the price per kilowatt).

Over the past three years, rates have increased 37%.



Payments & Delinquencies. The Electric Department generates power, reports the use of power by customers based on meter readings to the Utility Billing which renders the bills and then assists in the collection of bills. In this final step in this process of bill collection, the Department hangs notices on the doors of delinquent customers - a process that takes 5 man-hours per week on average. If payment is not received by the next day, the Department shuts off the power.

Regulations. The Department is impacted by a number of federal rules and regulations that are intended for application throughout the United States. However, due to the uniqueness of CBS, many of these regulations are not applicable. Overall, the staff has done a good job of demonstrating why CBS should be exempt from these regulations, and the State and federal Government have often agreed.

IMPORTANT NOTE: Sitka owns and operates 4 independent utilities – Electric Department, Water Department, Wastewater Department, and Solid Waste Department. The Municipal Finance Department produces one singular combined customer billing for all four utilities in one combined monthly statement. The Municipal Finance Department also operates a customer service counter for all combined utilities through which customer payments are received and processed, services established and disconnected, and customer problems resolved. The related report sections attempt to reflect a combined billing functionality as it operates and reflect it as a function of Finance Department.

OBSERVATIONS AND ANALYSIS:

CAPACITY

With the recent expansion, the Utility currently has excess capacity and any increases in consumption will lead to increased consumption with only very minor increased expenses. Hence, in the short term encouraging consumption will lead to increased revenues. As long as the State of Alaska is willing to fund additional capacity, the CBS can increase capacity at little additional cost. If, however, the State ceases to fund future capacity, then the CBS will be faced with a large capital investment in new or expanded generation capacity.

TECHNOLOGY, RATE STRUCTURE & BILLING

The cost electricity is based on two factors: the Capital Cost (*or the cost of building the infrastructure*) and the Production Cost of a unit (*kilowatt*) of electricity. Capital Costs tend to be high but once plant is constructed and equipment acquired, the actual Cost of Production of a kilowatt tends to be quite low. Example: constructing dam to generate electric power is very costly after which producing a unit of electric power is not. In fact, the cost of producing an *additional* unit of electricity can be extremely low – even close to zero. At some point, however, peak (and not average) demand approaches the capacity, the only way to generate more power is to build additional, costly infrastructure.



Historically, electric rates were based on average costs (*variable costs plus an allowance for depreciation of the infrastructure*). Since the average cost of production declines as more power is used, many utilities use a *declining block structure* to bill customers. This structure is felt to be the fairest as it reflects the actual cost of the electricity utilized. An alternative is to increase the rate as consumption increases with the theory is that ‘higher rates discourage consumption’. That approach can be important because if consumption can be reduced or held

constant, capacity is not reached and the construction of new infrastructure can be eliminated or at least postponed.

CBS currently uses a declining block rate structure for its commercial customers and an increasing block rate structure for its residential customers.

Improvements in metering technology have made it possible to measure consumption for discreet periods throughout an entire day. This ability has led to the development of new pricing structures that can impact consumer behavior. For example, some electric utilities measure the consumption in 15 minute periods and bill the customer based on the highest amount of consumption used at any time used during the a 15 minute period during the year. The theory is that the utility has had to construct capacity to meet this peak demand and the customer should pay for it.

Other utilities use time of day pricing. Under this approach, at the times of day when the customers of the utility as a whole are using the most electricity, the rates are higher. The natural reaction of customers is to shift some of their use to off-peak times. For example, if the peak period is 2 to 5 p.m. and the price is higher for those hours, some consumers may postpone running their washer and dryer until after 5 p.m. Large users might reschedule operations to avoid the peak or use their own generators.

Under either approach, customers will monitor their usage and attempt to flatten the demand curve. The result is that peak demand for the utility is reduced and it can postpone the need to build additional capacity.

The CBS has the metering technology and time-of-day analysis for approximately 1,000 of its customers. It is planning to continue updating the remaining meters in the near future.

STAFFING

The Electric Department Director is planning to retire in June and the Project Manager is planning to retire at approximately the same time. The System Engineer position has been vacant for almost two years. Another member of the senior staff can retire at any time. Something could happen to the person occupying the other position or he could decide to leave for some reason. As a result, at least two senior level positions will be vacated in the middle of next year. It is also possible that at least one other senior position will retire in the next year.

The Director is attempting to convert the System Engineer position to a Deputy Director / System Engineer. If he does not succeed in filling that position by the middle of next year, at least three of the current five senior level positions would be vacant. If one or two of the others were to leave, the Department could be devoid of senior lever management experience.

Recognizing the difficulty the Department has in finding well qualified engineers and the need for succession planning, it has begun looking introducing internship programs.

FINDINGS:

1. **Capacity & Conservation:** Due to greater generation capacity from the new Blue Lake hydro facility, capacity should not be an issue in the foreseeable future. CBS should be prepared to develop and introduce rates for its commercial and residential customers that will encourage conservation if/when the State of Alaska ceases to fund its capital plant expansions.
2. **Metering & Measurement.** Older metering technology does not allow the City to monitor use and efficiently manage future infrastructure needs.
3. **Rate Structure Revision.** The current rate structure encourages consumption for commercial customers which is appropriate given its current capacity. As noted, it may wish to reconsider that structure if the State ceases to pay for its capital expansion projects.
4. **Staffing:** Department is facing increasingly challenging staffing needs and potential loss of continuity due to three positions:
 - The System Engineer position has been vacant for almost two years,
 - The Electric Department Director is planning to retire in June 2015, and
 - The Project Manager is planning to retire June 2015.
 - Another member of the senior staff can retire at any time.

RECOMMENDATIONS:

1. **Capacity & Conservation.** Continue to promote and develop alternative sources of power and conservation programs – including re-examination of a rate structure which encourages conservation. This should be gradually introduced so that customers will have time to adjust how and when they do live their lives and do business. Careful consideration needs to be given to the implementation so that businesses are not encouraged to relocate elsewhere to locations where the rates may be lower.
2. **Metering & Measurement.** Expand the use of new meter reading technology – technology that will allow for better consumption monitoring. The City is wisely reinstating its program to install meters that will allow it to monitor all its customers' consumption on a more frequent basis.
3. **Rate Structure & Revision.** City needs to be prepared to its rate structure and take advantage of the new technology if the State ceases to fund new projects that expand its capacity. In the meantime, it should encourage consumption.
4. **Staffing.**
 - a. Upgrading the position of Systems Engineer to System Engineer / Deputy Director to improve recruiting success and continue to recruit.
 - b. Develop a Succession Plan for all key positions.

- c. Begin transition / recruitment process for Electrical Department Director.

Note: Based on the salaries in the Lawson Compensation Study, the City should expect to pay somewhat more than the recommendation for the Electric Generation Manager (whom the individual will supervise) and the Electric Director is making. That would be a range of approximately \$58.50 to \$67.50 per hour. If the City cannot find someone relatively quickly, it should consider hiring an executive recruiter with expertise in recruiting electrical utility personnel. The Department should also develop and implement a succession plan for the other senior level positions.

IMPACT / EXPECTED RESULT

1. **Conservation.** *Cost:* ND. *Benefit:* Reduced consumption will result in lower demand for new generation infrastructure. *Results:* minimized and/or postponed need for new infrastructure and the attended costs. *Caution:* Once the CBS' electric utility approaches capacity and the State stops paying for future projects, it should consider rates for its commercial customers that encourage consumption. The program should be implemented cautiously so that it does not drive businesses (and jobs) out of the CBS. Commercial customers will likely raise that objection whether changing the rate structure actually would or would not encourage businesses to leave. Analysis to determine the validity of the argument and where the tipping point might be.
2. **Metering & Measurement.** *Cost:* ND. *Benefit:* Greater monitoring and measurement of current and future infrastructure needs.
3. **Rate Structure Revision.** *Cost:* Potential political and economic consequences. *Results:* Adjusting the rates so all customers are on an increasing block rate structure could:
 - a. generate additional revenues for the utility or,
 - b. decrease the bills for residential customers while increasing the bills for commercial customers.
4. **Staffing.**
 - a. **Recruitment:** *Cost:* \$ no fiscal impact if implemented. The alternative of hiring temporary engineers to manage the operation could be quite costly. *Result:* IF recruitment is started early, finding a suitable applicant is more likely and less costly.

OTHER FINDINGS

VENDING MACHINES

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. 9 Vending Machines in Public Facilities could produce greater revenue	Bid out vending machine space.	Cost: \$0. Revenue: Rent Plus 20% of sales/ Benefits: Cover the cost of electricity, generate additional revenue.

OBSERVATIONS AND ANALYSIS

They are at least 9 vending machines at different locations (City Hall, Water Utility, Down at the Harbor) that are not currently under any known contract. The City is paying for the electricity required to operate the machines. Additional revenue could be generated if vending machine locations were designated for inclusion in a bid to contract out the vending services.

RECOMMENDATION

Bid out the vending machine space. Specify a monthly rent for the use of the space in addition to a percentage of the gross sales of each machine.

IMPACT / EXPECTED RESULTS

The rent from bidding out the vending machines should be priced at a minimum of a break-even cost to cover the electricity consumed by the machines. In the City of Westwood New Jersey, they charge a \$1 a month per machine and collect 20% of the gross vending sales. Beyond covering the break-even cost, there is a potential to be net-positive through the collection of rent and vending sales revenue.

COPY MACHINES

OBSERVED FINDINGS	SOLUTIONS RECOMMENDED	IMPACT / EXPECTED RESULTS <i>(min. estimates ND=not determined)</i>
1. Copier bundling and lease terms could reduce costs up to 20%.	Re-evaluate and bundle copier leases agreements	Cost: \$0 staff time only. Benefit: Est. 20% savings, improved service options.

OBSERVATIONS AND ANALYSIS

All of the copier leases should be bundled and re-evaluated. When bundled, a better lease rate or rent terms might be obtainable.

RECOMMENDATION

A comparable sized municipality in the lower 48 saved \$10,000 a year (or \$40,000 over 4 years) when compared to their previous lease contract by putting the copier service to bid. Include toner and paper in the bid specifications or lease clause.

IMPACT / EXPECTED RESULTS

Cost: \$0 staff time only. **Benefit:** est: 20% savings, improved

Conclusion

The Miracle of Local Government

Municipal Governments are complex organisms, regardless of types of services, size, location, or operating budget, municipal governments are difficult to manage. They are dynamic environments of macro-forces, competing demands and resource constraints. The political landscape is ever-changing with competing values of Assembly Members, Employees and Residents. It is truly a small miracle when services are performed at an acceptable much less exemplary level.

Purpose of the Study

The purpose of this study was to (a) identify opportunities for greater efficiency, and (b) provide management a clearer pathway for greater organizational efficiency, effectiveness and sustainability. This report contains the results of 5 months of high-level analysis of the Borough and City of Sitka's key internal systems, tools and processes.

Efficiency & Effectiveness in Sitka.

For a community of less than 10,000, the Borough and City provides services equal to that of few cities over 100,000. While the magnitude of each service is nowhere comparable, the level of complexity and the necessary knowledge, skills, experience and education are very similar. As these skill sets would be compensated at a much higher salary range in larger communities with comparable levels of complexity – CBS administration should be commended for steering the ship in the right direction.

Creating a Management Framework

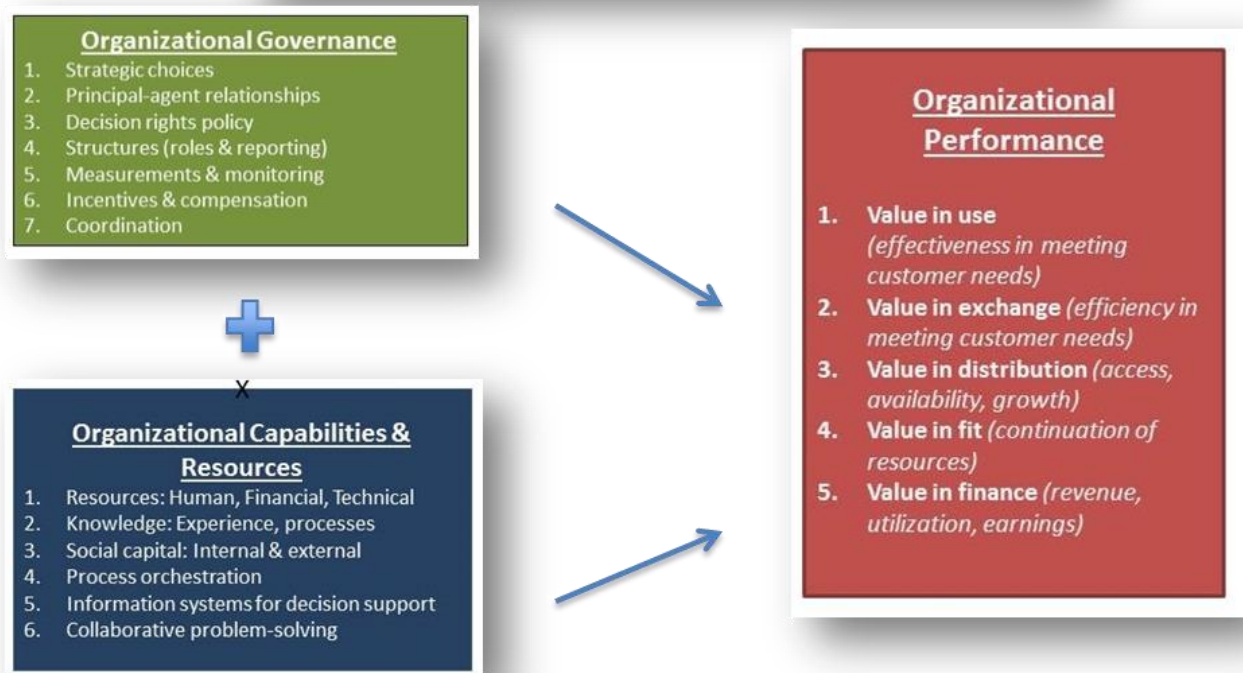
Identifying inefficiencies requires an understanding of these organisms and the factors that impact them. Since one citizen's waste is another citizen's essential program, when performing an evaluation, it is important to consider **Organizational Governance** and **Capabilities / Resources**. The former are the rules a city operates by to guide, steer, pilot and direct the local government.

Capabilities / Resources factors are the means, financial capital, knowledge capital, intellectual capital or fixed assets, required to carry out the organization's mission. These factors are illustrated below.

Understanding and identifying organizational inefficiencies must be done in the context of the entity. Organizational efficiency requires that findings and recommendations to be coupled with *values*. In other words, those reviewing this report, must be aware of what he or she values. This includes each member of the Assembly, each employee, each business owner and each local resident. Some key values might include:

1. **Value in the Use of Municipal Resources.** Is use of resources *effective* in meeting the customer’s needs?
2. **Value in the Exchange of Services.** How *efficient* was the service delivered?
3. **Value in the Way Resources Are Distributed.** Are services accessible, available and responsive to community needs?
4. **Value in Fit and Sustainability.** Should certain services be continued or could they be stopped? Should resources be reallocated to other needs?
5. **Value in Finance.** Are revenues and earnings utilized to their best potential?

**Organizational Strategy Framework:
Governance-Capabilities-Performance**



Priorities Framework

Consultants could recommend starting points in each department however, as we have learned with a previous recommendation to install water meters to measure water consumption, some recommendations may not be *valued* as much as others. While we have provided department-by-department findings and recommendations, those recommendations need to be prioritized.

Conclusion

Consultants have identified many areas in this report where departments can improve, but nowhere did consultants find a single area of such urgency where life or property was in serious peril. Opportunities for greater efficiency are largely department specific and correctable with proper emphasis and accountability.

The question is where to begin? We feel a three prong approach is desirable.

First, the Consultants recommend a facilitated Strategic Planning Process. The goal would be for the CBS to establish a framework that could then be used to prioritize the accomplishment of the more resource intensive findings. This effort would involve:

1. Residents + Assembly + Administration
2. Council + Staff,
3. City Manager + staff

Second, Information systems are the backbone of every modern organization. Consequently we believe the CBS should move ahead with the implementation of the recommendations improving the IT infrastructure.

Third, we recommend the CBS implement the suggestions we have made with little or no cost.

The tables below are provided to illustrate the Governance and Resources / Capabilities needs in each department and in aggregate. These tables are intended to be used in discussion of Strategic Planning and prioritizing implantation of our recommendations.

	Capabilities & Resources							
	Resources: Human	Financial	Technical	Knowledge	Process	Information	Collaborative	Organization
	14	14	14	14	14	14	14	14
Administration								
Administrator	X			X	X	X	X	
Centennial Hall			X	X		X	X	
Clerk				X	X			
Finance	X	X				X		
Government Relations						X		
Human Resources	X	X	X	X	X	X	X	
Information Systems		X		X	X	X	X	
Legal	X			X	X	X		
Planning	X			X	X	X	X	
Public Safety								
EMS	X			X				
Fire	X			X				
Police	X		X	X		X		
Public Works								
Building Maintenance		X		X	X	X		
Engineering	X		X	X	X			
Facilities Maintenance		X			X			
Fleet				X				
Parks & Recreation	X			X				
Parts & Harbors	X			X				
Streets	X		X	X		X		
Utilities: Electric	X	X		X		X		
Utilities: Water	X	X						
Utilities: Wastewater	X					X		
Other								
Library	X			X	X			
TOTAL	16	7	5	18	10	13	5	

	Organizational Governance							
	Rules	Strategic Choices	Principal Agent Relationships	Decision Rights Policy	Organizational Structures	Measurement & Monitoring	Incentives & Compensation	Coordination
Administration								
Administrator	X	X	X	X	X	X	X	X
Centennial Hall		X	X				X	X
Clerk	X			X		X		
Finance			X	X	X	X	X	X
Government Relations				X	X	X	X	
Human Resources		X	X	X	X	X	X	X
Information Systems	X	X	X	X	X	X	X	X
Legal						X	X	X
Planning	X	X		X	X	X	X	X
Public Safety								
EMS						X	X	X
Fire			X		X	X	X	X
Police		X					X	X
Public Works								
Building Maintenance			X		X		X	
Engineering					X		X	
Facilities Maintenance		X	X		X		X	X
Fleet						X	X	X
Parks & Recreation							X	X
Parts & Harbors		X	X				X	
Streets				X			X	X
Utilities: Electric	X		X	X	X	X	X	X
Utilities: Water	X						X	
Utilities: Wastewater	X					X	X	X
Other								
Library		X						
TOTAL	5	10	10	7	12	12	22	16

Thank you.

Municipal Solutions consultants would like to thank the Assembly, Staff and Residents of the City of Sitka for their support and interest in this project. We look forward to participating in your success during the months and years to come.

APPENDIX A

Software Replacement Costs and Process

New Software Procurement

Replacing software is a difficult issue to price and to define. For example, it is not uncommon for a software vendor to approach the Borough and City of Sitka with a “total” comprehensive software solution for some inexpensive solution such as \$100,000. If it sounds too good to be true – it probably is. First one must ascertain specifically what software application modules will be procured and then determine if it is a Hugo®, Chevy®, or Hummer® level of sophistication.

If we use the very simplistic example of a \$100,000 software solution, it is critical to plan at least once again the price for the many aspects of implementation. Then, most software vendors will charge maintenance beginning day one, thus it is prudent to plan another once again price for the first four years of maintenance. Thus, the hypothetical \$100,000 software would actually probably cost about \$300,000 during the first four years without the inclusion of any budgetary cost for hardware or communications. The following chart is provided as a sample of the type of variances software will cost and will cost to implement.

Month 1, 2, & 3	Month 4, 5, & 6	Month 7 & 8	Month 9 to 12
Initiate project and project planning	Develop RFP		Project Implementation and Oversight
Secure dCDRumentation from CDR	Develop RFP & Notify Vendors	Contract Development and Negotiations [Optional]	
Schedule interviews and meetings	Pre Bid Conference [optional]	Provide Re-Engineering Workshop [optional]	
Provide questionnaires to all users	Evaluate Vendor Responses		
Review materials provided by CDR	Onsite Demos		
Review materials provided by CDR	Offsite Clinet Visits [Optional]		
Review and analyze questionnaire responses	Corporate Headquarter Visits		
Interviews, meetings, and focus groups	Contract Development and Negotiations		
Review and analyze questionnaire responses			
Interviews, meetings, and focus groups			
Prepare Needs Assessment Report		Meetings to review draft documents	Presentations to CDR Officials
Prepare Needs Assessment Report		Meetings to review draft documents	Presentations to CDR Officials
Status Report	Status Report	Status Report	Status Report

Estimated Time Frames

With over 30 years of assisting municipalities with software procurement activities, we typically plan a **three-year timeframe** (from start to finish) to replace old software.

Normally we would estimate the Assessment of Need elapse time to first hire a consultant, then for the consultant to provide an analysis, and then the time for the CBS Assembly to go forward to approve an action plan would take one year.

The next step would be the procurement process period. Typically it will take at least one year [sample chart below], but given the normal delays and the concomitant issues with conversion parallel processing, and process re-engineering, it would be more prudent to plan a two year window of time for a software procurement and implementation.

	Est. Initial Costs		
	Probable	Low	High
Financials, Budgeting, Pay ables, Receivables, Pay roll, Water, Fixed Assets	\$350,000	\$100,000	\$800,000
Land Management and Code Enforcement	\$150,000	\$75,000	\$400,000
Implementation Costs [fit/gap, conversion, modifications, reports, interfaces, training, implementation mgnt, travel expenses]	\$500,000	\$100,000	\$800,000
Year One to Year Four Maintenance Costs	\$500,000	\$100,000	\$800,000
Years Five & Six Maintenance Costs	\$150,000	\$50,000	\$400,000
Estimated 6 year Software Costs	\$1,650,000	\$425,000	\$3,200,000
Annual cost per year of software	\$275,000	\$70,833	\$533,333
Initial Hardware Costs			
Servers [est. three servers]	\$55,000	\$25,000	\$70,000
PCs & licenses [using 10 new users as our model]	\$28,000	\$15,000	\$50,000
System and slave printers	\$5,000	\$3,000	\$15,000
Networking hardware and accessories	\$30,000	\$12,000	\$60,000
Installation and wiring	\$25,000	\$10,000	\$40,000
Estimated initial costs	\$143,000	\$65,000	\$235,000
Annual cost per year of hardware	\$23,833	\$10,833	\$39,167
Annual hardware and network support/maintenance [6 yrs]	\$102,000	\$55,000	\$200,000
Average hardware support and maintenance	\$125,833	\$65,833	\$239,167
Average annual cost for hardware, software, and outsourcing support	\$400,833	\$136,667	\$772,500

APPENDIX B**SAMPLE FLEET REPLACEMENT POLICY****Purpose**

The purpose of this policy is to establish criteria, procedures, and the mechanisms for replacing vehicles and equipment. The intent is to:

- Replace vehicles at appropriate intervals.
- Replacement vehicles must meet department needs.
- Establish reliable funding mechanisms and fair allocation of costs to each department.

Replacement Criteria

15 Point System – Each vehicle will be evaluated annually using a Point System that assigns points for age, mileage, and repair costs. Vehicles will ideally be replaced after reaching 15 points using the following guidelines. Points are not capped at 15. Points continue to accrue as long as age, miles, and maintenance costs are being logged in and accrued. The Point System can be applied fairly to most vehicles, regardless of their expected lifecycle or mileage. The Point System is simply a tool that quantifies the measurable criteria (age, mileage, repairs) and helps staff to prioritize replacements.

The 50 Point System is based on:

- Age (1 point for each 1/5 of target age)
- Miles (1 point for each 1/5 of target miles more hours)
- Maintenance (1 point for each 1/5 of target maintenance costs)

Vehicle Targets Table (see below)

The table below lists target age, miles, and maintenance costs for all vehicle classes. These targets do not automatically trigger replacement. Targets are the expected age and miles that replacement should be considered based on industry standards and actual experience.

Vehicle Downtime – – The vehicle downtime and frequency of visits to repair facilities will also be considered in the decision-making process.

Other Factors – – Vehicles may need to be replaced with less than, or more than 15 points, depending on department needs, funding, or other circumstances.

Vehicle Category	Target Age (years)	Target Miles or Hours		Target Maintenance: % of original purchase price
Fire Ambulance	7	125,000	Miles	50%
Fire Engine	10	7000	Hours	50%
Fire Letter	10	7000	Hours	50%
Fire Sedan	7	75,000	Miles	50%
Fire Truck	7	75,000	Miles	50%
Fire Special Ops	15	3000	Hours	50%
Other Sedan	7	100,000	Miles	50%
Other Truck	7	100,000	Miles	50%
Police Line Motorcycle	3	25,000	Miles	50%
Police Line Sedan	6	75,000	Miles	50%
Police Line Truck	6	75,000	Miles	50%
Police Line Special Ops	10	15,000	Miles	50%
Police Support Sedan	7	100,000	Miles	50%
Police Support Truck	7	100,000	Miles	50%
Public Works 10 Wheeler	8	100,000	Miles	50%
Public Works Bobtail	8	100,000	Miles	50%
Public Works Dump truck	8	100,000	Miles	50%
Public Works Heavy Equipment	8	100,000	Miles	50%
Public Works Sedan	7	100,000	Miles	50%
Public Works Truck	7	100,000	Miles	50%
Public Works Vactor	10	6500	Hours	50%
Public Works Sweeper	8	3500	Hours	50%

Exceptions to Standard Replacement Criteria

Special circumstances should be considered. A department may need to increase its number of vehicles, acquire a different type of vehicle, or replace a vehicle earlier than expected. In these cases, the requesting department submits the appropriate form and the Fleet Management Committee would consider the request.

Fleet Management Committee

The Fleet Management Committee makes recommendations to the City Manager regarding the vehicles to be replaced each year. The Committee includes representatives from the elected body, Finance, Fire, Police, Finance, Public Works, and Risk Management.

Replacement Procedures

Step	Actions	Timeline	Description
1	Point System Evaluation	February 1	Fleet staff calculates points to every vehicle as of December 31 of the previous year and distribute the points report to departments.
2	Department Submits Requests	March 1	Department heads review the points report, propose exceptions, special cases, requested vehicle replacements.
3	Fleet Committee Recommendation	April 1	Fleet Management Committee considers points and department requests, recommends vehicle replacement list and cost estimates to City Manager.
4	Governing Body Budget Approval	May – June	Governing Body first budget and vehicle replacement funding.
5	Fleet Committee Finalizes Replacement List	May – June	Fleet Management Committee finalizes replacement list based on Governing Body approved budget.
6	Fleet Lease Charge to Departments	May – June	Fleet lease charges appear in department budgets to repay City Fleet Funding account for new vehicles. Charges for all vehicles will be spread over five years, or over the expected life of the vehicle if less than five years.
7	Vehicles Purchased	July – September	New vehicles purchased from City Fleet Fund.

Funding MechanismVehicles – purchase price under \$100,000

Internal Lease – – New vehicles will be purchased front from unrestricted cash available in the Fleet Fund. Each department then “leases” the vehicles from the Fleet Fund. The department pays for vehicles as they are being used, with the cost spread across the vehicles life (target age).

Heavy Equipment – purchase price \$100,000 or above

External Lease – – New heavy equipment will be purchased upfront using a third-party source of financing. Leasing options will be determined using the existing City purchasing policies, which will require a competitive bid to ensure the lowest interest rate available. The department will pay the Fleet Fund the scheduled debt payments as required by the agreement.

APPENDIX C**Succession Plan (Sample)****City of San Bernardino – Management Development Program***Draft 5/25/06***Key Goal:**

Grow our own future local government leaders by promoting the management development of future department directors, division managers, and supervisors to replace those planning to retire from the workforce in the coming years. This is accomplished by identifying employees from a wide range of leadership levels to form an “acceleration pool”. These employees are then developed through training and job experience to maximize their potential contributions to the organization.

Human Resources Role:

To work in conjunction with our managers in determining the most effective means to help them develop their department’s future leaders.

Objectives and strategies:**Key Objectives:**

Expose participants to the rewards and advantages of a career in management with the City.

- Hold panel discussions with Department Heads about management issues.
- Expose employees to the benefits associated with moving into management positions.

1. Identify an “acceleration pool” of employees that have the highest potential for advancement

- Succession Planning Committee and Department Directors invite employees to apply for inclusion. The final list will be approved by the Committee and City Manager, and employee must agree to participate.
- Participants can/should include all levels of employees, including division heads, field staff, office/professional, etc.
- Participants will submit a resume and cover letter, which should include their 1-5-10 year goals.
- Participants will agree to a set of standards that must be met for continued participation in the program during the program cycle (i.e. must have satisfactory performance evaluations, come to training classes, participate in group projects, meet with their mentor, etc.).

- Define program for participants and mentors.
- New list of participants identified each fiscal year.

2. Establish a mentor/protégé program

- Participant may recommend a mentor for consideration and approval by the committee or will be assigned a mentor.
- Participant will meet monthly with their mentor from within the organization.
- Participants will agree to a two-year commitment and must identify someone else in the organization that they will formally mentor the second year. Their protégé cannot be someone else in the Management Development Program and must be approved by the committee prior to selection.

3. Develop the supervisory and management skills of program participants

- Participants will attend an orientation.
- Participants will attend a minimum of twelve hours of supervisory training provided through the IE Employee Relations Consortium (Liebert, Cassidy Whitmore).
- Participants will attend a minimum of four (4) 1-2 hr training sessions offered in-house. Possible topics and trainers:
 - i. Workers' Compensation – Rhonda and Linn
 - ii. Employee discipline/Skelly process – Linn
 - iii. Sexual harassment/EEO/diversity issues
 - iv. Coaching/employee development – department head panel
 - v. City processes related to employees (Civil Service, payroll, in-processing/out-processing, evaluations) – HR staff
 - vi. Project management/contract management
 - vii. Agenda item prep/process
 - viii. Ethics Training
- Participate as a group in ICMA Coaching conference calls on supervisory and management topics, and have group discussion afterward.

4. Broaden the organizational perspective of program participants

- Provide opportunities to interact with the City Manager, Mayor, and Council through the utilization of brown bag lunches, evening dinners, and panel discussions.
- Invite local business and community leaders to meet with the group to talk about important community issues and expectations of how local government is involved (Chamber of Commerce, Rotary).
- Hold participant networking meetings periodically to encourage relationship building within the group. Meetings can be held at off-site locations around the City (community centers, City Yard, library, Police Station).
- Provide some basic overview training about structure of City government; development of ordinances, resolutions, etc.; City budget; community demographics.

- Shadow assigned mentor.
- Include police and fire personnel in some program activities.
- Attend one (1) City Council Meeting and one (1) other board or commission meeting and provide a one- (1) page summary of the meeting.

5. Look at changes in the organizational structure that support management development as an important goal

- Consider rotations or temporary assignments of employees to other departments, when possible.
- Promote the establishment of lines of advancement within departments; in order to provide opportunities for advancement within the organization.

Next steps:

- Get buy-in from City Manager and Department Heads; incorporate their feedback
- Develop the list of program participants
- Develop a calendar of events for the next year

MANAGEMENT DEVELOPMENT PROGRAM REQUIREMENTS

Municipal Solutions, LLC / James Madison Group

(SAMPLE)

The next generation of leaders needs guidance for leading in perhaps the most challenging time in history. Many municipalities have discovered already that it's getting harder these days to find and train the next generation of leaders. Demographic winds of change are at work as baby boomers retire and the less-populous "Generation-Xers" prepare to take over. Organizations that are facing significant turnover will benefit from this program which includes:

❖ *Gaining the tools and processes necessary to ensure that the vision for the organization and community continues and that the organization and culture once developed will be in good hands once senior staff have left.*

❖ *Discovering innovative ways to mentor staff so that the organization can continue to prosper and continue to successfully implement the organization's vision even after key staff left.*

A sample of our management development for succession planning is detailed below.

A. Participate in at least two ICMA / FCCMA Coaching Telephone Panel discussions:

- Preparing yourself for a Chief Executive Position
Thursday, September 25, 2008, 2 p.m.-3 p.m.
- Resiliency – How to Deal with Criticism and Adversity
Wednesday, October 8, 2008, 3 p.m.- 4 p.m.
- Serving Diverse Communities – Best Practices
Wednesday, October 15, 2008, 2 p.m.- 3 p.m.

B. Attend a minimum of 24 hours training through the [established forum] conducted by [designees] held at [location]:

- Customer Service for Management (6 hours), August 2008.
- Teaching Customer Service to your Employees (6 hours)
- Supervisory Skills for the First Line Supervisor/Manager (6 hours)
Thursday, September 4, 2008, 9 a.m. – 4 p.m.
- Preventing Workplace Harassment, Discrimination and Retaliation (3 hours)
Thursday, November 6, 2008, 9 a.m. – 12 p.m.
- Ethics in Public Service (3 hours)
Thursday, November 6, 2008, 1 p.m. – 4 p.m.
- Privacy Issues in the Workplace (3 hours)

Thursday, January 8 2009, 9 a.m. – 12 p.m.

- Issues and Challenges Regarding Drugs and Alcohol in the Workplace (3 hours)
Thursday, January 8, 2009, 1 p.m. – 4 p.m.
- Teaching Customer Service to your Employees (6 hours), February 2009.
- Personnel Issues: Hiring, Reference Checks and Personnel Records & Files (6 hours)
Thursday, March 5, 2009, 9 a.m. – 4 p.m.
- A Guide to Labor Negotiations (6 hours)
Thursday, May 7, 2007, 9 a.m. – 4 p.m.

C. Attend Management Development Program orientation (1 hour)

D. Attend a minimum of 6 training sessions on topics taught by City staff (dates to be determined) focusing on helping you understand how the City operates and issues important to supervisors and managers:

- Agenda item preparation and process (City Clerk)
- Workers' Compensation (Risk Manager / Personnel Director)
- The role of a City Commission member (various Commission members)
- Sexual Harassment/Discrimination Policy/EEO (Risk Manager / City Attorney)
- The role of the Mayor (Mayor)
- Police Department functions (Police Chief)
- RFP Process (Finance staff)
- Fire Department functions (Fire Chief)
- The role of the City Manager (City Manager or designee)
- Review of Boards and Commissions (City Clerk or designee)
- Putting together the City Budget (Finance Director or Designee)
- Public speaking skills (Consultant or designee)
- Understanding our City Charter and the Municipal Code (City Attorney)
- Writing Skills (designee)

E. Attend and provide a one-page summary of one City Commission meeting and one other Board or Commission meeting before December 1, 2008.

F. Participate in the mentor/protégé program:

- Select a mentor from either the list provided to you or one of your own choice. If you cannot decide on a mentor the committee will assign one to you. The committee will have final approval on mentor selection.
- Meet at least monthly with your mentor during the upcoming Fiscal Year.
- Identify someone within the organization that you would like to mentor (a protégé) for the upcoming Fiscal Year. Your protégé cannot be someone else in the Management Development Program and must be approved by the committee prior to selection.

- G. Select one conference/seminar on a topic relevant to your career path and/or Department's function. Approval to attend must be received by Department Heads.**
- H. Attend Supervisory Skills Training (6 hours) conducted for the City by designee.**
- I. Throughout the fiscal year other opportunities may arise that require your attendance, such as:**
- Opportunities to interact with community leaders.
 - Networking meetings with others in the Management Development Program.
 - Tours of City facilities.
 - Brown bag lunches with Department Heads and Commission Members.
 - Attending a Neighborhood Association meeting.

APPENDIX D

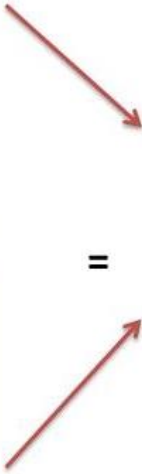
Organizational Governance & Strategy Framework

Organizational Strategy Framework:
Governance-Capabilities-Performance

Dynamic Environments: Macro-forces, Demand Drivers & Policy Landscape

- Organizational Governance
1. Strategic choices
 2. Principal-agent relationships
 3. Decision rights policy
 4. Structures (roles & reporting)
 5. Measurements & monitoring
 6. Incentives & compensation
 7. Coordination

- Organizational Capabilities & Resources
1. Resources: Human, Financial, Technical
 2. Knowledge: Experience, processes
 3. Social capital: Internal & external
 4. Process orchestration
 5. Information systems for decision support
 6. Collaborative problem-solving



- Organizational Performance
1. **Value in use** *(effectiveness in meeting customer needs)*
 2. **Value in exchange** *(efficiency in meeting customer needs)*
 3. **Value in distribution** *(access, availability, growth)*
 4. **Value in fit** *(continuation of resources)*
 5. **Value in finance** *(revenue, utilization, earnings)*

Barclay Lincoln Burns, Ph.D. © 2012_

Definitions for Organizational Strategy Framework

Governance factors: rules to operate by, to guide, to steer, to pilot, to order, to administer, to structure, and to direct

Capability and resource factors: means of production, financial capital, human capital, knowledge capital, intellectual capital, fixed assets, and asset stocks.

Data for Analysis: Observations, interviews, surveys, archival data, historical data, press reporting, social media, etc.

Governance factors:

Rules: The rules, which govern the capabilities and resources.

Strategic choices: The strategic choices that organize the organizational and institutional resources. These include goals and objectives.

Strategic investments: The policies governing investment decisions in governance factors and capability factors.

Contracts: The complete and incomplete contracts that govern transactions within and between organizations and institutions.

Decision rights: Who has the authority and where are they located in the organization and institutions to make decision.

Organizational structure: Roles and responsibilities and the organizational reporting and operational structure.

Incentives and compensation: The financial and other types of incentives and compensation that seek to motivate and govern behavior and resources.

Budget Authority: Who has the budget authority, particularly in relationship to key organizational resources.

Business model: How the organization has chosen to make money.

Monitoring and Measuring: The key metrics for monitoring and measuring performance and value creation.

Transaction costs: The underlying costs of running the institutions and organizations.

Feedback systems: The formal and informal systems that provide performance feedback in relation to performance and value creation.

Coordination: The meetings and communication that organize resources and capabilities.

Resource and Capability Factors:

Resources: The means of production that are governed to generate performance and value creation.

Knowledge: The key knowledge and skills to generate the strategic choices of performance and value creation. This includes the organizational and institutional experience developed.

Capital: The necessary financial, technical, physical, intellectual, human capital to achieve the strategic choices of performance and value creation.

Processes and routines: The processes and routines the organizations designs, develops and deploys to achieve its strategic objectives.

Social Networks: The social relationships, interactions both internal and external to that provide the means of organizations and institutions to accomplish their strategies.

Technology platforms: The technology, including information technology that organizations and institutions use to achieve their strategic choices.

Collaborative problem-solving: The collaboration to solve problems necessary to achieve strategic performance and value creation goals.

Organizational and Institutional Culture: The shared norms of generating value.

		Capabilities & Resources							
		Resources: Human, Financial, Technical		Knowledge: Experience, processes		Social capital: Internal & external		Information systems for decision support	
		Process orche-stration		Collabrative problem-solving		Organization / Institutional Culture			
Administration									
Administrator		X			X	X	X	X	
Centennial Hall				X	X		X	X	
Clerk					X	X			
Finance		X	X				X		
Government Relations							X		
Human Resources		X	X	X	X	X	X	X	
Information Systems			X		X	X	X	X	
Legal		X			X	X	X		
Planning		X			X	X	X	X	
Public Safety									
EMS		X			X				
Fire		X			X				
Police		X		X	X		X		
Public Works									
Building Maintenance			X		X	X	X		
Engineering		X		X	X	X			
Facilities Maintenance			X			X			
Fleet					X				
Parks & Recreation		X			X				
Ports & Harbors		X			X				
Streets		X		X	X		X		
Utilities: Electric		X	X		X		X		
Utilities: Water		X	X						
Utilities: Wastewater		X					X		
Other									
Library		X			X	X			
TOTAL		16	7	5	18	10	13	5	

	Organizational Governance								
	Rules	Strategic Choices	Principal Agent Relationships	Decision-Rights Policy	Organizational Structures (Roles & Reporting)	Measurements & Monitoring	Incentives & Compensation	Coordination	
Administration									
Administrator	X	X	X	X	X	X	X	X	X
Centennial Hall		X	X				X	X	
Clerk		X			X		X		
Finance				X	X	X	X	X	
Government Relations				X	X	X	X		
Human Resources		X	X	X	X	X	X	X	
Information Systems	X	X	X	X	X	X	X	X	
Legal						X	X	X	
Planning		X	X		X	X	X	X	
Public Safety									
EMS						X	X	X	
Fire			X		X	X	X	X	
Police		X					X	X	
Public Works									
Building Maintenance			X		X		X		
Engineering					X		X		
Facilities Maintenance		X	X		X		X	X	
Fleet						X	X	X	
Parks & Recreation							X	X	
Ports & Harbors		X	X				X		
Streets				X			X	X	
Utilities: Electric	X		X	X	X	X	X	X	
Utilities: Water	X						X		
Utilities: Wastewater	X					X	X	X	
Other									
Library		X							
TOTAL	5	10	10	7	12	12	22	16	



Legislation Details

File #: 14-242 **Version:** 1 **Name:**
Type: Correspondence **Status:** AGENDA READY
File created: 12/18/2014 **In control:** City and Borough Assembly
On agenda: 12/23/2014 **Final action:**
Title: Reminders - Calendars - Correspondence
Sponsors:
Indexes:
Code sections:
Attachments: [Reminders Calendars.pdf](#)
[TY Ltr.pdf](#)

Date	Ver.	Action By	Action	Result
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REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, December 23	Worksession: Municipal Solutions	5:00 PM
Tuesday, December 23	Regular Meeting	6:00 PM
Tuesday, January 13	Regular Meeting	6:00 PM



Assembly Calendar

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

December 2014

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30 Nov	1 Dec	2 7:00pm Planning 7:00pm <u>School</u>	3 7:00pm Library Board	4 12:00pm - 1:30pm SEDA Board Meeting 6:30pm Hospital Board Meeting	5	6
7	8	9 Miyasato 6:00pm <u>Reg Assembly Mtg</u>	10 6:00pm Historic Preservation 6:00pm Police and Fire Commission	11 12:00pm LEPC 12:00pm <u>Parks & Rec</u>	12 6:00pm CBS Holiday Party at Harrigan Hall	13 Hackett
14 Hackett	15 Hackett	16 Hackett 12:00pm Tree/Landscape 7:00pm <u>Planning</u> 7:00pm <u>School</u>	17 Hackett 6:30pm STA	18 Hackett	19 Hackett	20 Hackett
21 Hackett	22 Hackett	23 Hackett 5:00pm Worksession: Municipal Solutions 6:00pm <u>Regular Assembly Mtg</u>	24 Hackett	25 Hackett	26 Hackett	27 Hackett
28 Hackett	29 Hackett	30 1:00pm SCVB Board	31	1 12:00pm - 1:30pm SEDA Board Meeting	2 Jan	3

Assembly Calendar

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

January 2015

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



City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

Coast Guard City, USA

December 15, 2014

Ben Lawrie
339 Wortman Loop
Sitka, AK 99835

Dear Ben,

On behalf of the City and Borough of Sitka, I want to thank you for your contributions of time and service to our community.

The Port and Harbors Commission relies on the guidance and leadership of its board members; your time and energy were appreciated and we hope that you, too, benefited from the experience.

We wish you all the best, and hope that you may consider volunteering again in the future.

Warmest wishes,

Sara Peterson
Deputy Clerk



Legislation Details

File #: 14-208 **Version:** 1 **Name:**
Type: Special Report **Status:** AGENDA READY
File created: 10/21/2014 **In control:** City and Borough Assembly
On agenda: 11/25/2014 **Final action:**
Title: Solid Waste Advisory Committee - update Representative Jonathan Kreiss-Tomkins <10
Sponsors:
Indexes:
Code sections:
Attachments: [Scheduled Reports.pdf](#)

Date	Ver.	Action By	Action	Result
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SCHEDULED REPORTS UNDER 10 MINUTES



Solid Waste Advisory Committee - Progress
Representative Jonathan Kreiss-Tomkins



Legislation Details

File #: 14-238 **Version:** 1 **Name:**
Type: Item **Status:** AGENDA READY
File created: 12/16/2014 **In control:** City and Borough Assembly
On agenda: 12/23/2014 **Final action:**
Title: Approve the minutes of the December 9, 2014 Assembly meeting
Sponsors:
Indexes:
Code sections:
Attachments: [Motion Consent.pdf](#)
[Motion Minutes.pdf](#)
[Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEM A, B, & C**

I wish to remove Item(s) ____

**REMINDER – Read aloud a portion of each item being
voted on that is included in the consent vote.**

If this item is pulled from the Consent Agenda the following motion is suggested:

POSSIBLE MOTION

I MOVE TO approve the minutes of the December 9, 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, Steven Eisenbeisz, Benjamin
Miyasato, Aaron Swanson, and Tristan J. Guevin*

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

Tuesday, December 9, 2014

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

IV. CORRESPONDENCE/AGENDA CHANGES

AA 14-230 Correspondence

V. CEREMONIAL MATTERS

BB 14-231 Alaska Municipal League 2014 Awards: 1) Municipal Elected Official of the Year, and 2) Community Award of Excellence

Mayor announced two Alaska Municipal League (AML) Awards. Former Assembly member, Mike Reif, was honored as the Municipal Elected Official of the Year. Reif thanks his wife, Melanie, for her support and mentors Rocky Gutierrez, Gary Paxton and Representative Ben Grussendorf. Reif also thanked Municipal Clerk Colleen Ingman and Mayor McConnell for their support.

The Sitka Health Summit received the AML Community Awards of Excellence. Health Summit members receiving the award were: Melissa Marconi-Wentzel, Angela McGraw, Doug Osborne, Patrick Williams, and Ellen Daly.

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

VII. PERSONS TO BE HEARD

Martina Kurzer representing Sitka's Against Family Violence (SAFV) announced they've launched a new website, SAFV.org and encouraged people to visit it.

Greater Sitka Chamber of Commerce Director, Jennifer Robinson, spoke in support of Sitka Convention and Visitor's Bureau Budget. She stated it was important to continue to fund as much as possible.

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

Mayor - Met with the Municipal Clerk, Administrator, Assembly Member Guevin and Assembly Member Hackett to discuss the Sitka Convention and Visitors Bureau (SCVB). In that discussion it was agreed that an ordinance would be brought forward to the Assembly in the near future that would establish that the City and Borough of Sitka contract with a 501c3 nonprofit to provide these services. The proposed transition timeframe would be the FY16 fiscal year starting July 1, 2015. It was hoped that the SCVB would establish itself as a 501c3 so that it could be considered for this contract. As Assembly Liaison to the SCVB Board she had informed the SCVB Chair of the intent to bring the ordinance forward to the Assembly. Met with the Administrator and Terry Trapp of Alaska Bulk Water regarding their plans and the tidelands lease agreement on the agenda.

Administrator - Attended a state funded meeting in Juneau that focused on Southeast Alaska community health collaboration comprised of health and municipal authorities. Received the Municipal Solutions Report and noted there would be a worksession with the Assembly on December 23. Last week the last Blue Lake Partner meeting was held. Total score for the Blue Lake Project was a 5-, which was very good. Praised the Police Department for recent drug busts. Recognized Chief Miller for orchestrating a recent Search and Rescue that included the assistance of Assembly member Hunter.

Attorney - Scheduled a meeting to discuss Proposition 2 and the possibility of forming a local regulatory agency.

Liaisons - Guevin reported on the Health Needs and Human Services Commission (HNHS) and the School Board. He reported the HNHS Commission was revamping and advancing the community working group. Planned to convene a stakeholders meeting on Jan. 21. Commission was establishing their goals for 2015. Guevin summarized topics at the last School Board meeting: SHS Science Program and SHS Activities. School Board member Lon Garrison received two awards recently: Governance Award and the Alaska Superintendent Award. Pacific High received recognition from "Learning by Design" magazine. Hunter mentioned that the Port and Harbors Commission meeting was tomorrow night. They will take up parking, transient moorage fees among other topics.

Clerk - Confirmed the second regular Assembly meeting in December would be December 23.

IX. CONSENT AGENDA

A 14-228 Approve the minutes of the November 25, 2014 Assembly meeting

A motion was made by Hunter to Approve the Consent Agenda. The Consent Agenda consisting of the Minutes was APPROVED by unanimous consent.

X. UNFINISHED BUSINESS:

- B ORD 14-35** Repealing SGC Chapter 2.48 District Civil Defense Council without replacement

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

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

- C ORD 14-36** Repealing SGC Chapter 2.52 Parks and Playgrounds

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

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

XI. NEW BUSINESS:

- D RES 14-20** Adopting an alternative allocation method for the FY15 Shared Fisheries Business Tax Program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in FMA 18: Central Southeast.

Chief Finance and Administrative Officer, Jay Sweeney, gave a brief explanation of the purpose. Fish landing tax was a shared fisheries business tax not to be confused with raw fish tax.

A motion was made by Hackett that this Resolution be APPROVED. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

- E ORD 14-34** Amending SGC at 2.40 elections, adding Section 2.40.095 Candidate biographical information, amending sections 2.40.110 Withdrawal or amendment of nomination, 2.40.115 Write-in candidates, renaming Chapter Section VI to add Advanced voting, amending Sections 2.40.190 Eligibility, 2.40.200 Assisted voting, adding Section 2.40.205 Voting by electronic transmission, amending Sections 2.40.220 Issuance of absentee or advanced ballots, 2.40.230 Casting absentee or advanced ballots, 2.40.250 Election officials (E) Oath, 2.40.310 Ballot box, 2.40.315 (D)(2) Marking of ballot, 2.40.315 (G) Improperly marked ballots, adding Sections 2.40.315 (H) closing of polls, and 2.40.316 Poll watchers, amending Sections B2.40.320 reports of

unused and damaged ballots, 2.40.330 (B), (C), (D) Counting ballots - hand-counted, 2.40.390 (H) Counting ballots, 2.40.420 Canvass board, 2.40.430 Election results, renaming Section 2.40.440 Assembly approval, amending Sections 2.40.460 Certificate of election, 2.40.470 Notice of election contest, 2.40.500 Costs, and 2.40.520 Prohibited practices

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

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

- F ORD 14-40** An ordinance amending SGC Chapter 15.01 Entitled "Electric Utility Policies" by adding a new Section 15.01.090 entitled "Rebate Program for Electric Heat Pump Heating Systems"

Utility Director, Chris Brewton, explained that the Utility was trying to maximize the new hydro. He stated that with \$50K remaining, if there was a \$1,000 rebate that would equate to 50 new heat pump customers.

Hackett queried if it was only going to be applicable to residential home owners. Guevin too wondered if we could explore commercial use. Brewton mentioned that if it turned out there was not enough participation perhaps other categories could be considered, but not at this juncture. Gorman pointed out that he needed direction on the rebate amount. Hackett installed a heat pump last year and got 100% reimbursed through the Alaska Housing Program, and wondered whether residents could get funding from more than one source. Brewton was unsure. He noted he would add a stipulation in the application process that it would only be applicable if they had not received other funding. Assembly members agreed that \$750 would be the rebate amount.

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

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

New Business First Reading Amended Ordinances

- G ORD 14-37** Adjusting the FY15 Budget

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

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

- H ORD 14-38** Amending SGC Title 22 Zoning regarding commercial home horticulture

Tom Hart and Lisa Sadlier-Hart spoke to the amendment wondering if the cost of a business license would defer folks.

Ann Wilkinson didn't believe it would be fair and would set a bad precedent to exempt a category from having to obtain a business license.

Jay Sweeney, Chief Finance and Administrative Officer, informed that SGC was specific in Title 4 - all sales were presumed to be taxable unless otherwise exempt.

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

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

- I ORD 14-39** Amending SGC Section 2.08.015 Selection of acting administrator to include a procedure for unforeseen appointments

A motion was made by Swanson that this Ordinance be PASSED ON FIRST READING AS PREVIOUSLY AMENDED. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

Additional New Business Items

- J 14-232** Approve a Tidelands Lease between Alaska Bulk Water Inc. and the City and Borough of Sitka at Sawmill Cove fronting the Gary Paxton Industrial Park

Terry Trapp, CEO of Alaska Bulk Water Inc., updated the Assembly. He reported the company had been successful in obtaining some contracts and was working with some entities in California. Trapp reported they were applying for an Army Corp of Engineers permit and wanted to begin the construction phase to meet the benchmark of export. He also had representation from R&M Engineering present to answer any questions.

Hunter liked that the lease was in effect as long as the bulk water lease was in place. Swanson queried what affect this might have on dock design. White responded that based on today's design that these anchors were far enough way, unless loading a ship.

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

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

- K 14-233** Award a contract to Coastal Excavation, L.L.C. in the amount of \$812,433.13 for completion of the Hollywood Way and New Archangel Street Utility and Street Improvement project

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

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

L 14-229 Appoint Marjorie Hennessy to a term on the Tree & Landscape Committee

Hackett commented on how well qualified this applicant was.

A motion was made by Hunter that this Appointment be APPROVED. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

XII. PERSONS TO BE HEARD:

XIII. EXECUTIVE SESSION

M 14-235 Sitka Community Hospital Finances

Hunter spoke to the Executive Session explaining that it was not a secret meeting. It was part of a public meeting of which the public may be excluded. The Assembly determined who was invited in and that only certain, very limited number of subjects qualified for executive session.

A motion was made by Hackett to go into Executive Session regarding: Sitka Community Hospital finances which may have immediate adverse legal and financial consequences for the City and Borough of Sitka and involve matters that are required by law to be confidential, and to invite the Municipal Administrator, Municipal Attorney, CFO Jay Sweeney and the Sitka Community Hospital CEO Jeff Comer, Board Chair Celeste Tydingco, and member Hans VonRekowski to attend if available.

Meeting went into Executive Session at 7:30 PM. PASSED unanimously.

A motion was made by Hunter to reconvene as the Assembly in regular session at 9:15pm. No objections were heard and the regular meeting reconvened.

Mayor McConnell summarized that the Assembly had met to receive a report on the fiscal situation at Sitka Community Hospital stating, "There has been a perfect storm of financial events that have led to a difficult situation. We are committed to exploring all possible solutions for the short and long term and we have an excellent team in place to find the best solution(s)."

A motion was made by Hunter to direct the Municipal Administrator and Municipal Attorney to work with Sitka Community Hospital CEO Jeff Comer to develop options for addressing the current financial situation at the Hospital.

The motion PASSED by a unanimous vote.

Yes: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

XIV. ADJOURNMENT

A motion was made by Hunter to ADJOURN. With no further business or objections the meeting ADJOURNED at 9:20 PM.

ATTEST:

Colleen Ingman, MMC
Municipal Clerk



Legislation Details

File #: 14-237 **Version:** 1 **Name:**
Type: Item **Status:** AGENDA READY
File created: 12/16/2014 **In control:** City and Borough Assembly
On agenda: 12/23/2014 **Final action:**
Title: Authorize the purchase of a power hose roller for Sitka Fire Department in the amount of \$9,488
Sponsors:
Indexes:
Code sections:
Attachments: [Motion SFD transfer.pdf](#)
[Fire Chief Memo.pdf](#)

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 the purchase of power hose roller and transfer \$9,488 from tools and equipment #100-520-022-800-5223.000 to fixed assets #100-550-670-7106.22.



Sitka Fire Department

City and Borough of Sitka
209 Lake St. • Sitka, Alaska • 99835
907-747-3233

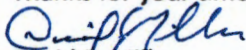
December 15, 2014

To the Assembly of the City and Borough of Sitka,

At the end of the last fiscal year the Sitka Fire Department purchased a power hose roller for the final purchase price including shipping of \$9,488 dollars. We purchased this piece of equipment to help alleviate some future back problems by rolling and lifting fire hose.

We don't purchase a lot of items over the \$5k purchase limit and I totally forgot about getting approval for the purchase and we will do our best to make sure this does not happen in the future.

Thanks for your time.


David E. Miller
Fire Chief



Legislation Details

File #: 14-240 **Version:** 1 **Name:**

Type: Item **Status:** AGENDA READY

File created: 12/17/2014 **In control:** City and Borough Assembly

On agenda: 12/9/2014 **Final action:**

Title: Award a design contract for Eagle Way and Old Harbor Mountain Road Utility and Road Upgrades Project to DOWL HKM not to exceed \$112,728.00

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Eagle Way....pdf](#)
[Eagle Way and Old Harbor Mt Road.pdf](#)

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

If this item is pulled from the Consent Agenda the following motion is suggested:

POSSIBLE MOTION

I MOVE TO approve the award for an Eagle Way and Old Harbor Mountain Road Utility and Road Upgrades design contract to DOWL HKM not to exceed \$112,728.00

MEMORANDUM

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

From: Dan Tadic, P.E., Municipal Engineer *DT*
Stephen Weatherman, P.E., Senior Engineer *S*

Reviewed: Michael Harmon, P.E., Public Works Director *MH*
Mike Middleton, Deputy Finance Director *MM*
Tori Fleming, Contract Coordinator *TF*
Brenda Calkins Grant Accountant *BC*

Date: December 17, 2014

Subject: Eagle Way and Old Harbor Mountain Road Upgrades and Ownership Transfer
Approval to Award Design Contract

Background:

A Request for Qualifications for design of the Eagle Way and Old Harbor Mountain Road Utility and Road Upgrades Project was published in accordance with City and Borough procurement policy. The project includes reconstruction and paving of the roadways, storm facilities and a new water line within Eagle Way. The project also includes curb and gutter and a pedestrian amenity for Eagle Way where applicable. Five (5) proposals were received and scored by a Selection Committee consisting of CBS Public Works Department staff. A project team led by DOWL HKM was selected as the most qualified firm to complete the design.

DOWL HKM has provided a fee proposal for a not to exceed time and expense cost of \$112,728.00 for the design of the Eagle Way and Old Harbor Mountain Road Upgrades Project. A copy of that proposal is attached.

Analysis:

Public Works has set a design completion date of September, 2015. Construction is currently planned to begin spring 2016. The total project cost is estimated to be \$1,500,000. A Memorandum of Agreement (MOA) between the State of Alaska and the City and Borough of Sitka for Eagle Way has been signed. The MOA states that CBS will take ownership of Eagle Way upon completion of the improvements.

Fiscal Note:

The project is funded by way of the following source.

- 2012 Designated Legislative Grant Program \$1,500,000

Recommendation:

Approve award of a design contract for the Eagle Way and Old Harbor Mountain Road Utility and Road Upgrades Project to DOWL HKM with a not to exceed amount of \$112,728.00.

- The field work is expected to take two days, and we plan to perform the work in February. The report will be available approximately three to four weeks after completion of the field exploration.
- The findings of the field and laboratory testing will be analyzed and interpreted. A single report will be issued that presents:
 - The data obtained from the field exploration and laboratory testing,
 - Our analysis and interpretation of the data,
 - Recommended geotechnical design parameters for installation of the water and storm lines, and
 - Recommendations for associated construction earthwork and construction inspection and testing.
- Assumptions - The fee is based on the anticipated soil conditions, scope of work described above, and the following assumptions. If you have any additional information regarding the site conditions, if you would like the scope expanded, or if any of the assumptions are incorrect, please contact us so revisions can be made.
 - The client will assist with legal entry and access onto the site for DOWL HKM to perform the exploration.
 - The geotechnical investigations for Eagle Way and Old Harbor Mountain Road will be performed concurrently, under a single mobilization.
 - The site is accessible with a truck-mounted GeoProbe drill rig.
 - Traffic control consisting of signs and cones will be sufficient; no flagging will be required.
 - Test borings will be backfilled with cuttings.

Preliminary Engineering (35%)

- **Early February 2015** – As lead designer, I will perform on-site research and reconnaissance in conjunction with the geotechnical exploration and topographic survey. This 3 day site visit will also include meeting with you and CBS Public Works staff to review existing conditions; maintenance issues; and desired improvements for the roadway, water, sewer, and storm drainage systems. I will also plan to meet with residents of each street to gather information about individual properties.
- **Late March 2015** - DOWL HKM will provide the following deliverables:
 1. Geotechnical Report
 2. Completed Base Mapping
 3. Preliminary Design (35%)
 - Eagle Way:
 - Upon completion of the Base Map, work with CBS to develop the proposed layout, pedestrian improvements, and typical section
 - Make recommendations for the storm drainage system and the water main system
 - Drawings:
 - Title Sheet (covers both projects)
 - Legend Abbreviations, and General Notes (covers both projects)
 - Typical Sections
 - Test Boring Logs
 - Water Sewer & Storm Plan
 - Profile
 - Engineer's Estimate

Old Harbor Mountain Road:

- Upon completion of the Base Map, work with CBS to develop the proposed layout and typical section
- Make recommendations for the storm drainage system and the addition of a sanitary sewer manhole to the sewer main coming down the hill from the mobile home park.
- Evaluate the ground water seepage observed on the uphill end of the project area and make recommendations to address the problem.
- Drawings:
 - Typical Sections
 - Test Boring Logs
 - Sewer & Storm Plan
 - Profile
 - Engineer's estimate

Final Design (65% through Bid-ready Documents)

- **65%** design plans and updated engineer's estimate will be submitted electronically by the end of **May, 2015**. In addition to the plan sheets included in the 35% submittal, this submittal will include the Traffic Control Sheet, Demolition Plan, and the Curb & Gutter Layout. The submittal will also include draft Special Provisions and an updated engineer's estimate.
- **Public Meeting** – The Project Engineer will be available to attend a public meeting to discuss the project with property owners and stake holders affected by the two projects. We suggest holding a public meeting following the 65% submittal. However, we can change the timing of the public meeting if CBS prefers a different time frame.
- **95%** design plans and Special Provisions will be submitted electronically by the end of **July, 2015**. This submittal will have all plan sheets, Special Provisions, and engineer's estimate. This plan set will also be submitted to the Alaska Department of Environmental Conservation (DEC) for their Engineering Plan Review. CBS will submit fees for this review directly to the DEC.
- **100%** bid-ready contract documents with final engineer's estimate will be submitted in CBS format by the end of **September, 2015**. This submittal will include a full set of bid documents. The final civil plan set for both Eagle Way and Old Harbor Mountain Road will include the following sheets:
 - a. Cover sheet
 - b. General notes, abbreviations, and symbols
 - c. Survey control map
 - d. Sheet key map
 - e. Typical sections and Details
 - f. Demolition plans
 - g. Painted traffic markings (if appropriate) and signage
 - h. Grading plans
 - i. Sewer, storm and water plans
 - j. Profile views
 - k. Additional sheets as necessary

Following is our estimated fee proposal based on the preceding scope of work and a rough construction estimate of approximately \$840,000 total for both projects:

Survey and Mapping	\$19,509
Geotechnical Exploration	\$20,899
Civil Design (35%)	\$26,522
Civil Design (65% to Final)	<u>\$45,798</u>
TOTAL ESTIMATED NOT-TO-EXCEED FEE:	\$112,728

Please contact me if you have questions, or require additional information.

Sincerely,
DOWL HKM



Matt McGuan, P.E.
Project Manager

COST ESTIMATE PER TASK

FIRM: DOWL HKM		PROJECT TITLE: Eagle Way and Old Harbor Mountain Road Utility and Road Upgrades							
TASK NO. 3A	TASK DESCRIPTION: Engineering and Design - 35% Submittal	CLIENT: City & Borough of Sitka					DATE: 12/12/2014		
GROUP:	METHOD OF PAYMENT: FP <input type="checkbox"/> FPPE <input type="checkbox"/> T&N <input checked="" type="checkbox"/> CPFF <input type="checkbox"/>	PREPARED BY: M. McGuire							
SUB-TASK NO.	SUB-TASK DESCRIPTION	Engineer VII (PLH)	Engineer IV (MVM)	Engineer II (CS)	AutoCad Tech (JK)	Admin Assistant			
	Project Management		8			2			
	Preliminary Engineering - Eagle Way								
	As-Built Review & Site Visit		20						
	Conceptual Design Development	4	40						
	Title Sheet (covers both sites)				1				
	Legend & General Notes (both sites)				1				
	Test Boring Logs (both sites)		4		4				
	Typical Sections	2	8	4					
	Water, Sewer, & Storm Plan	4	8		2				
	Profile	2	4		4				
	Engineer's Estimate	1	8	2	2				
	Preliminary Engineering - Old Harbor Mtn. Road								
	As-Built Review & Site Visit		10						
	Conceptual Design Development	2	16						
	Typical Sections	1	1	4					
	Water, Sewer, & Storm Plan	1	4		2				
	Profile	1	2		2				
	Engineer's Estimate	1	4	2	1				
TOTAL LABOR HOURS		19	137	12	19	2			
* LABOR RATES (\$/HR)		\$180.00	\$135.00	\$105.00	\$100.00	\$85.00			
LABOR COSTS (\$)		\$3,420.00	\$18,495.00	\$1,260.00	\$1,900.00	\$170.00			
							COMMENTS: 		
ITEM(S)	QUANTITY	UNIT PRICE	TOTAL PRICE						
Airfare (JNU-SIT round trip)	1	\$360.00	\$360.00						
Per Diem (4 days)	4	\$68.00	\$272.00						
Lodging (3 nights)	3	\$125.00	\$375.00						
Rental Car	3	\$90.00	\$270.00						
TOTAL EXPENSES:							\$1,277		
FIRM'S TOTAL COST OF LABOR (or Fixed Price):							\$25,245		
FIRM'S TOTAL EXPENSES:							\$1,277		
SUB-CONTRACTORS: Firm and Price Per Task							FIRM'S TOTAL COST (no Subcontracts or Fee):		
FIRM:							\$26,522		
AMOUNT:							TOTAL SUBCONTRACTOR PRICES:		
TOTAL COST:							\$26,522		

COST ESTIMATE PER TASK

FIRM: DOWL HKM		PROJECT TITLE: Eagle Way and Old Harbor Mountain Road Utility and Road Upgrades											
TASK NO. 38	TASK DESCRIPTION: Engineering and Design - 65% through Final Submittal	CLIENT: City & Borough of Sitka				DATE: 12/12/2014							
GROUP:	METHOD OF PAYMENT: FP <input type="checkbox"/> FPPE <input type="checkbox"/> T&M <input checked="" type="checkbox"/> CPFF <input type="checkbox"/>	PREPARED BY: M. McGuan											
SUB-TASK NO.	SUB-TASK DESCRIPTION	Engineer VII (PUH)	Engineer IV (MVM)	Engineer II (CS)	AutoCad Tech (JK)	Admin Assistant							
	Project Management		8			4							
	Public Meeting		8										
	Combined Plan Set												
	Title Sheet				1								
	Legend Abbreviations, & General Notes		1		1								
	Test Boring Logs		1		1								
	Typical Sections	2	4	8									
	Details		4	4									
	Assembly Tables		1		4								
	Demolition Plan		4	4									
	Curb & Gutter Layout, Grades, & Paving	8	80		12								
	Water, Sewer, & Storm Plan	8	40		12								
	Profile		2		8								
	Engineer's Estimate & Bid Tab	4	16	4	2								
	Special Provisions	4	40			8							
	DEC Review		16										
	Review Meetings	2	8										
	Assistance During Bidding	2	8										
TOTAL LABOR HOURS		30	241	20	41	12							
* LABOR RATES (\$/HR)		\$180.00	\$135.00	\$105.00	\$100.00	\$85.00							
LABOR COSTS (\$)		\$5,400.00	\$32,535.00	\$2,100.00	\$4,100.00	\$1,020.00							
							COMMENTS: FIRM'S TOTAL COST OF LABOR (or Fixed Price): \$45,155 FIRM'S TOTAL EXPENSES: \$643 TOTAL EXPENSES: \$643 FIRM'S TOTAL COST (no Subcontracts or Fee): \$45,798 TOTAL SUBCONTRACTOR PRICES: \$0 TOTAL COST: \$45,798						
SUB-CONTRACTORS: Firm and Price Per Task													
FIRM:													
AMOUNT:													



Legislation Details

File #: ORD 14-34 **Version:** 1 **Name:**
Type: Ordinance **Status:** SECOND READING
File created: 11/14/2014 **In control:** City and Borough Assembly
On agenda: 12/9/2014 **Final action:**
Title: Amending SGC at 2.40 elections, adding Section 2.40.095 Candidate biographical information, amending sections 2.40.110 Withdrawal or amendment of nomination, 2.40.115 Write-in candidates, renaming Chapter Section VI to add Advanced voting, amending Sections 2.40.190 Eligibility, 2.40.200 Assisted voting, adding Section 2.40.205 Voting by electronic transmission, amending Sections 2.40.220 Issuance of absentee or advanced ballots, 2.40.230 Casting absentee or advanced ballots, 2.40.250 Election officials (E) Oath, 2.40.310 Ballot box, 2.40.315 (D)(2) Marking of ballot, 2.40.315 (G) Improperly marked ballots, adding Sections 2.40.315 (H) closing of polls, and 2.40.316 Poll watchers, amending Sections B2.40.320 reports of unused and damaged ballots, 2.40.330 (B), (C), (D) Counting ballots - hand-counted, 2.40.390 (H) Counting ballots, 2.40.420 Canvass board, 2.40.430 Election results, renaming Section 2.40.440 Assembly approval, amending Sections 2.40.460 Certificate of election, 2.40.470 Notice of election contest, 2.40.500 Costs, and 2.40.520 Prohibited practices

Sponsors:

Indexes:

Code sections:

Attachments: [Motion ORD 2014-34.pdf](#)
[ORD 14-34 2.40 Elections.pdf](#)

Date	Ver.	Action By	Action	Result
12/9/2014	1	City and Borough Assembly		
11/25/2014	1	City and Borough Assembly		

Possible Motion


I MOVE TO approve Ordinance 2014-34 on second and final reading.



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



Memorandum

To: Mayor and Assembly
Cc: Municipal Administrator Mark Gorman
From: Municipal Clerk Colleen Ingman 
Date: 11-14-14
Subject: **Ordinances resulting from Legal Analysis**

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

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

The section of the code requiring the most amendments was in Title 2, in part, because I took this opportunity to review and edit our election procedures to bring them up to date.

We will continue over the next several months to bring forward amendments from these recommendations. The majority will be fairly straight forward.

Attachment: Ordinance 2014-34

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-34

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA AMENDING SITKA GENERAL CODE AT 2.40 ELECTIONS, ADDING SECTION 2.40.095 CANDIDATE BIOGRAPHICAL INFORMATION, AMENDING SECTIONS 2.40.110 WITHDRAWAL OR AMENDMENT OF NOMINATION, 2.40.115 WRITE-IN CANDIDATES, RENAMING CHAPTER SECTION VI TO ADD ADVANCED VOTING, AMENDING SECTIONS 2.40.190 ELIGIBILITY, 2.40.200 ASSISTED VOTING, ADDING 2.40.205 VOTING BY ELECTRONIC TRANSMISSION, AMENDING SECTIONS 2.40.220 ISSUANCE OF ABSENTEE OR ADVANCED BALLOTS, 2.40.230 CASTING ABSENTEE OR ADVANCED BALLOTS, 2.40.250 ELECTION OFFICIALS (E) OATH, 2.40.310 BALLOT BOX, 2.40.315 (D)(2) MARKING OF BALLOT, 2.40.315 (G) IMPROPERLY MARKED BALLOTS, ADDING SECTIONS 2.40.315 (H) CLOSING OF POLLS, AND 2.40.316 POLL WATCHERS, AMENDING SECTIONS 2.40.320 REPORTS OF UNUSED AND DAMAGED BALLOTS, 2.40.330 (B), (C), (D) COUNTING BALLOTS – HAND-COUNTED, 2.40.390 (H) COUNTING BALLOTS, 2.40.420 CANVASS BOARD, 2.40.430 ELECTION RESULTS, RENAMING 2.40.440 ASSEMBLY APPROVAL, AMENDING SECTIONS 2.40.460 CERTIFICATE OF ELECTION, 2.40.470 NOTICE OF ELECTION CONTEST, 2.40.500 COSTS, AND 2.40.520 PROHIBITED PRACTICES

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

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

3. **PURPOSE.** The City and Borough of Sitka wishes to remain current in their municipal election procedures as they evolve with new technology, state procedures, and acceptable verbiage. The following are proposed. Instructions to aid the public in learning about candidates are codified. Procedures are outlined for withdrawal of nominee. A write-in candidate's instructions for application with the municipal clerk are detailed. Section VI allows advanced voting and not just with a requirement of absence. Assisted voting details how voters with special needs may be assisted to vote. Voters are allowed under certain rules to vote by electronic transmission. Advanced or absentee ballots are processed according to specific rules. Election officials' oath is updated to current verbiage. The ballot box is witnessed to be empty before balloting begins. New guidelines are described for use of equipment by hearing or sight impaired voters. Rules are clarified for how improperly marked ballots are counted. Procedures for poll watchers are codified. The disposition of unused ballots is detailed. Hand-counting procedure for ballots is clarified. To write-in a candidate's name on the ballot, specific rules are followed for that vote to count. The duties of the canvass board in counting absentee and questioned ballots are explained. In the event of a tie, the assembly may either toss a coin or draw lots. Assembly

48 approval of canvass board's certification is detailed. Responsible parties for election contest
49 costs are explained. Current law proscribes ramifications of prohibited election practices.

50

51 4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City
52 and Borough of Sitka that the following sections of Title 2 are amended as follows:

53

54

**Title 2
ADMINISTRATION**

55

56 Chapter

57 2.40 Elections.

58

* * *

59

IV. Nomination of Candidates

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61

62 2.40.095 Candidate biographical information

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2.40.095 Candidate biographical information.

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A candidate for elected office shall provide the municipal clerk with biographical information of not more than 150 words, a recent photo of the candidate, and a candidate's advocacy statement of not more than 250 words for publication on the municipal website. All information is to be turned in at the time of filing and must be received by the municipal clerk no later than ten working days after submittal of a completed candidate packet. A candidate may not make a change to the candidate's biographical information or advocacy statement after the deadline. A candidate's biographical information and advocacy statement must be submitted typewritten or, preferably, transmitted electronically. An article (i.e. a, and, the) will be counted as one word. Any words included in the candidate's biographical information or advocacy statement beyond the allowed word counts will not be published. The municipal clerk can provide the candidate with acceptable topics for the biographical information and advocacy statement. The municipal clerk may reject any portion of a candidate's biographical information or advocacy statement containing obscene, libelous, profane, slanderous or defamatory material.

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2.40.110 Withdrawal or amendment of nomination

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Any candidate nominated may withdraw their nomination **not later than 5:00 p.m. on the 46th day before the election** at any time by appropriate written notice to the municipal clerk. **The municipal clerk will notify the media and public of the withdrawal. However, the ballots will not be modified to reflect the change unless the ballots have not yet been programmed and/or ordered.**

* * *

2.40.115 Write-in candidates

2.40.115 Write-in candidates.

94 **If a qualified elector wishes to be a candidate in an election, but failed to properly**
95 **file before the deadline, that person may file as a write-in candidate by following**
96 **rules established by the municipal clerk. The write-in candidate must register with**
97 **the municipal clerk and complete a form of intent not later than five days before the**
98 **election. Votes for a write-in candidate will not be counted unless that candidate has**
99 **properly filed with the municipal clerk and the ballot is marked in accordance with**
100 **this chapter.**

101 * * *

102 VI. Absentee or Advanced Balloting

103
104
105 2.40.190 Eligibility

106 Any qualified voter who expects to be absent from their election precinct or who will be
107 unable to go to the polling place of that precinct for reasons of physical disability on the
108 day of election may cast an absentee ballot on or after the day the ballots are available
109 **from the municipal clerk up to and including election day in a location and at times**
110 **determined by the municipal clerk. An absentee ballot may also be referred to as an**
111 **advanced ballot.** The provisions of this chapter effectuating absentee or advanced
112 voting rights shall be liberally construed.

113
114
115 *Remark: Current Section 2.40.200 first paragraph A will be moved above the heading for*
116 *Assisted Voting and into Section 2.40.190, as it refers to all absentee or advanced voting,*
117 *not just assisted voting. That second paragraph will be amended to read as follows:*

118
119 Any qualified voter shall ... apply to the municipal clerk for an absentee or advanced
120 ballot. The application must be signed by the applicant and must make clear the
121 applicant's reason for requesting an absentee ballot and specify the election for which a
122 ballot is requested. A separate request must be made for each subsequent election.

123 * * *

124
125
126 2.40.200 Assisted Voting ~~Application by physically disabled voters~~

127
128 A. Application for Assisted Voting ~~B. Application by physically disabled voters.~~

- 129 1. A qualified voter who is unable to go to the polls ~~physically disabled~~ due to age,
130 serious illness or disability may apply
131 2. The municipal clerk ... shall provide the ballot ... to the disabled voter's personal
132 representative
133 5. A personal representative may not be a candidate for office at that election,
134 may not be your employer, an agent of your employer, or an officer or agent of
135 your union. ~~A candidate for office at that election may not act as a personal~~
136 ~~representative.~~

137
138 2.40.205 Voting by electronic transmission

139
140 2.40.205 Voting by electronic transmission.

141 Although this should be considered a last alternative, voters may cast a ballot by
 142 electronic transmission with the municipal clerk (if other choices are unavailable to
 143 the voter). The voter submits an application form to the municipal clerk which also
 144 certifies that they are a qualified voter and that they recognize they are voluntarily
 145 waiving a portion of their right to a secret ballot when voting using electronic
 146 transmission. Voted ballots by electronic transmission must be submitted according
 147 to municipal clerk's instructions and received no later than 8:00 pm on Election
 148 Day.

* * *

151 2.40.220 Issuance

152
 153 ~~A. An envelope which shall have ... certificate of voter eligibility ... and shall have on~~
 154 ~~the front ... in the City and Borough of Sitka, Alaska, I am an elector qualified to vote,~~
 155 ~~and that I have herein enclosed my ballot for such election, duly marked in the presence~~
 156 ~~of no other person.~~

157 Signed: _____ Witness: _____

158 A. An envelope with notations for a certification of voter eligibility and
 159 qualification, date of municipal election, that the ballot is enclosed, that it was
 160 properly marked with no undue influence, signature line, date of voting, and witness
 161 signature line, and a note on the front of the envelope that a ballot is enclosed.

163 2.40.230 Casting absentee or advanced ballot

164
 165 A qualified voter may vote early, as soon as the ballots are available from the
 166 election official up to and including election day, in a location and at places and
 167 times determined by the municipal clerk. ~~Except for ballots issued under an application~~
 168 ~~by physically disabled voter, ballots must either be personally delivered to the municipal~~
 169 ~~clerk before the opening of the polls on election day or postmarked not later than election~~
 170 ~~day. Ballots issued under an application by a physically disabled voter must be delivered~~
 171 ~~to the municipal clerk or the appropriate election official not later than the hour set forth~~
 172 ~~closing the polls on election day.~~

174 VII. Conduct of Elections

175 2.40.250 Election officials.

176
 177 E. Oath. The election officials shall take or subscribe to the following oath:

178 "I ~~do~~ solemnly swear (or affirm) that I "State your name" will honestly, faithfully, and
 179 promptly perform the duties of election board member according to law; and **I will make**
 180 **every effort to prevent the violation of any provision of law in conducting the**
 181 **election.** ~~that I will strive to prevent fraud, deceit, or abuse in conducting the election to~~
 182 ~~the best of my ability, so help me God."~~

183 * * *

184 2.40.310 Ballot box.

185 Before issuing any ballots, the election official ~~officials~~ must, in the presence of at least
 186
 187

188 one other election official any persons assembled at the polling place, open and exhibit
189 the ballot box

190

191 2.40.315 (D)(2), (G), (H) Voting procedure at polls.

192

193 D. Marking of Ballot. Each voter shall retire alone to a booth or private area

194

195 2. Voters with special needs that do not require assistance will be routed to a
196 special "ADA" apparatus and special booth that will allow voters to hear the
197 contents of the ballot and make selections on their own. Once the voter has made all
198 selections, the voter's ballot will be printed out on a printer. This will enable the
199 voter to vote and cast his or her ballot unassisted.

199

200 * * *

201 Section 2.40.315, Item G Closing of Polls is re-lettered to Item H. Insert new Item G, to
202 read as follows:

203 G. Improperly marked ballots.

204 If the voter marks more names than there are persons to be elected to an office, that
205 race shall not be counted. If a voter marks more than one choice on a ballot issue,
206 that issue shall not be counted. A failure to properly mark a ballot in a candidate
207 race or issue shall not invalidate the entire ballot. If the voter mismarks a ballot in
208 this fashion, the voter will be advised that they can receive a replacement ballot,
209 spoiling the mis-marked one.

210 H. Closing of Polls.

211

* * *

212

213 2.40.316 Poll watchers.

214

215 2.40.316 Poll watchers.

216 A registered poll watcher may observe election set-up, general conduct throughout
217 election day, and after polls close. A poll watcher has no duties in conducting an
218 election and may not interfere with the orderly conduct of elections. One poll
219 watcher may be registered for any candidate for elective office or advocate for or
220 against a ballot proposition per precinct. The poll watcher must register with the
221 municipal clerk prior to election day and agree to rules established by the municipal
222 clerk. Poll watchers may not closely observe signatures on precinct registers, but
223 may sit close enough to hear an election official say the voter's name. Poll watchers
224 may check polling booths after each voter leaves to ensure that no campaign
225 material has been left behind. The poll watcher may utilize the municipal clerk's
226 complaint form to report problems.

227

* * *

228

229 2.40.320 Reports of unused and damaged ballots.

230

231 The numbers of ballots not issued shall be recorded, and ~~all such ballots shall be~~
232 ~~destroyed by tearing off and discarding the lower portion of the unvoted ballots~~ all
233 unused, unmarked ballots will be destroyed according to the election law. After
234 recording the ballot stub numbers of the unvoted ballots, election workers will

235 return the stubs of used ballots to the municipal clerk with other election materials.
236 The numbers of ballots damaged by voters

237
238 2.40.330 (B), (C), (D) Counting ballots—Hand-counted.

239
240 B. For purposes of counting During transportation, the ballot boxes containing the
241 ballots shall be locked and registration books secured. ~~and registration books shall be~~
242 ~~locked.~~ When the polls

243
244 C. Though the public may not be excluded...the public may be kept behind a guardrail or
245 other natural barrier ~~in the same room~~ to prevent interference with the election
246 officials....

247
248 D. The ballots, after having been counted...read aloud the name of each person voted for
249 and/or Yes or No on issues, provided that no more ballots

250
251 * * *

252
253 2.40.390 Counting ballots.

254
255 H. In order to vote for a write-in candidate, the voter must write in the candidate's name
256 as it appears on the write-in declaration of candidacy and mark the oval next to the
257 right of the written-in name. Write-in votes will be counted when the oval is marked
258 and the name as it appears on the write-in declaration of candidacy are written in
259 these manners: first and last name or any reasonable spelling of the first and last
260 name are used; first and last names with or without the suffix (e.g. Jr., Sr., III); last
261 names with correct initial for the first name is used; commonly known nicknames
262 with correct last name are used; or when the candidate's name is already printed on
263 the ballot. Write-in votes will be rejected in these circumstances: fictional names are
264 used (e.g. Mickey Mouse, None of the Above); only initials are used; only first name
265 is used; correct last name is used, but an incorrect first name or incorrect initial is
266 used; or the oval next to the candidate's name is not marked.

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270 2.40.420 Canvass Board. [Renamed]

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272 2.40.420 Canvass Board ~~Counting absentee and questioned ballots.~~
273 There will be a canvass board consisting of an election board of at least up to two
274 qualified voters and the municipal clerk. The canvass board is responsible for
275 meeting in a public session to declare which absentee, advanced, questioned, special
276 needs, and write-in ballots are valid. The canvass board will review, tally, and
277 officially report the results of the ballots. No later than its next regular assembly
278 meeting after the municipal clerk submits the Certification of Election, the assembly
279 shall receive and adopt the Certification. This meeting may be rescheduled by a
280 majority vote of the assembly. If the assembly determines that the election was
281 validly held, the assembly shall approve the Certification of Election.

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2.40.430 Election results.

Following canvass board review, the candidates receiving the greatest number of votes shall be certified elected to office by the **municipal clerk and approved by the** assembly. In case of a tie, the election shall be determined by **coin toss or** by lot from among the candidates tying at a meeting of the assembly

* * *

VIII. Certification of Election

2.40.440 Assembly **Approval Certification.**

At the first regular meeting of the assembly after the election, the assembly shall meet and **approve the municipal clerk and canvass board's certification of returns.** certify the returns. The **approval of** certification may be postponed for cause as determined by the assembly from day to day, but not exceeding three postponements. The **approval of** certification shall be by motion duly made, seconded and passed and the results shall be set forth in the minutes of the meeting. In the case of a recount, the **approval of** certification of the recount may be postponed until the next regular assembly meeting following the recount. Upon **approval of** certification, the **municipal** clerk may issue a written certificate of election to the winning candidates.

The initial election returns shall be announced in public on election night. The certification of all election returns shall be made ~~in public~~ by examining the judges' certificates of returns and compiling these along with the count of valid **advanced or** absentee and challenged ballots **by the municipal clerk and canvass board.** ~~At or,~~ at the discretion of the assembly, an actual recount may be undertaken after due notice to candidates.

* * *

2.40.460 Certificate of election.

Immediately after the **assembly's approval of** assembly's **municipal clerk's** certification is completed, the municipal clerk

IX. Contested Elections

2.40.470 Notice of election contest.

SUBSCRIBED AND SWORN to before me this ___ day of ___, **20**. ~~19~~.

The municipal clerk shall apprise the assembly of receipt of the notice before **approval of** certification of the returns has commenced.

* * *

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330 2.40.500 Costs.

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- 332 B. If, upon investigation or recount, the contentions of the person filing the notice are
333 proven to be correct, the entire deposit shall be refunded. ~~If the contentions of the~~
334 ~~person filing the notice are proven to be incorrect, the municipal clerk shall refund~~
335 ~~any money remaining after the costs have been paid.~~
336 C. The contestant shall pay all costs and expenses incurred in a recount of an election
337 demanded by the contestant if the recount fails to reverse any result of the election or
338 if the difference between the winning and a-losing vote on the position or
339 proposition result contested is more than two percent after recount. If the entire
340 deposit is not refunded, the municipal clerk shall refund any money remaining
341 after the cost of the recount has been paid from the deposit.

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344 X. Prohibited Practices

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346 2.40.520 Prohibited practices.

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348 B. Under Influence by Force. Any person who ~~directly or indirectly~~ uses or threatens
349 to use force, coercion ... is guilty of a Class C felony misdemeanor.—

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351 C. Undue Influence by Offer. ~~4.~~ Any person who promises to give or offers money or
352 a valuable thing to any persons ... is guilty of a Class C felony misdemeanor.

353 ~~2.— The providing of refreshments of any nature on election day by any candidate,~~
354 ~~political party, or those acting for them or identified with them shall be within the~~
355 ~~above stated prohibition.~~

356 ~~3.— The providing of refreshments of any nature by any person seeking to induce~~
357 ~~others to sign or not to sign any petition for initiative or referendum shall be within~~
358 ~~the above stated prohibition.~~

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360 D. Improper Subscription to Petition. Any person who signs any name other than
361 their own ... shall be guilty of a Class B misdemeanor.

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363 E. Under Influence of Election Official. Any person who by force, threat,
364 intimidation ... shall be guilty of a Class C felony misdemeanor.

365 (A.S. 15.56.060(a)(1))
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368 **5. EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of
369 its passage.

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371 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of
372 Sitka, Alaska this 23rd day of December, 2014.

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ATTEST:

Sara Peterson, CMC
Acting Municipal Clerk

Mim McConnell, Mayor



Legislation Details

File #: ORD 14-37 **Version:** 1 **Name:**
Type: Ordinance **Status:** SECOND READING
File created: 11/14/2014 **In control:** City and Borough Assembly
On agenda: 11/25/2014 **Final action:**
Title: Adjusting the FY15 Budget
Sponsors:
Indexes:
Code sections:
Attachments: [Motion ORD 2014-37A.pdf](#)
[ORD 14-37A FY15 Budget.pdf](#)

Date	Ver.	Action By	Action	Result
12/9/2014	1	City and Borough Assembly		
11/25/2014	1	City and Borough Assembly	PASSED ON FIRST READING	Pass
11/25/2014	1	City and Borough Assembly	AMENDED	Pass

Possible Motion

I MOVE TO approve Ordinance 2014-37A on
second and final reading.

Memo

Thru: Mark Gorman, Municipal Administrator

To: City and Borough of Sitka Assembly

From: Jay Sweeney, CFAO

Date: November 6, 2014

Re: Bed Tax and the Sitka Convention and Visitors Bureau

The CBS collects a bed tax on all hotel, motel, and bed and breakfast rooms rented. This is used to provide funding to the Sitka Convention and Visitors Bureau (SCVB).

Bed taxes, as is the case with all taxes, are budgeted based on an estimate of actual amounts for the upcoming fiscal year; a percentage (92%) is budgeted to be provided to the SCVB as support. Thus, it is almost certain that actual tax revenues collected will differ from the estimate in the budget. Since support to the SCVB is at a fixed percentage of actual taxes collected, there will likewise be some required adjustment to "true up" SCVB support once final bed taxes collected for the year are known. This is normally done in the fall of the year.

In Fiscal year 2014, the budgeted bed tax revenue was \$337,000 with support to the SCVB budgeted at \$310,040 (92%). The actual bed tax received in Fiscal Year 2014 was \$377,547. Given that the actual amount of collected taxes was in excess of budgeted amounts by \$40,547, the "true up" amount of additional support to the SCVB, in order for support to equal 92% of actual taxes collected is \$37,303.

This "true up" is included in the budget ordinance presented for Assembly Consideration at the November 25 Assembly meeting.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-37A

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

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

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

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

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

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

<u>Account Number</u>	<u>Account</u>	<u>Increase</u>	<u>Decrease</u>
<u>FISCAL YEAR 2015 EXPENDITURE BUDGETS</u>			
<u>CAPITAL PROJECTS</u>			
Fund 710 - Feeder Improvement Project #80003: The Utility Director has requested to close Jeff Davis Line Upgrade to 3 Phase Project #90563 and transfer the remaining funds in the amount of \$49,685 to the Feeder Improvement Project #80003. This is for informational purpose only.			
Fund 710 – Jarvis Street Diesel Capacity Incr. Project #90646:			
712-600-680-7200.000	Interfund Transfers	\$549,344	
710-300-390-3950.712	Transfer in Revenue Bond	\$549,344	
710-600-630-5212.000	Contracted/Purchased Services	\$549,344	
To approve using interest earned from the Blue Lake Revenue Bonds for the Jarvis Street Diesel Capacity Inc. Project #90646.			
Fund 740 – Solid Waste Management Plan Project #90764:			
230-600-680-7200.000	Interfund Transfers	\$214,875	
740-300-390-3950.230	Transfer in Solid Waste	\$214,875	
740-600-630-5212.000	Contracted/Purchased Billing	\$214,875	
At the June 25, 2013 meeting, the Assembly approved advertising for a Request for Qualifications (RFQ) and select a consultant to assist Public Works in developing a Solid Waste Management Plan. This will transfer funds from the Solid Waste Fund to cover those expenses.			

<u>Account Number</u>	<u>Account</u>	<u>Increase</u>	<u>Decrease</u>
CAPITAL PROJECTS (cont.)			
Fund 700 – Kettleson Memorial Library Expansion Project #90739			
165-300-380-3809.000	Donations	\$530,244	
This transaction recognizes donations for the Kettleson Memorial Library Study/Expansion Projects in the amount of \$530,244. This amount will be left in an interest bearing account until at which time the donations and interest earned will be transferred to Fund 700 and used on project #90739.			
Fund 707 – Pacific High Renovation Project #90699			
707-300-360-3610.000	Interest Income	\$58,000	
707-600-630-5212.000	Contracted/Purchased Services	\$58,000	
This will increase the budget for the earned interest to be used on the Pacific High Renovation Project #90699.			

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EXPLANATION

Necessary revisions in the FY 2015 budget were identified. These changes involve the increase of expenditure accounts and causes decreased cash flows to the fund balance of various funds. A short explanation of each budget revision is included.

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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 23rd Day of December, 2014.

ATTEST:

Mim McConnell, Mayor

Sara Peterson, CMC
Acting Municipal Clerk

First Reading: 11/25
Amended: 11/25
First Reading as Amended: 12/9
Second Reading scheduled: 12/23



Legislation Details

File #: ORD 14-38 **Version:** 1 **Name:**
Type: Ordinance **Status:** SECOND READING
File created: 11/14/2014 **In control:** City and Borough Assembly
On agenda: 12/23/2014 **Final action:**
Title: Amending SGC Title 22 Zoning regarding commercial home horticulture
Sponsors:
Indexes:
Code sections:
Attachments: [Motion ORD 2014-38A.pdf](#)
[Memo Ord 2014-38.pdf](#)
[ORD 14-38A Horticulture and Motion.pdf](#)
[Appeals Period Memo.pdf](#)
[Misc Docs relating to Ord 2014-38.pdf](#)

Date	Ver.	Action By	Action	Result
12/9/2014	1	City and Borough Assembly		
11/25/2014	1	City and Borough Assembly	PASSED ON FIRST READING	Pass

Possible Motion

I MOVE TO approve Ordinance 2014-38A on second and final reading.



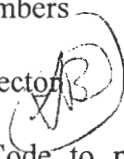
City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

Coast Guard City, USA

Memorandum

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

From: Scott Brylinsky, Interim Planning Director 

Subject: Ordinance Amending the Zoning Code to provide an expedited process for permitting Commercial Home Horticulture, including the construction and operation of Garden Stands

Date: November 14, 2014

The attached ordinance amends the Sitka Zoning Code to provide an expedited permitting process for commercial home horticulture, including the construction and operation of garden stands, in the R-1, R-1MH, R-2, R-2MHP, GI, and LI zones.

The motivation for this ordinance change is the growing community interest in using and selling locally grown produce. The topic came up before the Planning Commission specifically as a Zoning Text Amendment application submitted by Lisa Sadler-Hart and Tom Hart to make commercial home horticulture and related structures a permitted use in residential zones.

The Administration, and the Planning Commission, felt that an expedited process for issuing Conditional Use permits for commercial home horticulture, including garden stands, was in the community interest. The ordinance framework was developed by the Planning Commission over a series of four meetings. The framework ultimately developed modifies the definition of commercial home horticulture to include the use of garden stands, and defines an expedited conditional use permitting process. At the October 21, 2012 meeting the Planning Commission unanimously approved the conceptual framework for the attached ordinance.

In summary, the proposed ordinance simplifies the conditional use process for commercial home horticulture, including garden stands, by eliminating the requirement for Assembly approval. Review and approval is by the Planning Commission, and will take a minimum of two meetings.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014 – 38A

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA AMENDING SITKA
GENERAL CODE TITLE 22 ZONING REGARDING COMMERCIAL HOME HORTICULTURE**

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 be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

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

3. PURPOSE. The purposes of this ordinance are to provide an expedited process to allow for commercial home horticulture, including the construction and operation of garden stands, by amending the municipal zoning regulations to provide the Planning Commission with authority to grant conditional use permits for commercial home horticulture in selected zoning districts.

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

5. Amend SGC 22.08.195 Definition - Commercial Home Horticulture as follows:

“Commercial home horticulture” means the on-site production, principally for use or consumption by the property owner or tenant, of plants or their products, including but not limited to gardening and fruit production. Commercial home horticulture does not include the sale of such products produced off-site, but does include the sale of such products produced and sold on-site to others. ~~Commercial home horticulture does not include construction of accessory buildings other than those specifically allowed in the zoning districts.~~ It also does not include such products as livestock, poultry, other animals, or the production of animal related products. **Accessory buildings, such as garden stands, other than those specifically allowed in zoning districts, may be permitted through the Planning Commission home horticulture permit process in SGC 22.24.025.**

6. Amend SGC Table 22.16.015-6 to make Commercial Home Horticulture in the R-1, R-1MH, R-2, R-2MHP, GI, and LI zones a conditional use subject to new Footnote (9) of that table. New footnote (9) reads as follows:

Commercial home horticulture conditional use permits governed by SGC 22.24.025.

7. Add a new section to SGC Chapter 22.24 Special Use Permits, as follows:
Section 22.24.025 **Commercial Home Horticulture Permits**

A. Application Requirements: Same as conditional use application outlined in Table 22.24.010-1.

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B. Standards, Dimensions, and Setbacks:

- a. Garden stands: Maximum shall be size six(6) feet by eight(8) feet with awning.
- b. The annual period of use shall be May 1 through October 30. Stands must be portable and removed in off season.
- c. Setbacks from lot lines shall be minimum five(5) feet.
- d. Driveways on adjacent lots shall not be blocked.
- e. Sales are permitted a maximum four hours a day twice a week.

C. Review Criteria: In evaluating applications under this section the Planning Commission shall consider the overall plan of operation, potential adverse impacts on adjacent properties including but not limited to odors generated, and adequacy of parking along the right-of-way.

D. Review Procedure and Authority to Approve: Upon receipt of a completed application for a garden stand under this section, there shall be a four-week notice period to include not less than two Planning Commission meetings. Notice shall be provided to properties within 300 feet of the applicant's property. The Planning Commission is authorized to approve or deny Garden Stand conditional use permit applications submitted under this section. Approvals and denials may be appealed to the Assembly.

E. In order to obtain a permit, the applicant must present an Alaska Business License and proof of sales tax account registration (business registration) with the City and Borough of Sitka. The applicant acknowledges the requirement to remit sales tax in accordance with the City and Borough of Sitka Sales Tax Code 4.09. The applicant also acknowledges that Sales Tax Exemption 4.09.100(A) will not be permissible in this ordinance.

F. Sunset and Revocation: Permits issued under this section shall sunset two years after approval. Permit renewal shall follow the same process as initial application. Permits may be revoked by the Planning Commission following a public hearing.

G. This section supersedes other code sections that may be in conflict, including setbacks for garden stands.

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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 23rd day of December, 2014.

Mim McConnell, Mayor

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ATTEST:

Sara Peterson, CMC
Acting Municipal Clerk

First Reading: 11-25
Amended proposed: 12-9
Second Reading as amended: 12-23

Memorandum

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

From: Scott Brylinsky, Interim Planning Director 

Subject: **What is the Appeals Period?** - Ordinance Amending the Zoning Code to provide an expedited process for permitting Commercial Home Horticulture, including the construction and operation of Garden Stands

Date: December 1, 2014

During discussion of the referenced ordinance amendment, at the November 25 Assembly meeting, an Assembly member noted that Planning Commission approvals or denials of conditional use permits under the ordinance are appealable to the Assembly, and asked the question, "What is the appeals period?"

Appeals are addressed in the zoning code, SGC 22.30.230 Appeals to the Assembly

- A. Filing. Every appeal to the assembly shall be filed with the municipal clerk within ten days after the date of the recommendation or decision of the matter being appealed.

This provision resides in Section 22.30 Zoning Code Administration, and applies broadly to Planning Commission actions, including the granting of conditional use permits under the proposed ordinance.

**CITY AND BOROUGH OF SITKA
Planning Commission
Minutes of Meeting
October 21, 2014**

Present: Chris Spivey (Vice-Chair), Debra Pohlman (Member), Darrell Windsor (Member), Wells Williams (Planning Director), Erin Clay (Temporary Planner I)

Absent: Richard Parmelee (Chair)

Members of the Public: Lisa Sadleir-Hart, Tom Hart, Stewart Pook

Acting Chair Spivey called the meeting to order at 7:00 p.m.

Roll Call:

PRESENT: 3 –Spivey, Pohlman, Windsor

Consideration of the Minutes from the October 7, 2014 meeting:

MOTION: M/S WINDSOR/POHLMAN moved to approve the meeting minutes for October 7, 2014.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

The evening business:

**ZONING TEXT CHANGE
COMMERCIAL HOME HORTICULTURE
TOM AND LISA SADLEIR-HART**

Planning Commission deliberation on a proposal to make zoning ordinance text changes for commercial home horticulture and garden stands. The proposal would create a Planning Commission review process for commercial home horticulture in residential and island zoning districts. A variety of zoning code sections would be revised to facilitate the proposal including SGC Chapter 22.24 Special Use Permits, SGC Table 22.16.015-6 Retail and Business Uses, and SGC 22.08.195 Commercial Home Horticulture (definition). The current proposal is in lieu of making the use a permitted use in these districts. The proposal represents a consensus developed between the Planning Commission, Lisa Sadleir-Hart and Thomas Hart.

STAFF REPORT: Williams described the evolution of the zoning ordinance text change application.

COMMISSIONER DELIBERATION: No questions.

PUBLIC COMMENT: No public comment.

MOTION: M/S WINDSOR/POHLMAN moved to approve the following findings:

1. The proposed revisions fill a community need and there has been substantial written testimony in support of changing the current process;

2. The proposed Planning Commission review process allows for permits to be considered on a case by case abbreviated review process;
3. The proposals are consistent with the Comprehensive Plan.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

MOTION: M/S WINDSOR/POHLMAN moved to approve the zoning ordinance text change for commercial home horticulture and garden stands. The applicant is Lisa Sadlier-Hart and Thomas Hart.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

VARIANCE
104 KELLY STREET
STEWART POOK

Public hearing and consideration of a variance requested by Stewart Pook at 104 Kelly Street. The request is to increase the allowable fence height from 8ft to 10ft. The purpose of the increase in fence height is to mitigate impacts from the adjacent property. The property is also known as Lot 3 Block 1 Mission Subdivision.

STAFF REPORT: Williams described the request.

APPLICANT: Stewart Pook came forward to interact and answer questions.

COMMISSIONER DELIBERATION: Chair Spivey asked Pook if he has anything to add to the staff report. Pook described how his current fence is not tall enough to mitigate impacts from the adjacent yard. Pook said that if the yard/home were to be maintained or re-built in the future he would be happy to cut his fence to a shorter size.

PUBLIC COMMENT: No public comment.

MOTION: M/S WINDSOR/POHLMAN moved to approve the following findings:
1. The municipality finds that the necessary threshold for granting this variance should be lower than thresholds for variances involving major structures or major expansions;
2. The granting of the variance is not injurious to nearby properties or improvements;
3. The granting of the variance furthers an appropriate use of the property.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

MOTION: M/S WINDSOR/POHLMAN moved to approve the variance request at 104 Kelly Street filed by Stewart Pook. The property is also known as Lot 3 Block 1 Mission Subdivision. The applicant is requesting an increase in the allowable fence height from 8ft to 10ft. The owner of record is Stewart Pook.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

PLANNING DIRECTOR'S REPORT: No Planning Commission meeting November 4th. The zoning ordinance text change will go to the November 10th Assembly meeting. Williams thanked the Commissioners for their work on the Commission.

PUBLIC COMMENT: No public comment.

ADJOURNMENT:

MOTION: M/S WINDSOR/POHLMAN moved to adjourn at 7:24 pm.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

Richard Parmelee, Chair

Erin Clay, Temporary Secretary

**CITY AND BOROUGH OF SITKA
Planning Commission
Minutes of Meeting
October 7, 2014**

Present: Richard Parmelee (Chair), Chris Spivey (Vice-Chair), Debra Pohlman (Member), Darrell Windsor (Member), Wells Williams (Planning Director), Erin Clay (Temporary Planner I)

Absent: None

Members of the Public: Tom and Lisa Sadleir-Hart

Chair Parmelee called the meeting to order at 7:00 p.m.

Roll Call:

PRESENT: 4 –Parmelee, Spivey, Pohlman, Windsor

Consideration of the Minutes from the September 2, 2014 meeting:

MOTION: M/S SPIVEY/WINDSOR moved to approve the meeting minutes for September 2, 2014.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

The evening business:

**ZONING TEXT CHANGE
COMMERCIAL HOME HORTICULTURE
TOM AND LISA SADLEIR-HART**

Public hearing and consideration of a zoning text change to revise SGC 22.16.015-6 to make commercial home horticulture a permitted use in the R-1, R-1 MH, R-2, R-2 MHP, GI and LI zones and revise SGC 22.08.195 Commercial home horticulture definition to clarify it allowing for the sale of products produced on site and to allow for the construction of accessory buildings. The applicant is Lisa Sadleir-Hart and Tom Hart.

STAFF REPORT: Williams described a spreadsheet summarizing the proposed commercial home horticulture standards and Planning Commission approval process. Williams asked for a break in normal procedure to determine the Commission and Sadleir-Harts comfort with the proposed standards at this time.

APPLICANT: Tom Hart and Lisa Sadleir-Hart come forward to interact and answer questions.

COMMISSIONER DELIBERATION: Commissioner Pohlman has concerns about specifying a time frame for home horticulture sales (i.e. 11:00– 14:00), though she understands the intent is to prevent additional traffic during normal commuting hours. The Commission agrees on establishing a standard for the maximum time that that home horticulture sales may occur (4

hours, twice per week) but for the specific hours of operation to be approved on a case by case basis.

Sadleir-Hart also prefers the specifying the maximum time standard and for each applicant to negotiate their hours of operation.

Commissioner Spivey has concerns about the proposed notification buffer of neighbors within 150ft of the applicant's property and feels that it is insufficient to account for all neighbors who may be impacted by odors. Sadleir-Hart describes fertilizers typically used in Sitka and states that commercial home culture is unlikely to produce excessive odor necessitating a 300ft notification buffer. Conditional use permits typically require a 300ft notification buffer so the Commission agrees to increase the notification buffer for commercial home horticulture applications to all neighbors within 300ft of the applicant's property.

STAFF REPORT: Williams describes the zoning text change and definition change request. The proposed code changes do not address accessory buildings associated with commercial home horticulture, such as greenhouses, so Williams will verify that greenhouses are covered as accessory uses in the existing zoning code prior to the October 21st meeting.

COMMISSIONER DELIBERATION: Hart asked whether adding more details to the maximum time standards for home horticulture sales would be helpful and Williams responded that that level of detail is difficult to codify.

Hart also asked if all application findings, both approvals and denials, may be appealed through the assembly appeal process. The Commission agreed that both approvals and denials may be appealed.

Sadleir-Hart asked about allowable green house size. Commissioner Parmelee said that greenhouse size would be negotiated on a case by case basis. Williams said that size restrictions would only affect proposed greenhouses through the permitting process, not existing greenhouses.

PUBLIC COMMENT: No public comment.

Request will be back for deliberation and recommendation at October 21st Planning Commission meeting.

**MAJOR SUBDIVISION - CONCEPT PLAT
PARCEL C SOUTH BENCHLANDS – 300 KRAMER AVENUE
SOUND DEVELOPMENT**

Public hearing and consideration of a concept plat for a major subdivision at 300 Kramer Avenue or Parcel C South Benchlands filed by Scound Development, LLC. The proposed subdivision will create 19 lots. The property is also known as Tract A12-III, Whitcomb Heights III Subdivision.

STAFF REPORT: Williams discussed the Commission's review process from concept to preliminary plat, including the Public Works requirements which must be met prior to presentation of a preliminary plat to the Commission. Dan Tadic, a Municipal Engineer, comes forward to discuss Public Works submittal requirements for the subdivision including grading and drainage plans. These submittal requirements are based largely off of those required by

the City of Ketchikan because the City and Borough of Sitka currently does not have codified drainage guidelines.

APPLICANT: Todd Flemming, of Sound Development, comes forward to interact and answer questions. Flemming discusses what permitting, surveying, and land clearing steps have been taken thus far. Flemming states that walking the site is challenging at this time due to brush and trees that have been taken down.

COMMISSIONER DELIBERATION: Commissioner Windsor asks about the small lot sizes proposed for the subdivision. Flemming describes the Planned Unit Development approach for the subdivision, which allows for smaller lot sizes than in standard residential zones. Flemming states that Sound Development intends to include a plat note specifying the maximum allowable structure size for lots within the subdivision. At this time, Sound Development is thinking that these structure size limits will be 1,500 ft² for the main structure and 500ft² for garages.

Williams asks if Sound Development will retain ownership of the 20ft drainage easement that runs through the proposed subdivision. Flemming states that Sound Development will retain ownership of this drainage easement.

PUBLIC COMMENT: No public comment.

The preliminary plat will be scheduled for Planning Commission Review after the Public Works Department is comfortable with the geotechnical materials that are forthcoming from the applicant.

**CONDITIONAL USE
506 FIRST STREET
DAWN and PETER MENENDEZ**

Public hearing and annual review of an approved conditional use permit for a day care at 506 First Street. The property is also known as Lot 1 H & P Estates. Owner of record is Joanna Giglia and Dawn and Peter Menendez.

STAFF REPORT: Williams describes the history of the Menendezs' conditional use permit. The main issue in the past has been whether the next door neighbors' driveway becomes blocked by customers picking up and/or dropping off children. No comments were received by the Planning Office during the current public notification period.

APPLICANT: Dawn and Peter Menendez come forward to interact and answer questions.

COMMISSIONER DELIBERATION: Chair Parmelee asks D. Menendez to report on the past year. D. Menendez describes the pickup/drop off schedule that she has developed with her customers and states that she has had no issues with customers adhering to that schedule. If customers have to come early or late they either check to make sure there is parking available or park on Monastery Street and walk down First Street. D. Menendez states that they recently purchased gravel and hand graded to fix potholes that had developed on First Street.

PUBLIC COMMENT: No public comment.

MOTION: M/S PARMELEE/SPIVEY moved to approve the completed annual review for 2014 and to look forward to the final annual review in 2015.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

PLANNING DIRECTOR'S REPORT: Williams discusses agenda items for next Planning Commission Meeting. Williams gives personal thanks to Commissioner Parmelee for his years of service as Planning Commission Chair.

PUBLIC COMMENT: No public comment.

ADJOURNMENT:

MOTION: M/S PARMELEE/POHLMAN moved to adjourn at 8:05 pm.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

Richard Parmelee, Chair

Erin Clay, Temporary Secretary

**CITY AND BOROUGH OF SITKA
Planning Commission
Minutes of Meeting
September 2, 2014**

Present: Richard Parmelee (Chair), Chris Spivey (Vice-Chair), Debra Pohlman (Member), Wells Williams (Planning Director), Maegan Bosak (Planner I)

Absent: Darrell Windsor (Member), Terrance Seslar (Member)

Members of the Public: Tom and Lisa Sadler-Hart

Chair Parmelee called the meeting to order at 7:03 p.m.

Roll Call:

PRESENT: 3 –Parmelee, Spivey, Pohlman

Consideration of the Minutes from the August 19, 2014 meeting:

MOTION: M/S SPIVEY/POHLMAN moved to approve the meeting minutes for August 19, 2014.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

The evening business:

**REPLAT
LOTS 11 AND 12 AMENDED JAMESTOWN HEIGHTS SUBDIVISION
WILLIAM AND AMELIA PENROSE**

Public hearing and consideration of a replat at 319 and 321 Eliason Loop filed by William and Amelia Penrose. The replat will remove the center lot line and merge two lots into one. The property is also known as Lots 11 and 12, Amended Jamestown Heights Subdivision.

Planning Director Williams describes the process of combining the lots. The process only requires one meeting at the Planning Commission level.

APPLICANT: Bill Penrose is planning to build a single family single level home with a detached garage that will straddle the current center lot line. In order to be compliant with setbacks, they would like to remove the center lot line, combining the two lots into one larger. The access will be directly off of Eliason Loop.

PUBLIC COMMENT: No public comment.

COMMISSIONER DELIBERATION: No commissioner deliberations.

MOTION: M/S SPIVEY/POHLMAN moved to approve a replat at 319 and 321 Eliason Loop filed by William and Amelia Penrose. The replat will remove the center lot line and

merge two lots into one. The property is also known as Lots 11 and 12, Amended Jamestown Heights Subdivision.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

**ZONING TEXT CHANGE
COMMERCIAL HOME HORTICULTURE
TOM AND LISA SADLER-HART**

Public hearing and consideration of a zoning text change to revise SGC 22.16.015-6 to make commercial home horticulture a permitted use in the R-1, R-1 MH, R-2, R-2 MHP, GI and LI zones and revise SGC 22.08.195 Commercial home horticulture definition to clarify it allowing for the sale of products produced on site and to allow for the construction of accessory buildings. The applicant is Lisa Sadler-Hart and Tom Hart.

Williams describes the zoning text change and definition change request as well as spreadsheet summarizing concerns presented at last meeting.

APPLICANT: Tom Hart and Lisa Sadler-Hart come forward to interact and answer questions.

COMMISSIONER DELIBERATION: Commissioner Spivey talks about public concern he has heard over commercial uses in the R-1 zone. He foresees major issues in the downtown residential area.

Commissioner Pohlman has concern with smokehouses being added to the list of small structures being considered as she feels they are not related to horticulture and could add new nuisances such as bears, etc. Sadler-Hart agrees. Smokehouses will no longer be grouped in. Concerns over greenhouses and small structures being removed from setback requirements. The Commission envisions a permitting process with approval after two Planning Commission meetings. Commissioner Parmelee says he would like more of a flexible plan based on neighborhoods rather than a standardized.

Discussion over the size of the "garden stand" structure. Sadler-Hart doesn't think any larger than a 6 foot table would be necessary. Spivey wants to make sure they are temporary in nature and aesthetically pleasing.

PUBLIC COMMENT: No public comment.

Request will be back for discussion at September 16th Planning Commission meeting.

PLANNING DIRECTOR'S REPORT: No report.

PUBLIC COMMENT: No public comment.

ADJOURNMENT:

MOTION: M/S POHLMAN/SPIVEY moved to adjourn at 8:25 pm.

ACTION: Motion **PASSED unanimously 3-0** on a voice vote.

Richard Parmelee, Chair

Maegan Bosak, Secretary

**CITY AND BOROUGH OF SITKA
Planning Commission
Minutes of Meeting
August 19, 2014**

Present: Richard Parmelee (Chair), Chris Spivey (Vice-Chair), Debra Pohlman (Member) Darrell Windsor (Member), Terrance Seslar (Member), Wells Williams (Planning Director), Maegan Bosak (Planner I)

Members of the Public: Scott Brylinsky, Tom and Lisa Sadler-Hart, Kay Turner, Lynne Brandon

Chair Parmelee called the meeting to order at 7:01 p.m.

Roll Call:

PRESENT: 5 –Parmelee, Spivey, Pohlman, Windsor, Seslar

Consideration of the Minutes from the August 5, 2014 meeting:

MOTION: M/S SPIVEY/POHLMAN moved to approve the meeting minutes for August 5, 2014.

ACTION: Motion **PASSED unanimously 5-0** on a voice vote.

The evening business:

**CONDITIONAL USE PERMIT- 2 BEDROOM BED AND BREAKFAST
LOT 1-S GIBSON/KITKA/SNOWDEN SUBDIVISION
BRIAN JARDINE**

Planning Commission deliberation of a two bedroom bed and breakfast conditional use permit filed by Brian Jardine at 105 Shelikof Way. The property is also known as Lot 1-S Gibson/Kitka/Snowden Subdivision. The owner of record is Shannon J. Jardine and Brian R. Jardine.

Planning Director Williams describes the process up to this point. Jardine's request is for conditional use permit for a 2 bedroom bed and breakfast. The public comment period is over and this meeting is specifically for Commissioner deliberation, findings and motions.

COMMISSIONER DELIBERATION: Commissioner Seslar researched Jardine's website and found that changes were being made by the applicant, even though he stated previously that he was not able to do so. Commissioner Spivey says that the Administrator asked the applicant to stop housing clients and he failed to do so. Furthermore, Spivey says the Municipal Attorney brings up many valid points and he is not willing to approve something that could create legal problems for the City. Commissioner Windsor says that this property is acting as a lodge which is not permitted. Commissioner Pohlman says she can't ignore that a neighbor is claiming he is adversely affected.

FINDINGS: 22.30.160 Planning commission review and recommendation.

C. Required Findings for Conditional Use Permits. The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions:

1. The City may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:

a. be detrimental to the public health, safety, and general welfare;

MOTION: M/S SPIVEY/WINDSOR moved to approve that these findings can be met.

ACTION: Motion FAILED unanimously 0-5 on a voice vote.

b. adversely affect the established character of the surrounding vicinity;

MOTION: M/S WINDSOR/PARMELEE moved to approve that these findings can be met.

ACTION: Motion FAILED unanimously 0-5 on a voice vote.

c. be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.

MOTION: M/S SPIVEY/WINDSOR moved to approve that these findings can be met.

ACTION: Motion FAILED unanimously 0-5 on a voice vote.

2. That the granting of the proposed Conditional Use Permit is consistent and compatible with the intent of the goals, objectives and policies of the Comprehensive Plan and any implementing regulation.

MOTION: M/S SPIVEY/WINDSOR moved to approve consistent with Comprehensive Plan 2.5.2 *To encourage commercial and industrial developments of a quality that does not adversely impact any adjacent recreational and residential areas.*

ACTION: Motion FAILED unanimously 0-5 on a voice vote.

3. That all conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.

MOTION: M/S POHLMAN/SPIVEY moved to approve that these findings can be met.

ACTION: Motion FAILED unanimously 0-5 on a voice vote.

4. That the proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard.

MOTION: M/S SPIVEY/WINDSOR moved to approve that these findings can be met.

ACTION: Motion PASSED unanimously 5-0 on a voice vote.

5. That the conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.

MOTION: M/S SPIVEY/POHLMAN moved to approve that these findings can be met.

ACTION: Motion PASSED unanimously 5-0 on a voice vote.

6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in Section B.

MOTION: M/S SPIVEY/SESLAR moved to approve.

ACTION: Motion FAILED unanimously 0-5 on a voice vote.

The City may approve, approve with conditions, modify, modify with conditions, or deny the conditional use permit. The city may reduce or modify bulk requirements, off-street parking requirements, and use design standards to lessen impacts, as a condition of the granting of the conditional use permit. In considering the granting of a conditional use, the assembly and planning commission shall satisfy themselves that the general criteria set forth for uses specified in this chapter will be met. The city may consider any or all criteria listed and may base conditions or safeguards upon them. The assembly and planning commission may require the applicant to submit whatever reasonable evidence may be needed to protect the public interest.

The general approval criteria are as follows:

1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

22.24.010 Conditional uses.

E. In evaluating the inputs of a proposed conditional use permit, the municipality may consider a commercial conditional use to be inappropriate for residential neighbors while the same conditional use may be acceptable when it is located along an arterial or collector street. The additional vehicular traffic generated by conditional uses, such as professional offices, may not be able to be adequately mitigated in residential areas.

1. Criteria to Be Used in Determining Impacts of Conditional Uses.

- a. Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses.
- b. Amount of noise to be generated and its impacts on surrounding land uses.
- c. Odors to be generated by the use and their impacts.
- d. Hours of operation.
- e. Location along a major or collector street.
- f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario.
- g. Effects on vehicular and pedestrian safety.
- h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site.
- i. Logic of the internal traffic layout.
- j. Effects of signage on nearby uses.
- k. Presence of existing or proposed buffers on the site or immediately adjacent the site.
- l. Relationship if the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan.
- m. Other criteria that surface through public comments or planning commission assembly review.

MOTION: M/S SPIVEY/WINDSOR recommended denial of conditional use permit because the majority of required findings cannot be met and neighborhood concerns cannot be mitigated.

ACTION: Motion PASSED unanimously 5-0 on a voice vote.

This request and recommendation will be forwarded to the Assembly. Materials can still be submitted and notices will go out to the adjacent neighborhood.

CONDITIONAL USE PERMIT- DAYCARE/KINDERGARTEN IN R-1 ZONE LOT 1 WESTOVER SUBDIVISION EMILY DAVIS

Public hearing and consideration of a daycare conditional use permit filed by Emily Davis at 304 Baranof Street. The property is also known as Lot 1 Westover Subdivision. The owner of record is John and Karen Thielke.

Bosak provides a staff report summarizing the conditional use permit request and concerns that were heard at the last meeting. The request is across from Baranof Elementary. It was most recently the Boys and Girls Club and professional offices. Staff feels the applicant should formalize their request so that Commissioners can proceed with their deliberations. Mary

Wegner, Sitka School Superintendent, submitted a letter with concerns that was included in the packets for review.

APPLICANT: Paul and Emily Davis step forward. Ms. Davis states that two classrooms will be sufficient with a living unit above for teacher. The applicant stresses that they want to make sure parking does not add to Baranof Elementary School congestion. Davis states she is happy to revise application if need. She also states that the lot next to the building should be marked as a private lot because it is confusing.

Williams asks about drop off and pick-ups. Davis plans to use the side lot of the building and the historically reserved spaces in the public lot. Commissioner Windsor asks about walking school kids from Baranof to the facility. Davis again stresses that they don't want to conflict with Baranof Elementary school hours. She would walk students from school to the learning center, reducing the cars in the area. Commissioners voice concerns over congestion.

Williams asks if Davis has worked with Baranof Elementary on the congestion schedule and specifically the signing out process. Davis has no association with the district but has sign in/out protocol with parents. Davis says she is happy to work with the district. Her number one goal is the safety of children.

COMMISSIONER DELIBERATION: Commissioner Parmelee asks Davis to talk with teachers and staff regarding drop off protocol. Davis asks if there is a conditional use permit with the building already as it was used as the Boys and Girls Club. Williams says that the extension of the permit would have to include plans that were exactly the same as the prior after school program. Mr. Davis exclaims that Ms. Davis is just trying to earn a living and work within the parameters. Williams ask Mr. Davis to lower his voice – everyone is working hard to go through all the details of the permit.

Commissioner Spivey says the application continues to change. Now they want to just do an after school program?

Dan Tadic, Municipal Engineer, says that the public parking lot will be used for construction materials and machinery storage for next summer's road projects. The lot is the only area to store the materials.

Davis says she can withdrawal application however every daycare application will come back before the Commission.

PUBLIC COMMENT: No public comment.

This request will be back on the September 2nd Planning Commission agenda.

**ZONING TEXT CHANGE
COMMERCIAL HOME HORTICULTURE
TOM AND LISA SADLER-HART**

Public hearing and consideration of a zoning text change to revise SGC 22.16.015-6 to make commercial home horticulture a permitted use in the R-1, R-1 MH, R-2, R-2 MHP, GI and LI zones and revise SGC 22.08.195 Commercial home horticulture definition to clarify it allowing for the sale of products produced on site and to allow for the construction of accessory buildings. The applicant is Lisa Sadler-Hart and Tom Hart.

Williams describes the zoning text change and definition change request.

APPLICANT: Tom Hart and Lisa Sadler-Hart come forward to share idea. They hope to increase economic benefit for food growers while increasing neighborhood access to fruits and vegetables. They are open to all discussions and understand that the process could take a while to flush out all the details. They also have concerns over increased traffic in neighborhoods and individual "garden stands" and what they should look like.

Williams is excited as this could be a new movement in Sitka. Sadler-Hart has done beautiful work throughout the community.

COMMISSIONER DELIBERATION: Commissioner Pohlman asks about conditional use permit process. Pohlman brings up fertilizer odor issues. What is the Commission going to do to include checks and balances? She asks about chicken coops.

Discussion over traffic generation and how this would affect R-1 neighborhood issues. Spivey says this could become like never ending garage sales and in the downtown area that could be a problem.

Sadler-Hart asks if traffic is the issue or the producible amount of food on the lots.

Spivey says it is mainly parking. Discussion on prohibitions on streets that are a lane and a half or properties under 50 ft wide. Commissioner Windsor says if it's a small lot they won't be able to grow enough to sell. Commissioner Seslar says perhaps the garden stand could be based on the size of the property.

Discussion over a time limit. Possibly one weekend per month or once a week.

Sadler-Hart states they would mainly take place June through September or during the growing season.

Various items such as orders, lockbox system and hours of operation come up.

Williams asks if we should include limiting greenhouses in the discussion. Specifically sizing and proximity to property lines.

Pohlman comments that this goes back to commercial uses in residential areas. How can we mitigate impacts? Perhaps another permitting process.

PUBLIC COMMENT: No public comment.

Request will be back for discussion at September 2nd Planning Commission meeting.

DISCUSSION

CRESCENT HARBOR PARK PLAYGROUND EXPANSION

KAY TURNER

Discussion on proposed expansion of the Crescent Harbor Park Playground located on Lincoln Street next to Crescent Harbor by Kay Turner.

Bosak describes details of the request. The idea was supported at the Historic Preservation Commission meeting.

APPLICANT: Kay Turner and Lynne Brandon come forward to answer questions. Turner says that a new playground is needed in Sitka and that the cause was recognized as a health summit goal. This playground would be ADA accessible and sustainable. Brandon states that the equipment will include games and encourage imaginative play. Park will be Sitka themed and have a neutral color scheme.

COMMISSIONER DELIBERATION: Commissioner Spivey asks about parking. Brandon says that the City has taken over maintenance on the lot across the street on SJ campus. Parking is also available at Crescent Harbor.

PUBLIC COMMENT: No public comment.

MOTION: M/S SPIVEY/WINDSOR moved to make a motion of recommendation to the Assembly on behalf of the proposed expansion of the Crescent Harbor Park Playground located on Lincoln Street next to Crescent Harbor by Kay Turner.

ACTION: Motion **PASSED unanimously 5-0** on a voice vote.

PLANNING DIRECTOR'S REPORT: No report.

PUBLIC COMMENT: No public comment.

ADJOURNMENT:

MOTION: M/S SPIVEY/SESLAR moved to adjourn at 9:17 pm.

ACTION: Motion **PASSED unanimously 5-0** on a voice vote.

Richard Parmelee, Chair

Maegan Bosak, Secretary

Request:

Zoning text change to Table 22.16.015-6 to make Commercial Home Horticulture a permitted use in the R-1, R-1MH, R-2, R-2 MHP, GI and LI zones.

Zoning text change to SGC 22.08.195 Commercial Home Horticulture definition to clarify, allowing for the sale of products produced onsite and to allow for the construction of accessory buildings.

Meeting Flow

- o Report from Staff
- o Applicant comes forward
- o Applicant identifies him/herself – provides comments
- o Commissioners ask applicant questions
- o Staff asks applicant any questions
- o Floor opened up for Public Comment
- o Comment period closed - brought back to the board

Zoning District: R-1, R-1 MH, R-2, R-2 MHP, GI and LI

Tonight's Actions

Discuss approval process and definitions

Walk through findings

Make recommendation to approve text changes

**Lisa Sadler-Hart and Thomas Hart
Zoning Text Change
Commercial Home Horticulture
October 21st, 2014**

Tuesday night will be an opportunity for the Planning Commission to walk through the proposed commercial home horticulture text changes and make a recommendation, for approval, to the Assembly.

Since there has been considerable dialogue, there may not be any additional revisions from the Planning Commission.

Staff will suggest three findings for the board to consider. They are 1) the proposed revisions fill a community need and there has been substantial written testimony in support of changing the current process, 2) the proposed Planning Commission review process allows for permits to be considered on a case by case abbreviated review process, and, 3) the proposals are consistent with the Comprehensive Plan.

Following a motion on findings, a motion recommending approval to the Assembly is in order.

Lisa Sadler-Hart and Thomas Hart
Zoning Text Change
Commercial Home Horticulture
October 7, 2014

Lisa Sadler-Hart and Thomas Hart
Zoning Text Change
Commercial Home Horticulture
September 16, 2014

Discussions continued at the last meeting on the zoning text amendment. Again bringing up a range of issues, from concerns of commercial uses in residential zones to number of sales per week.

Commissioners struck smokehouses from the proposal as the general consensus was they are not congruent with horticulture uses. This discussion sparked more concerns over small structures and greenhouses proximity to property lines. It was decided that this is also a separate issue and should not be included in this discussion.

The discussion moved on to the permitting process that included two Planning Commission meetings for approval. This would allow permits to be based on the individual neighborhood and could deal with concerns on a case by case basis as opposed to generalized throughout all areas.

Discussion also led to the size of the garden stand. Sadler-Hart thought that no larger than a six foot table was necessary. Commissioners thought there would be instances where it should be larger. The main points being that the structure should be aesthetically pleasing and temporary (i.e. put away in winter) in nature.

Staff has crafted a code framework for tonight's discussion. The framework covers the points that were considered on September 2nd. We have also provided the relevant sections of the code that cover permit reviews. The framework can be discussed at the meeting and the definition of commercial home horticulture can be explored.

Lisa Sadler-Hart and Thomas Hart
Zoning Text Change
Commercial Home Horticulture
September 2, 2014

Back again this evening, is the request for zoning text change for commercial home horticulture and change to the definition.

Discussion points from last meeting that should be continued:

- Commercial use in residential zone
- Increased traffic
- Parking
- Possibility of odors
- Never-ending garage sale like
- Additional permitting process limiting garden stands on smaller roads or properties under 50 ft. wide

- Time/occurrence limit on garden stands
- Greenhouses- size and proximity to property lines

Staff anticipates these discussions will take multiple meetings but are important in the final outcome. No new public comment has been received.

Lisa Sadler-Hart and Thomas Hart
Zoning Text Change
Commercial Home Horticulture
August 19, 2014

The Applicants are requesting that Commercial Home Horticulture be a permitted use in the R-1, R-1 MH, R-2, R-2 MHP, GI and LI zones rather than a conditional use permit.

The Hart's have a large vegetable garden and small greenhouse at their personal residence, located at 815 Charles Street (R-1 zone). They are requesting the zoning text change and definition change so they have the option, through permitted use, of having a small stand at their residence to sell produce.

The zoning text change would allow these small stands and sales to be a permitted use in almost all residential zones including islands.

Discussion needs to occur surrounding the size of structure that will be allowed as a place to sell from. Also should this Commercial Home Horticulture request be limited to summer months, etc. The applicant is envisioning a small "lemonade" style stand or single table, however the dimensions should be defined in the zoning text change definition.

There is also merit, since we are dealing with this concept, in coming up with a maximum size for any greenhouses that may be on residential lots. There are a number of ways to size the greenhouses, including a range based on the size of the lots.

The Planning Office is suggesting the Board have a discussion with the applicant on the overall concepts behind the text change, the size of the produce stands, and the size of greenhouses. After a consensus is reached, we can schedule it for the Planning Commission meeting on September 2nd. It's important to give the public an opportunity to comment on the proposed size of the structures before a formal recommendation is made to the Assembly.

The Planning Office is fully supportive of this request and considers it to be a natural evolution in how home horticulture is permitted in Sitka. Home horticulture was dealt with cautiously when the current code was enacted. Support and awareness has increased so it makes sense to make it a permitted use instead of a conditional use. Working out all the details at the Planning Commission level may result in a shorter Assembly review period.

The issue will be scheduled for an additional Planning Commission meeting on September 2nd for additional public comment unless the Board moves faster than staff anticipates.

22.08.195 Commercial home horticulture.

"Commercial home horticulture" means the on-site production, principally for use or consumption by the property owner or tenant, of plants or their products, including but not limited to gardening and fruit production. Commercial home horticulture does not include the sale of such products produced off-site, but does include the sale of such products produced and sold on-site to others. It also does not include such products as livestock, poultry, other animals, or the production of animal related products. **Accessory buildings, such as garden standds, other than those specifically allowed in zoning districts, may only be permitted through the Planning Commission Home Horticulture Permit Process in SGC 22.24.025.**

**Table 22.16.015-6
Retail and Business Uses**

ZONES	P(1)	SF	SFLD	R-1	R-1 MH	R-1 LDMH	R-2	R-2 MHP	CBD (8)	C-1	C-2	WD(2)	I(3)	GI(4)	LI(4)	R	OS	SC
RETAIL USES																		
• Building, hardware and garden materials										P	P		P	C	C			P
• Bulk forest products sales									P	P	P	P	P	P				P
• Retail forest products sales										P	P	P	P					C
• Art galleries and sales of art									P	P	P	P						
• Department and variety stores									P	P	P	P(5)		C	C			
• Food stores									P	P	P	P(5)		C	C	C(6)		C
• Agricultural product sales										P	P		P	C	C			P
• Motor vehicle and boat dealers									P(7)	P	P	P(5)		C				P
• Auto supply stores									P	P	P			C	C			P
• Gasoline service stations									C	P	P		P	C	C			C
• Apparel and accessory stores									P	P	P	P(5)		C	C			
• Furniture and home furnishing stores									P	P	P			C				C
• Eating and drinking places									P	P	P	P	C	PU/ CS	C			C
• Drug stores									P	P	P			C	C			
• Liquor stores									P	P	P	P(5)		C	C			
• Used goods, secondhand stores									P	P	P	P(5)		C	C			C
• Sporting goods									P	P	P	P(5)		C	C			
• Book, stationery, video and art supply									P	P	P	P(5)		C	C			
• Jewelry stores									P	P	P	P(5)		C	C			
• Monuments, tombstones and gravestones									P	P	P		P	C	C			P
• Hobby, toy, game stores									P	P	P			C	C			
• Photographic and electronic stores									P	P	P	P(5)		C	C			
• Fabric stores									P	P	P			C	C			
• Fuel dealers										P	P		P	C	C			C
• Florists									P	P	P			C	C			
• Medical supply stores									P	P	P			C	C			
• Pet shops									P	P	P			C	C			
• Sales of goods that are wholly manufactured at Sawmill Cove Industrial Park SCIP																		P
• Sales of gifts, souvenirs and promotional materials that bear the logo or trade name of an SCIP permitted use business																		P
• Stand alone souvenir and gift shops									P	P	P	P						
• Bulk retail										P	P			C	C			

DISTRICT REGULATIONS

ZONES	P(1)	SF	SFLD	R-1	R-1 MH	R-1 LDMH	R-2	R-2 MHP	CBD (8)	C-1	C-2	WD(2)	I(3)	GI(4)	LI(4)	R	OS	SC
• Commercial home horticulture	P	C	C	C	C		C	C	P	P	P	P		PU/CS	C	P	P	
• Horticulture and related structures	P								P	P	P	P						P
BUSINESS SERVICES																		P
• General business services									P	P	P	P(5)	P	C	C			C
• Professional offices							C	C	P	P	P	P(5)		C	C			P
• Communications services									P	P	P	P(5)		C	C			P
• Research and development services									C	P	P	C(5)	P	C	C			P

P: Public Lands District

SF: Single-Family District

SFLD: Single-Family Low Density District

R-1: Single-Family/Duplex District

R-1 MH: Single-Family/Duplex/Manufactured Home District

R-1 LDMH: Single-Family/Duplex and Single-Family/Manufactured Home Low Density Districts

R-2: Multifamily District

R-2 MHP: Multifamily/Mobile Home District

CBD: Central Business District

P—Permitted

C—Conditional Use Permit Required

PU/CS—Permitted on Unsubdivided Islands and Conditional Use on Subdivided Islands

C-1/C-2: General Commercial and General Commercial/Mobile Home Districts

WD: Waterfront District

I: Industrial District

GI: General Island District

LI: Large Island District

R: Recreational District

OS: Open Space District

SC: Sawmill Cove Special District

H. Retail and Business Uses Table 22.16.015-6 Footnotes.

1. Public facilities not otherwise identified may be permitted in the public zone subject to planning commission recommendation and assembly approval subject to findings of fact that show the use is in the public interest, all reasonable safeguards are to be employed to protect the surrounding area, and that there are no reasonable alternative locations for the use.
2. All uses in the waterfront district are intended to be water-related or water-dependent except that upland uses may be non-water-related.
3. No industrial use shall be of a nature which is noxious or injurious to nearby properties by reason of smoke, emission of dust, refuse matter, odor, gases, fumes, noise, vibration or similar conditions.
4. Uses listed as conditional uses in the GI and LI zones may be considered, but not necessarily approved, on a case-by-case basis.

5. When associated with a water-related principal use.
6. Small scale convenience stores subordinate to principal permitted uses.
7. Motor vehicles and boat dealers permitted on a short-term basis.
8. Kiosks, outdoor restaurants, portable structures such as food stands and other temporary structures that are clearly incidental to the primary use on the lot are permitted uses. Mobile food carts on wheels are permitted uses on private property. Kiosks, outdoor restaurants, portable structures such as food stands and other temporary structures that are not clearly incidental to the primary use on the lot are conditional uses.

(Ord. 13-14A § 4 (part), 2013; Ord. 12-31A §§ 4(E), (F), 2012; Ord. 11-34 § 4, 2011; Ord. 11-31 § 4, 2011; Ord. 11-04S § 4(A), 2011; Ord. 10-32 § 4, 2010; Ord. 10-12 § 4 (part), 2010; Ord. 09-78 § 4, 2010; Ord. 09-51 §§ 4(A), (B), (D), 2009; Ord. 08-44 § 4,

**.....For Commercial Home Horticulture Permits Code Placement
Context.....**

Title 22 ZONING

Chapters:

- 22.04 Introduction and General Provisions**
- 22.08 Definitions**
- 22.12 Zoning Maps and Boundaries Revised 7/14**
- 22.16 District Regulations Revised 7/14**
- 22.20 Supplemental District Regulations and Development Standards**
- 22.24 *Special Use Permits***
- 22.30 Zoning Code Administration**

Chapter 22.24 SPECIAL USE PERMITS

Sections:

- 22.24.005 General.**
- 22.24.010 Conditional uses.**
- 22.24.020 Variances.**
-22.24.025 Commercial Home Horticulture Permits....***
- 22.24.030 Planned unit developments.**
- 22.24.040 Binding site plan approval.**
- 22.24.050 Nonconforming use permit.**

22.24.010 Conditional Uses E. In evaluating the inputs of a proposed conditional use permit, the municipality may consider a commercial conditional use to be inappropriate for residential neighbors while the same conditional use may be acceptable when it is located along an arterial or collector street. The additional vehicular traffic generated by conditional uses, such as professional offices, may not be able to be adequately mitigated in residential areas.

1. Criteria to Be Used in Determining Impacts of Conditional Uses.
 - a. Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses.
 - b. Amount of noise to be generated and its impacts on surrounding land uses.
 - c. Odors to be generated by the use and their impacts.
 - d. Hours of operation.
 - e. Location along a major or collector street.
 - f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario.
 - g. Effects on vehicular and pedestrian safety.

A. **Staff Report.** The administrator shall prepare a staff report on the proposed development or action summarizing any comments, analysis, and recommendations of city departments, affected agencies and special districts, evaluating the development's consistency with the comprehensive plan, code, and other adopted plans and regulations. The staff report may include findings, conclusions or proposed recommendations for disposition of the development application.

B. **Hearing.** The planning commission shall conduct a public hearing on development proposals for the purpose of taking testimony, hearing evidence, considering the facts germane to the proposal, and evaluating the proposal for consistency with the city's comprehensive plan, code, and other adopted plans and regulations. Notice of the planning commission hearing shall be in accordance with Article IV of this chapter.

C. **Required Findings for Conditional Use Permits.** The planning commission shall not recommend approval of a proposed development unless it first makes the following findings and conclusions:

1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:

- a. Be detrimental to the public health, safety, and general welfare;
- b. Adversely affect the established character of the surrounding vicinity; nor
- c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.

2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives and policies of the comprehensive plan and any implementing regulation.

3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.

4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard.

5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.

6. **Burden of Proof.** The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

22.30.050 Planning commission.

The planning commission shall be constituted in accordance with Chapter 2.18 of this code and the Sitka Home Rule Charter and shall have the responsibility of reviewing and acting on the following:

A. Recommendations to the assembly on approvals of subdivisions, planned unit developments, and binding site plans.

- h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site.
- i. Logic of the internal traffic layout.
- j. Effects of signage on nearby uses.
- k. Presence of existing or proposed buffers on the site or immediately adjacent the site.
- l. Relationship if the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan.
- m. Other criteria that surface through public comments or planning commission assembly review.

22.30.150 Administrative approvals without notice.

A. The administrator may approve, approve with conditions, or deny the following without notice:

- 1. Boundary (lot) line adjustments.
- 2. Extension of time for approval.
- 3. Minor amendments or modifications to approved developments or permits. Minor amendments are those which may affect the precise dimensions or location of buildings, accessory structures and driveways, but do not (a) affect overall project character, (b) increase the number of lots, dwelling units, or density, or (c) decrease the quality or amount of open space.
- 4. Home occupations and other accessory uses in single-family zones.
- 5. Minor adjustment to yard requirements in residential zones where the administrator may allow development to encroach up to two feet into a required yard setback when it is determined that strict application of the setback requirement may cause an undue hardship and there are not impacts on adjacent properties.
- 6. Minor adjustment to yard requirements for residential structures in commercial zones where the administrator may allow development to encroach up to two feet in required setbacks adjacent to municipally owned upland tracts exceeding fifty acres when it is determined that strict application of the setback requirement may cause an undue hardship and there are not impacts on adjacent properties.

7. *Required Findings for Nonconforming Use Permits. The city shall grant a nonconforming use permit if documentary evidence is provided by the applicant to support the planning commission's findings that:*

- a. Granting a nonconforming use permit is necessary to adapt the nonconforming use and associated structures to changes in technology, merchandising, or other generally recognized trends which affect the utility of structures or the applicant's ability to compete;
- b. Granting a nonconforming use permit will not introduce any (additional) hazards or interfere with the potential development of nearby properties in accordance with present zoning regulations;
- c. The nonconforming use and associated structures will comply with the requirements of Section 22.24.050(B);
- d. The applicant's proposal will result in improvements in functionality or safety, or in exterior appearance, screening, access and other features which will make the use or structure more compatible with allowed uses; and
- e. Granting a nonconforming use permit will not detract from the intent of the comprehensive plan and any implementing regulation.

22.30.160 Planning commission review and recommendation.

Planning commission decision and action authority is defined in Section 22.30.050.

22.30.030 Administrator.

The term "administrator" shall mean the city and borough administrator, or an individual operating with his/her express knowledge on his/her behalf. Said individual may include, but is not limited to, the planning director or planning assistant. The administrator is responsible for the administration of this title and shall review and act on the following:

- A. Administrative Interpretation. Upon request or as determined necessary, the administrator shall interpret the meaning or application of the provisions of said titles and issue a written administrative interpretation. All administrative determinations shall be reported to the planning commission within a reasonable period of time following their issuance.
- B. Nonconforming use permits.
- C. Administrative approvals as set forth in Section 22.30.150.

22.30.150 Administrative approvals without notice.

A. The administrator may approve, approve with conditions, or deny the following without notice:

- 1. Boundary (lot) line adjustments.
- 2. Extension of time for approval.
- 3. Minor amendments or modifications to approved developments or permits. Minor amendments are those which may affect the precise dimensions or location of buildings, accessory structures and driveways, but do not (a) affect overall project character, (b) increase the number of lots, dwelling units, or density, or (c) decrease the quality or amount of open space.
- 4. Home occupations and other accessory uses in single-family zones.
- 5. Minor adjustment to yard requirements in residential zones where the administrator may allow development to encroach up to two feet into a required yard setback when it is determined that strict application of the setback requirement may cause an undue hardship and there are not impacts on adjacent properties.
- 6. Minor adjustment to yard requirements for residential structures in commercial zones where the administrator may allow development to encroach up to two feet in required setbacks adjacent to municipally owned upland tracts exceeding fifty acres when it is determined that strict application of the setback requirement may cause an undue hardship and there are not impacts on adjacent properties.

- B. Recommendations to the assembly on amendments to the comprehensive plan.
- C. Recommendations to the assembly on amendments to the subdivision code, Title 21 of this code.
- D. Recommendations to the assembly on amendments to the zoning code, this Title 22, or the official map.
- E. Approve variances with appeals possible to the assembly.
- F. Recommendations on conditional use permit applications.
- G. Other actions requested or remanded by the assembly.

B. Administrator's decisions under this section shall be final on the date issued.

August 5th, 2014

To Whom It May Concern;

We have heard that a request to make commercial home horticulture a permitted use in the in the residential and island zones is coming before the Planning Commission and we would like to go on record as supporting such an amendment to the City codes for several reasons.

As you may be well aware, the "Sitka Community Food Assessment Indicators Report" recently revealed that Sitka has a serious food security issue and that there is a definite need to increase our food resiliency. Encouraging home horticulture is one of the many needed steps the City can take to increase our food security and resiliency and this zoning text amendment is one of those steps.

From a more personal experience, we have been gardening and growing on Finn Island for years and have watched the demand for locally grown vegetable "starts" and, later in the season, locally grown produce increase almost exponentially. Noticing this trend - especially requests for locally grown vegetable starts - we expanded our greenhouse and started a business (Finn Island Farm) to meet this demand. Suffice it to say that this season went so well that we are planning on expanding again. Needless to say, as a business that supplies vegetable starts to small scale growers, we whole-heartedly support any action the City takes which encourages home horticulture.

From an economic point of view, encouraging current and future growers to sell extra produce locally means that those funds (which normally "flow" out of Sitka through the purchase of products from outside the community) will stay within and benefit our community and have an economic "multiplier-effect."

Lastly, improving Sitka's food security system also includes improving the nutritional value of what we eat. Given that it can take up to 2 weeks for imported produce to reach our grocery stores; that, once harvested, the vitamins, minerals, and antioxidants in produce decreases substantially during storage, shipping and grocery store display periods, and; that organic naturally grown produce contains higher levels of vitamins and minerals compared to industrialized, conventional agriculture products - promoting locally grown produce means Sitkans can eat healthier foods while supporting not only their neighbors, but the community as a whole.

Once again... as citizens and local business owners we support amending the zoning codes to make commercial home horticulture a permitted use in both residential and island zones.

Sincerely;

Keith Nyitray & Debby LeVeck - owners
Finn Island Farm
PO Box 6531
Sitka, AK 99835



SITKA LOCAL FOODS NETWORK

408-D Marine St.
Sitka, Alaska 99835

sitkalocalfoodsnetwork@gmail.com

<http://www.sitkalocalfoodsnetwork.org/>

<https://www.facebook.com/SitkaLocalFoodsNetwork>

Aug. 8, 2014

To whom it may concern:

The Sitka Local Foods Network is writing to show its support for the pending rezoning request of Tom Hart and Lisa Sadleir-Hart, dba Anam Cara Family Garden. This rezoning request will make commercial home horticulture (ie, a farm/garden stand) a permitted use in residential and island zones (R-1, R-1 MH, R-2, R-2 MHP, GI and LI).

The passing of this rezoning request will create opportunities for small growing operations, such as Anam Cara Family Garden and other current and future growers, to sell extra produce on-site once the operation has moved through the permitting process. This request also will create an expedited permitting process, so future operations can receive their permits without having to go to the Sitka Assembly for approval.

A special note about this request. Lisa Sadleir-Hart is president of the Sitka Local Foods Network, but she recused herself when our board voted to support this rezoning request. The Sitka Local Foods Network's mission is dedicated to promoting the growing, harvesting and eating of local foods in Sitka, Alaska, and we feel this rezoning request falls within this mission. We feel this is another spoke in the wheel of improving Sitka's food system, and it also will stimulate the economy by promoting small local businesses. We are amenable to the addition of special conditions, such as parking limitations and time limits for the produce stands, if that makes it easier for neighbors to accept the stands.

Among the reasons we support this rezoning request is because the Alaska Department of Health and Social Services reports that only 25 percent of Alaskans eat the recommended five servings of fruits and vegetables per day, and this rezoning request will improve access to fresh, local produce. Also, grocery prices in Sitka have risen 43 percent since 2006, and making it easier to sell excess produce will help encourage more people to garden, which will improve food security in Sitka.

Thank you for your time,

The Sitka Local Foods Network Board of Directors
President, Lisa Sadleir-Hart; Vice-President, Michelle Putz; Secretary, Beth Kindig; Treasurer, Maybelle Filler; Lauren Fetzer; Milt Fusselman; Charles Bingham; Matthew Jackson; one vacancy.



P.O. Box 6407
Sitka, AK 99835

Bringing good food and
community together

August 8th, 2014

To The Sitka Planning Commission;

The Sitka Food Co-op supports the request to make commercial home horticulture a permitted use in the residential and island zones of the City & Borough of Sitka.

As the Sitka Food Co-op, we are intrinsically involved in the local food system. Among our "Purposes and Powers" (as incorporated within our ByLaws) we state that the Sitka Food Co-op was formed to:

- Make available wholesome natural and organic foods and products as inexpensively as possible;
- Support and encourage local growing of fresh organic foods;
- Purchase and purvey, whenever feasible, the goods or services of local and regional growers and producers;
- Serve as a center for activities and services which otherwise enrich the life of the community.

Amending the City zoning rules/regulations/codes to support home horticulture is something we strongly encourage you to do as it will both support and allow Sitkans greater access to healthy, locally sourced food as well as providing greater local access to (and sources of) affordable food for the sustainable future.

Most Sincerely;

The Board of Directors
*Kallie Adams, Robert Baines,
Pat Hanson, Jen Mac Donald,
Keith Nyitray*

August 8, 2014

Maegan Bosak
City of Sitka Planning and Zoning Department
100 Lincoln Street
Sitka, AK 99835

RE: Zoning and Permitting of Home Horticulture

To whom it may concern,

As a resident of Sitka and coordinator of Blatchley Community Gardens I support making commercial home horticulture a permitted use in the residential and island zones.

I support amending Sitka General Code to amend the zoning text to add zones R-1, R-1 MH, R-2, R-2 MHP, GI and LI to those permitted under home horticulture.

As a gardener my partner and I grow more food then we can eat. We are always giving it away to friends or exchanging it for other foods. I would like to see an easy process where gardeners can also sell their extra food or grow enough to have a steady income from their sales.

Thank you for considering this proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Nuetzel". The signature is stylized and cursive.

Dave Nuetzel
Blatchley Community Garden Coordinator & citizen

Linda Wilson – Seaview Gardens
3509 Halibut Point Road
Sitka, Alaska 99835
907-747-3096 (home)

August 8, 2014

Sitka Planning and Zoning Commission
City & Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835

Dear Sirs:

I have been growing produce on my residential property for about ten years. For the past seven years I have been selling some of that produce at the Sitka Farmers Market. Most of the produce is either used by my family and friends or given to others that need it.

I have expanded my growing capacity every year and now find that I have excess produce available at times when there is no scheduled Farmers Market. Some of this I take to the Salvation Army.

However, in order to keep growing all this fresh, tasty nutritious produce, I do need to sell enough to pay the costs to purchase seeds, soil amendments, supplies and tools.

Therefore, I strongly support making commercial home horticulture a permitted use in the residential and island zones. This would allow me to recover some of my costs by selling produce directly at the garden.

Best regards,



Linda Wilson – Seaview Gardens (AK business license #1006681)
An Approved **Alaska Grown** Business



July 25, 2014

Dear Planning and Zoning Commission,

We support re-zoning requests for “commercial” home horticulture in residential neighborhoods in Sitka and on island property.

For that last eight years local residents have gathered to answer and simple and important question, “what wellness initiative deserves Sitka’s attention in the next 365 days?” Many of the ideas participants have submitted revolve around improving our local food system. In 2008 creating a Farmers Market was selected as a top goal along with creating a community greenhouse.

Good health and good nutrition go hand in hand so it is no surprise that growing local food in Sitka is a common theme. The particular ideas vary from starting the Fish to Schools Program to completing a food assessment to launching a community kitchen. One thing that all of the ideas have in common is a emphasis on fresh, local, and nutritious food.

Based on what’s happened at our annual planning we fully endorse the proposal you are considering, in part because it has community support and in part because of the health benefits.

Produce that is grown in Sitka has many advantages. One is that the food comes fresh and without a shipping costs. Secondly the produce that could be grown here (lettuce, kale, rhubbarb, chard, peas, onions, leeks, etc.) is very healthy. Encouraging fruit and vegetable consumption is an important part of the promoting public health.

The Sitka Health Summit coalition is led by the Sitka Community Hospital, the SouthEast Alaska Regional Health Consortium and the State of Alaska Division of Public Health Nursing in partnership with dozens of local non –profit agencies, businesses and individual supporters. The Summit’s vision is *“to serve our great state as a model for community wellness by creating a healthy community where all Sitkans strive for and enjoy a high quality of life.”* Growing and eating nutritious local food is part of how that vision will be realized.

Thank you for your consideration,

Sitka Health Summit Coalition members,

Doug Osborne, Patrick Williams, Melissa Marconi-Wentzel

August 3, 2014

To whom it may concern,

I am writing to ask for your support in making commercial home horticulture a permitted use in residential and island zones. This ~~rezoning~~ zoning change will help simplify the permitting process for developing small, home-based horticulture businesses ~~move more easily through the permitting process, which~~ and will help to stimulate the local economy and provide more local food to our community.

Thank you,
Lori Adams
Down To Earth U-pick Garden



Alaska Food Policy Council
E-mail: akfoodpolicycouncil@gmail.com
Blog: akfoodpolicycouncil.wordpress.com
Facebook: akfoodpolicy

Governing Board

Co-Chairs

Victoria Briggs, *Ugashik*
Elizabeth Hodges Snyder,
Anchorage

Members

Abigail Enghirst,
Anchorage
Daniel Consenstein,
Anchorage
Mike Emers, *Ester*
Gary Ferguson, *Anchorage*
Hans Geier, *Fairbanks*
Kelly Harrell, *Anchorage*
Carolyn Kinneen,
Anchorage
Lorinda Lhotka, *Fairbanks*
Nick Moe, *Anchorage*
Lisa Sadleir-Hart, *Sitka*
Darren Snyder, *Juneau*
Louisa Yanes, *Palmer*

Ex-Officio Members

Diane Peck, *Anchorage*
Amy Pettit, *Palmer*

July 22, 2014

City and Borough of Sitka

The Alaska Food Policy Council Governing Board would like to extend its support for the Sitka re-zoning request in making commercial home horticulture a permitted use in the residential and island zones. This zoning text amendment will add zones R-1, R-1 MH, R-2 MHP, GI and LI to those permitted under home horticulture. Allowing farm and garden stands in residential neighborhoods to sell extra produce on-site will help improve Sitka's food system, thereby improving Sitka's health, self-reliance and prosperity.

The Alaska Food Policy Council works to improve the food system for the benefit of all Alaskans. Our three-year strategic plan includes objectives and strategies that encourage the expansion of local food production capacity. Policies, such as allowing permitted farms and garden stands to sell produce on-site, encourage the expansion of personal capacities in agriculture and local food production, build economic opportunity for local small businesses, improve access to healthy, affordable food for local residents, and reduce reliance on expensive, imported foods. We believe this re-zoning request will have a positive impact on the food system, residents and community of Sitka.

Sincerely,

Victoria Briggs
Alaska Food Policy Council, Co-Chair

Elizabeth Hodges Snyder
Alaska Food Policy Council, Co-Chair

Letter of Support for Sitka Zoning Change.

To whom it may concern,

This letter is to affirm my strong support for making commercial home horticulture a permitted use in the residential and island zones of Sitka. My conviction for this proposed change is based on several aspects;

- That a diversity of income options is becoming an essential aspect to home economy in Sitka.
- That “home horticulture” is a valuable skill that was once commonplace and needs to be more broadly relearned and adapted to the S.E. environment.
- That stronger nutritional food systems and more divers economic options create stronger citizenry in relation to physical and mental health which returns dividends to the community in both intrinsic measurements and extrinsic values.
- That production systems such as “home horticulture” are inherently primary economic functions and inevitably the secondary, or value added, economies will develop.
- That self sufficiency is not the true goal but every step closer makes a community more resilient in the face of unforeseen changes.
- That increased personal connections created through developing small scale business opportunities also fosters community cohesion and resiliency.
- That we are at a moment in time where our community can distinguish itself as a leading role model in re-visioning of the Alaska food system, and support at the public policy level will greatly serve to demonstrate this both to outside interested parties and to households eager to engage in new opportunities.
- That the groundwork of support has already been laid down by events such as the Sitka Health Summit, and groups like The Sitka Local Foods Network and Sitka Conservation Society to name just a few.

And lastly;

- That the benefits to such a proposed change far outweigh the possible issues that may arise, and that if we are not equipped as a community to surmount such issues we are likely ill prepared to competently face bigger ones as they arise.

The bullet points mentioned here focus heavily on economic and community resiliency values which are the subject of greatest interest to myself, but there are a great deal of points left to be made on general mental and physical health, as well as subjects such as childhood education and community leadership development, green infrastructure development as a positive benefit to public infrastructure, and the myriad of other extrinsic values that have been measured in association with garden projects such as reduced crime rates, less sick days, increased public participation, and so on.

Clearly I could go on but I offer instead my email, judkirkness@yahoo.com, and my cell phone number, 907-738-3254.

Sincerely
Jud Kirkness

Maegan Bosak

From: Tom, Lisa & Muriel Sadleir Hart [3akharts@acsalaska.net]
Sent: Tuesday, July 22, 2014 7:55 PM
To: Maegan Bosak
Subject: Fwd: In Support of Commercial Home Horticulture

Here's a letter in support of the zoning change from our neighbor across the street from us.

Lisa
Tom, Lisa & Muriel Sadleir Hart
3akharts@acsalaska.net

Begin forwarded message:

From: Isaac Grody-Patinkin <isaac.grody@gmail.com>
Subject: In Support of Commercial Home Horticulture
Date: July 22, 2014 3:41:54 PM AKDT
To: Lisa & Muriel Sadleir Hart Tom <3akharts@acsalaska.net>
Cc: Kristen Widmer <kristenwidmer@gmail.com>

Dear City Planning Department of Sitka,

We are writing in strong support of making commercial home horticulture a permitted use in the residential and island zones, by amending the zoning text to add zones R-1, R-1 MH, R-2, R-2 MHP, GI and LI to those permitted under home horticulture.

The Local foods movement of Sitka is a tremendous inspiration for our family to lay roots here and being able to buy local produce from our neighbors would be a fantastic step in the direction of Sitka's long term food security.

We sincerely hope you will make this zoning change and that we'll be able to buy local produce on ever block in Sitka in years to come.

In gratitude,

Isaac Grody-Patinkin & Kristen Widmer

--
Isaac Grody-Patinkin
505-231-8407 cell
Isaac.Grody@gmail.com
www.communitymassage.org
102 Bahrt Circle
Sitka, AK 99835

ORIGINAL
SUBMITTAL

CITY AND BOROUGH OF SITKA
PLANNING DEPARTMENT
ZONE CHANGE APPLICATION

ZONE MAP AMENDMENT FEE	\$100.00
ZONE TEXT AMENDMENT FEE	\$100.00
Plus current city sales tax	

Applicant's Name: LISA SAOLGER-HART AND THOMAS HART
 Phone Number: 747-5985
 Mailing Address: 815 CHARLES ST
 Applicant's Signature: [Signature] Date Submitted 7/9/14

Provide information or data, as necessary, to fully outline the reasons and justifications for the request. Attach additional sheets as necessary.

- For official map amendments, the application shall contain:
1. A legal description of **each** subject property along with the owner's name, address, and contact person for **each** subject property;
 2. An analysis showing the public benefit of the proposed amendment;
 3. An analysis showing the proposal's consistency with the Comprehensive Plan;
 4. A map of the area to be rezoned.

LIST SPECIFIC REQUEST: PERMIT HORTICULTURE AND RELATED STRUCTURES IN RESIDENTIAL ZONES SPECIFICALLY AT 815 CHARLES ST. AND MOVE TO A PERMIT PROCESS RATHER THAN

EXPLANATION OF REQUEST: WE CURRENTLY HAVE A LARGE RESIDENTIAL VEGETABLE GARDEN AND SMALL GREENHOUSE ON OUR 815 CHARLES STREET PROPERTY. WE WOULD LIKE TO SELL OUR EXCESS PRODUCE PLUS STARTS DIRECTLY TO CONSUMERS ON SITE. THIS PROPOSED CHANGE WOULD ALSO ALLOW OTHER RESIDENTIAL BASED GROWERS TO HAVE AN OUTLET FOR THEIR PRODUCE AND WOULD WORK TO "GROW" SMALL, HOME-BASED BUSINESS IN SITKA PLUS WORK TO IMPROVE SITKA'S FOOD SECURITY.

CONDITIONAL
USE
PERMIT

After the application and supporting materials has been determined to be complete by the Planning Office, the request will be placed on the next available Planning Commission agenda.

th August 2013

Home Grown.

e best part of late summer is all the farm fresh produce that is for sale along the backroads. Most of the stands are self serve, but at some the owner will come out when a car drives up. Pricing and quality are much better than at the big stores.

Enjoy the earth's bounty while you can, because summer will be gone soon. Tom



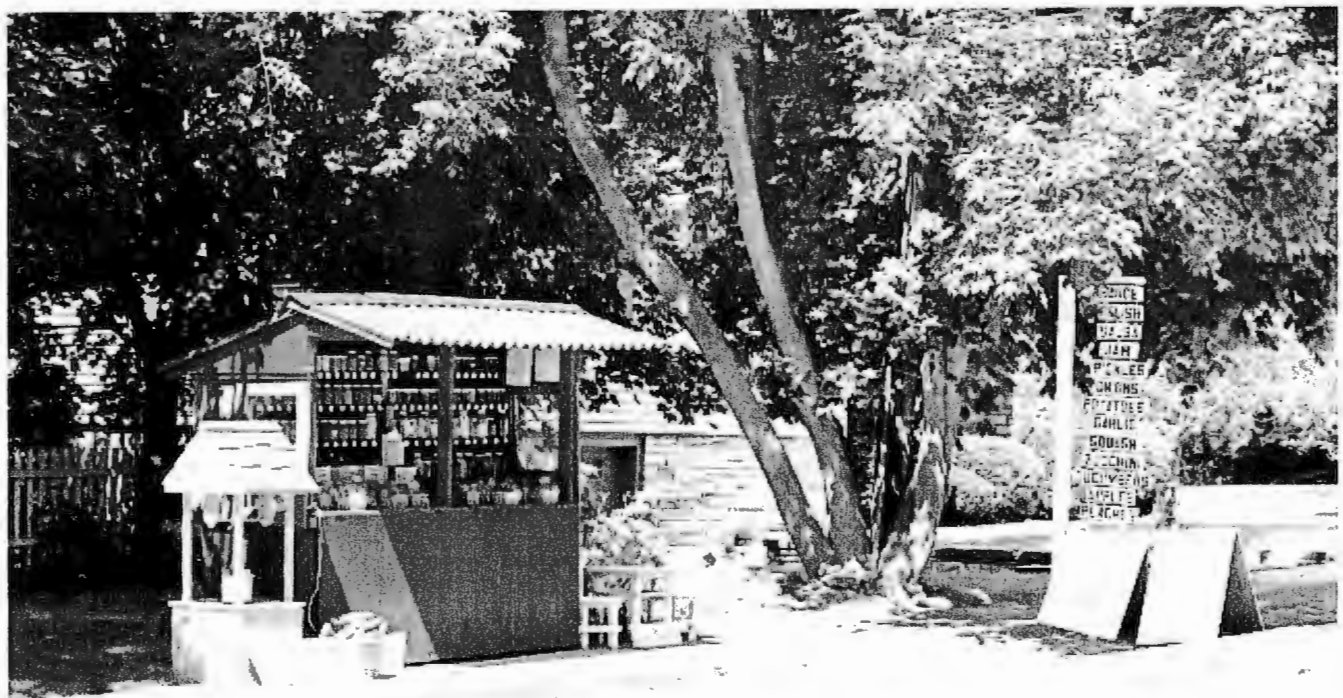
http://4.bp.blogspot.com/-YqbNttoNjrc/Uq1Igot9eI/AAAAAAAAAhk/YufzRvixU-A/s1600/IMG_7743.JPG

A big farmer in our area has a bunch of these red trailer stands.

Example A



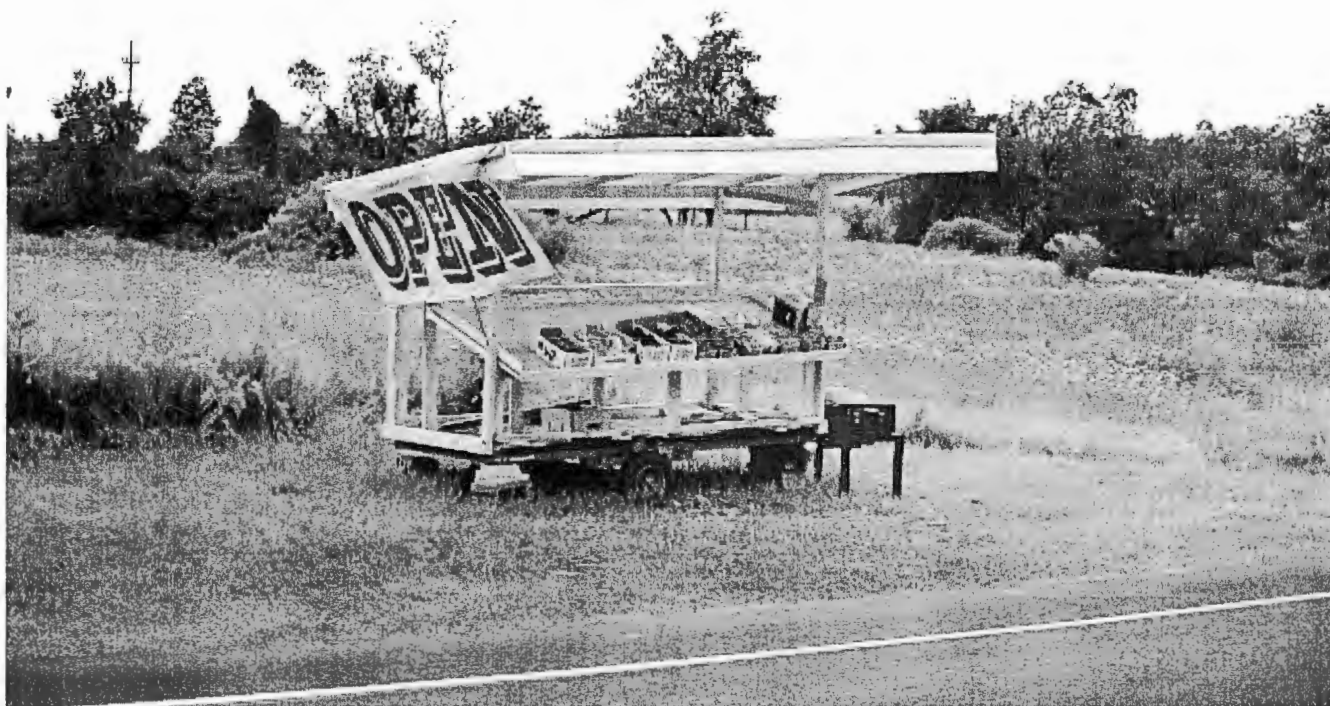
[http://4.bp.blogspot.com/-vaNlmd7IFNo/Ug1Hwzu9f9I/AAAAAAAAIhE/UsUZGIMi8E8/s1600/DSC_3000.JPG]
If you want corn and squash, they can fix you up.



Example B

[http://1.bp.blogspot.com/_K5t5M1C4DQ/UG1HqCprzo/AAAAAAAAAig0/FT8OhS7KjNE/s1600/DSC_3604.JPG]

These folks sell vegetables and canned goods.



[http://1.bp.blogspot.com/_jAHjddJYmDs/UG1HqCprzo/AAAAAAAAAig0/FT8OhS7KjNE/s1600/DSC_3604.JPG]

A big banner tells folks they're open.



[http://4.bp.blogspot.com/-zR0M1swztbc/Ug1l-bq45JI/AAAAAAAAIhc/-udjk7iaX-Y/s1600/DSC_3862.JPG]
In late afternoon lots of folks stop at this stand to pick up fresh corn for their dinner.



Example D

[http://2.bp.blogspot.com/_500Apn12147/0y1ue0FLI/AAAAAAAAAhs/WBYpdEaDCJU/s1600/IMG_7732.JPG]

It's hard to see what they have.

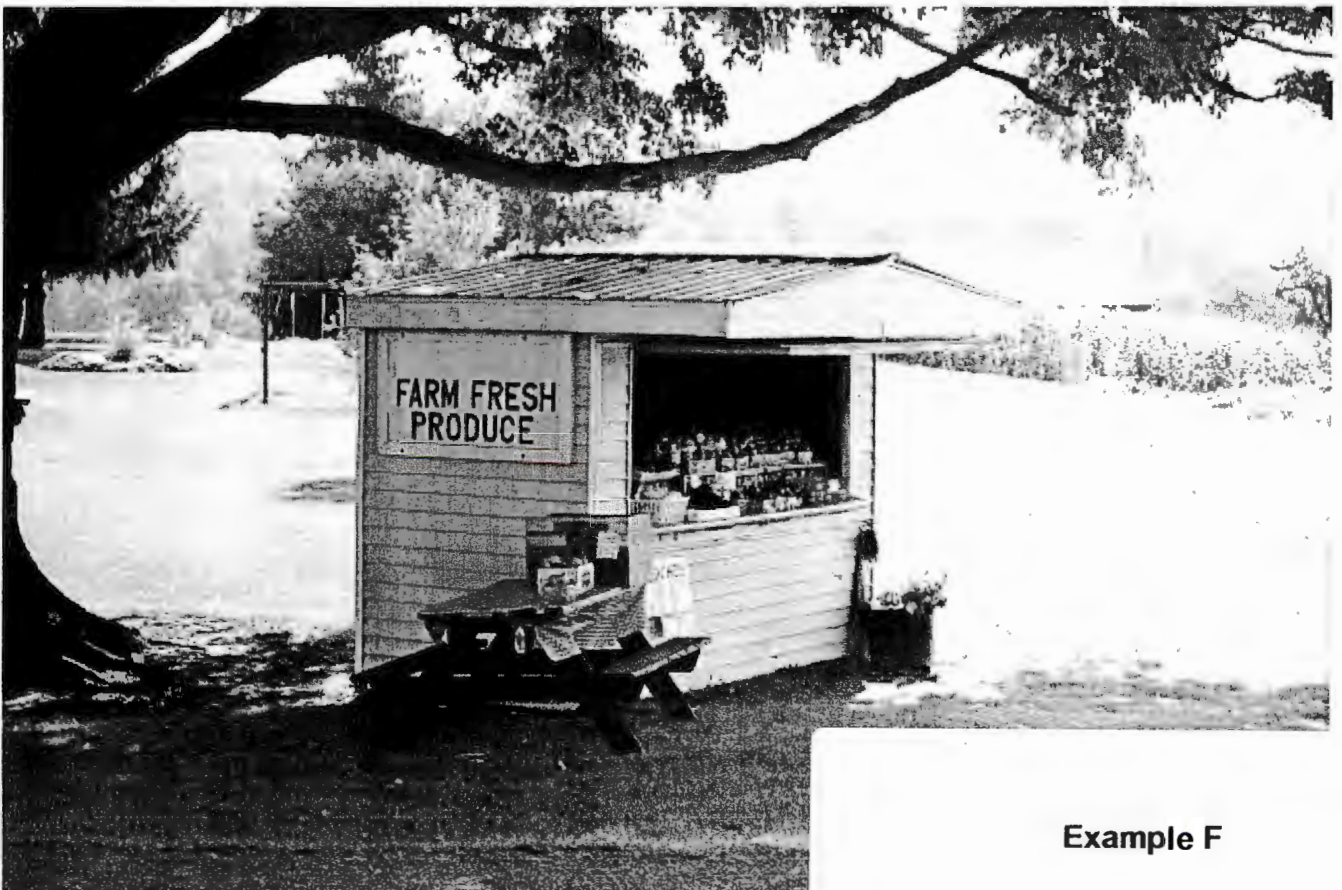


[http://1.bp.blogspot.com/_luoRSXDipSg/Ug1JPnii-tI/AAAAAAAAAhs/WBYpdEaDCJU/s1600/IMG_8128.JPG]

They bring corn by the truckload to this stand.



[http://3.bp.blogspot.com/-q8WwWsh0BYA/Ug1JW8JnoTI/AAAAAAAAAh0/YcxczHL6uls/s1600/IMG_8810.JPG]
It seems that every small town has a farmers market these days.



Example F

I stop here often.



Come and get your veggies.



[http://1.bp.blogspot.com/-K8qae-a-LLY/Ug_pS0tVR9I/AAAAAAAAAloI/Vmh4fuiLeZA/s1600/IMG_8890.JPG]
The Clyde market is busy on Saturday mornings.



Example H

I think I came by too early last Saturday. They weren't stocked up yet.



[http://4.bp.blogspot.com/-MAgyBnKDM8/UhAH2VOjn-I/AAAAAAAAAqA/aqaQLNz29FQ/s1600/IMG_4830.JPG]

WOW 45 varieties of tomatoes! But. they aren't open anymore.



[http://2.bp.blogspot.com/-YbdoFHSCcRE/UhKi5m9qhul/AAAAAAAAI2g/RalcpPVh4cg/s1600/IMG_6476.JPG]

A small self service stand near our home.



Legislation Details

File #: ORD 14-39 **Version:** 1 **Name:**
Type: Ordinance **Status:** SECOND READING
File created: 11/14/2014 **In control:** City and Borough Assembly
On agenda: 12/23/2014 **Final action:**
Title: Amending SGC Section 2.08.015 Selection of acting administrator to include a procedure for unforeseen appointments

Sponsors:

Indexes:

Code sections:

Attachments: [Motion ORD 2014-39A.pdf](#)
[ORD 14-39A Acting Administrator and Motion.pdf](#)

Date	Ver.	Action By	Action	Result
12/9/2014	1	City and Borough Assembly		
11/25/2014	1	City and Borough Assembly	PASSED ON FIRST READING	Pass
11/25/2014	1	City and Borough Assembly	AMENDED	Pass

Possible Motion

I MOVE TO approve Ordinance 2014-39A on
second and final reading.



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



Memorandum

To: Mayor and Assembly

Thru: Municipal Administrator Mark Gorman

From: Municipal Clerk Colleen Ingman

Date: November 14, 2014

Subject: Acting Administrator Assignment(s) Amendment

Historically, even though there are three people assigned to fill in as acting administrator there are times when none of the three are available - the most recent being the week of November 17th when Mark travels to AML. During that absence he has assigned Dave Miller to serve, Chief Miller has served in this capacity in the past.

His action and the upcoming annual acting administrator assignments prompted me to review and rewrite the existing code. A copy of that rewrite is attached as Ordinance 2014-39. Please see the purpose section for further explanation.

Attachment

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-39A

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA AMENDING SITKA GENERAL CODE SECTION 2.08.015 SELECTION OF ACTING ADMINISTRATOR TO INCLUDE A PROCEDURE FOR UNFORESEEN APPOINTMENTS

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.** There have been circumstances when none of the three persons listed to serve as acting administrator are available to serve. This ordinance amends the selection of acting administrator to address those times.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that Section 2.08.015 of Sitka General Code is amended to read as follows (underlined/bold new with old verbiage stricken):

2.08.015 Selection of acting administrator.

No later than January 15th of each calendar year, the administrator shall provide in writing to the assembly a list of at least three department heads from which the administrator can select a person to serve as acting administrator for a given period of time during the next twelve months. The administrator will select from that list, unless unforeseen circumstances require the administrator to select another person not on the list. If another person is selected, the assembly will be informed as soon as possible. The assembly by majority vote may direct the administrator to change the list or the selection.

~~No later than January 15th of each calendar year, the administrator shall provide in writing to the assembly a list of three individuals whom the administrator shall select from to serve as acting administrator during the next twelve months if an acting administrator is needed in the circumstances described in this section. The individuals shall be listed in rank order of selection to serve in that the first person shall be selected before the second person listed and the second person shall be selected before the third person listed. Unless the assembly by majority vote~~

41 ~~directs the administrator to change the list, the administrator shall select from that list provided to~~
42 ~~the assembly an acting administrator to serve during a period when the administrator expects to~~
43 ~~be absent from the city and borough, ill, or otherwise not performing the duties of the~~
44 ~~administrator for a period of less than thirty days. The individuals listed shall be city and~~
45 ~~borough department heads.~~

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

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50 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough
51 of Sitka, Alaska this 23trd day of December, 2014.

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Mim McConnell, Mayor

ATTEST:

Sara Peterson, CMC
Acting Municipal Clerk

First Reading – 11/25
Amended: 11-25
First Reading as Amended – 12/9
Second Reading – 12/23



Legislation Details

File #: ORD 14-40 **Version:** 1 **Name:**

Type: Ordinance **Status:** SECOND READING

File created: 12/2/2014 **In control:** City and Borough Assembly

On agenda: 12/9/2014 **Final action:**

Title: An ordinance amending SGC Chapter 15.01 Entitled "Electric Utility Policies" by adding a new Section 15.01.090 entitled "Rebate Program for Electric Heat Pump Heating Systems"

Sponsors:

Indexes:

Code sections:

Attachments: [Motion ORD 2014-40.pdf](#)
[2014-40 Heat Pump Rebate Program.pdf](#)

Date	Ver.	Action By	Action	Result
12/9/2014	1	City and Borough Assembly		

Possible Motion

I MOVE TO approve Ordinance 2014-40 on second and final reading.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-40

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL CODE CHAPTER 15.01. ENTITLED "ELECTRIC UTILITY POLICIES" BY ADDING A NEW SECTION 15.01.090 ENTITLED "REBATE PROGRAM FOR ELECTRIC HEAT PUMP HEATING SYSTEMS"

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 Sitka encourages wise use of hydro consumption and supplemental diesel generation is both expensive and produces harmful emissions. Re-enacting a rebate program to encourage residential consumers to replace heating systems such as oil, electric, baseboard heaters, electric plug-in heaters, and electric boilers with electric heat pump heating systems. This has and will yield significant benefits in reducing system load, lessen the need for supplemental diesel generation, and lower the ratepayer's electric energy costs. Further, re-establishment of a rebate program demonstrates the City and Borough of Sitka's commitment to improve energy efficiency and promote energy conservation.

Various types of rebate programs have been offered by the State of Alaska and in other communities throughout the United States to reduce electrical costs and facilitate energy savings. Sitka successfully offered a program back in 2012. Currently, there are some funds available for this program.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the SGC 15.01 is amended by adding a new Section 15.01.090 to read as follows (new language underlined; deleted language stricken):

Chapter 15.01
ELECTRIC UTILITY POLICIES

Sections:

- 15.01.005 Definitions.
15.01.010 Statement of purpose.
15.01.015 Construction guidelines.
15.01.020 Electrical rates.
15.01.025 Customer and city rights and responsibilities.
15.01.030 Billing—Credit—Deposits—Fees.

- 46 15.01.035 General requirements.
- 47 15.01.040 Service connections.
- 48 15.01.045 Line extension.
- 49 15.01.050 Subdivisions.
- 50 15.01.055 Mobile home parks, RV parks, private marinas and boat docks.
- 51 15.01.060 Rental structures.
- 52 15.01.065 Motors and controllers.
- 53 15.01.070 Undesirable characteristics.
- 54 15.01.075 Special equipment.
- 55 15.01.080 Customer generation.
- 56 15.01.085 Carrier current.
- 57 15.01.090 Rebate program for electric heat pump heating systems.

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59 * * *

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61 **15.01.090 Rebate program for electric heat pump heating systems.**

62
63 A. General Requirements. All residential customers are eligible to participate
64 in the rebate program, subject to the rules and procedures developed by
65 the Electric Department, and funding of the program.

66
67 B. Eligible Equipment. Only the following products are eligible for the
68 rebate program:

- 69
70 1. Electric heat pump heating system that replaces an existing oil or
71 electric resistance heating systems, such as electric baseboard
72 heaters, electric plug-in heaters, and electric boilers, if it is the
73 primary heating source for the residence.

74
75 C. Rebates. Residential customers requesting a rebate shall submit a signed
76 rebate request using Electric Department forms within 60 days of the
77 purchase of the rebate eligible product. Rebates will be issued within 60
78 days of receipt of the form to any eligible customers that meet the terms
79 and conditions of the program.

80
81 D. Funding. The rebate program is subject to available funding.

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84 5. **EFFECTIVE DATE.** This ordinance shall become effective the day after the
85 day of its passage.
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PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 23rd day of December, 2014.

Mim McConnell, Mayor

ATTEST:

Sara Peterson, CMC
Acting Municipal Clerk



Legislation Details

File #: ORD 14-41 **Version:** 1 **Name:**
Type: Ordinance **Status:** FIRST READING
File created: 12/16/2014 **In control:** City and Borough Assembly
On agenda: 12/23/2014 **Final action:**
Title: Amending SGC Section 2.04.020 to clarify who shall attend Assembly executive sessions
Sponsors:
Indexes:
Code sections:
Attachments: [Motion Memo ORD 2014-41.pdf](#)

Date	Ver.	Action By	Action	Result
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Possible Motion

I MOVE TO approve Ordinance 2014-41 on first reading.



City & Borough of Sitka
Municipal Clerk's Office

100 Lincoln Street, Sitka AK 99835
Telephone: 907-747-1811 Fax: 907-747-4004



Memorandum

To: Mayor and Assembly Members
Cc: Municipal Administrator, Mark Gorman and Municipal Attorney Robin Koutchak
From: Municipal Clerk Colleen Ingman, MMC
Date: December 17, 2014
Subject: Code Clarification Executive Session Invites

Executive session is not a secret meeting. It is a part of the public meeting from which the public may be excluded that is conducted in private with only members of the governing body and any person(s) invited in by the governing body present.

Historically, the municipal administrator, municipal attorney, and parliamentarian have been included in executive sessions; however, Sitka General Code is silent on the process.

In order to give clarity to future assemblies and staff it is recommended that our current procedure be codified resulting in the attached ordinance for your consideration.

Attachment

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-41

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA
AMENDING SITKA GENERAL CODE SECTION 2.04.020 MEETINGS
TO CLARIFY WHO SHALL ATTEND ASSEMBLY EXECUTIVE SESSIONS

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

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

3. **PURPOSE.** Alaska's Open Meetings Act (Alaska Statute 44.62.310) intends to ensure that decisions made and actions taken by governing bodies are public knowledge and represent the will of the served public. An executive session is part of a public meeting from which the public may be excluded to discuss a limited and specific subject matter. The governing body may, at its discretion, invite others into the executive session. This ordinance clarifies that the municipal administrator (as chief administrative officer for the assembly); the municipal attorney (to assure compliance with Alaska's Open Meetings Act and to advice on legal issues); and the parliamentarian (to advice on meeting conduct) will attend executive sessions. Alaska Statute 29.20.380 and Sitka General Code 2.04.110 designate the municipal clerk to act as the parliamentarian. Historically, the municipal administrator, municipal attorney, and parliamentarian routinely attend an executive session, unless a motion made and approved by the assembly states otherwise. However, these practices have never been codified.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that Section 2.04.020 of the Sitka General Code is amended to read as follows:

Chapter 2.04
CITY AND BOROUGH ASSEMBLY

2.04.020 Meetings.

F. The municipal administrator or (his/her designee) serving as chief administrative officer for the assembly; the municipal attorney to assure compliance with Alaska's Open Meetings Act and to advise on legal issues; and the municipal clerk as parliamentary advisor will attend executive sessions of the assembly, unless otherwise excluded in the motion to enter into executive session. Other persons may be invited into the executive session by an approved motion of the assembly and must be named in said motion.

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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 13th day of January, 2014.

Mim McConnell, Mayor

ATTEST:

Sara Peterson, CMC
Acting Municipal Clerk



Legislation Details

File #: 14-236 **Version:** 1 **Name:**

Type: Item **Status:** AGENDA READY

File created: 12/16/2014 **In control:** City and Borough Assembly

On agenda: 12/23/2014 **Final action:**

Title: Authorize the increase in Line of Credit for Sitka Community Hospital from \$500,000 to \$1.5 Million

Sponsors:

Indexes:

Code sections:

Attachments: [Motion SCH line of Credit 2.pdf](#)
[Line of Credit.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO APPROVE an increase in the Line of Credit for Sitka Community Hospital from \$500,000 to \$1.5 million. Terms are to remain the same with repayment to be one-half of the tobacco tax the CBS receives each month until paid in full. Funds will come from the Municipal General Fund balance designated for emergency response.

Note: A super majority vote is needed for passage: The Sitka General Code indicates "super majority of the assembly voting in approval" that the "assembly" is the voting body. If that is the case it would be a super majority of the members present and voting. Colleen

Memo

Thru: Mark Gorman, Municipal Administrator

To: City and Borough of Sitka Assembly 

From: Jay Sweeney, CFAO

Date: December 17, 2014

Re: Increase in line of Credit to Sitka Community Hospital

Mayor McConnell and Assembly Members,

Sitka Community Hospital is facing liquidity challenges and is in need of cash in order to meet its financial obligations.

At its June 23, 2009 meeting, the Assembly authorized the establishment of a \$500,000 line of credit via a 6-0 roll call vote. Administration is recommending that the existing \$500,000 line of credit, which is fully extended, be increased by \$1,000,000 to a total of \$1,500,000.

The terms of this increased line of credit will be the same as that passed by the Assembly in 2009 (see attached minutes).

Administration recommends that the source of the cash to be loaned come from the General Fund balance designated for emergency response IAW SGC 4.44A.020. A supermajority of the Assembly is required to approve the use of these funds.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

TO: Mayor McAdams and Assembly Members

THROUGH: Jim Dinley, Administrator 

FROM: David Wolff, Finance Director 

DATE: June 17, 2009

SUBJECT: Credit Line for Sitka Community Hospital

In April, 2004, the Assembly established a \$200,000 line of credit for the Sitka Community Hospital. At the final budget work session, the Sitka Community Hospital requested that the Assembly raise the line of credit to \$500,000. At this time, Sitka Community Hospital line of credit has a balance of \$148,910 with monthly payments being credited in the amount equal to one-half of the tobacco tax received. Suggested motion for the Assembly:

Move to direct the City and Borough Administrator to establish a \$500,000 line of credit from the General Fund for Sitka Community Hospital. The line of credit will reflect the overnight interest rate the City and Borough earns on its checking account. Repayment will be one-half of the tobacco tax the City and Borough receives each month until the line of credit is paid in full. The City and Borough Administrator will immediately notify the Assembly when any line of credit disbursement occurs.

City and Borough of Sitka
Schedule of Tobacco Tax Receipts

For Calendar Year 2006

For Month of	Receipt	Yearly Total
January	8,752.39	8,752.39
February	7,427.76	16,180.15
March	12,554.14	28,734.29
April	17,533.08	46,267.37
May	18,637.22	64,904.59
June	48,046.74	112,951.33
July	66,825.14	179,776.47
August	48,660.88	228,437.35
September	55,777.34	284,214.69
October	27,810.16	312,024.85
November	41,804.13	353,828.98
December	21,065.19	374,894.17

For Calendar Year 2007

January	39,242.07	39,242.07
February	28,287.93	67,530.00
March	35,584.58	103,114.58
April	49,099.04	152,213.62
May	58,809.14	211,022.76
June	79,240.87	290,263.63
July	45,400.16	335,663.79
August	35,180.51	370,844.30
September	38,651.06	409,495.36
October	18,065.10	427,560.46
November	33,848.11	461,408.57
December	24,424.54	485,833.11

For Calendar Year 2008

January	37,610.01	37,610.01
February	26,100.28	63,710.29
March	41,878.52	105,588.81
April	50,040.15	155,628.96
May	34,655.26	190,284.22
June	54,510.00	244,794.22
July	53,272.29	298,066.51
August	44,971.58	343,038.09
September	40,088.65	383,126.74
October	25,282.08	408,408.82
November	28,446.84	436,855.66
December	44,676.15	481,531.81

For Calendar Year 2009

January	23,592.90	23,592.90
February	28,837.65	52,430.55
March	50,755.70	103,186.25
April	39,875.38	143,061.63
May	0.00	143,061.63
June	0.00	143,061.63
July	0.00	143,061.63
August	0.00	143,061.63
September	0.00	143,061.63
October	0.00	143,061.63
November	0.00	143,061.63
December	0.00	143,061.63

Jackson is not surprised by the letter from STA and responded it is a competitive process. There is no obligation to notify other Tribes.

This one-year pilot project, would use Sitka as a hub. Resolutions of support all have one thing in common so far: better service to Sitka is needed because of SEARHC. The Alaska Marine Highway is not directly involved in planning this project. The current Alaska Marine Highway dock could be rented.

In light of the testimony it was recommended to bring back a substitute resolution.

MOTION by Cavanaugh to postpone to July 14, 2009.

Motion PASSED on a 6-0 roll call vote.

Recess

A recess was taken from 7:10 until 7:20 PM.

Item G

Sitka Community Hospital

MOTION by Ozment to establish a \$500,000 line of credit from the General Fund for SCH. The line of credit will reflect the overnight interest rate the CBS earns on its checking account. Repayment will be one-half of the tobacco tax the CBS receives each month until the line of credit is paid in full. Further, the CBS Administrator will immediately notify the Assembly when any line of credit disbursement occurs.

Westover offered a motion similar to the one above but it included a \$60,000 transfer of funds from non-profits to the Hospital. Municipal Attorney, Theresa Hillhouse advised Westover's motion was out of order. Hillhouse felt it would be a violation of the open meetings act since it wasn't advertised.

Westover would like to bring back a motion at the next meeting to give the hospital more money.

Motion PASSED on a 6-0 roll call vote.

Item H

Lot 22 Stores Building

MOTION by Westover to approve the sale of Lot 22 Stores Building to Silver Bay Seafoods for \$245,000 as recommended by the Sawmill Cove Board of Directors.

Crews abstained since one of his relatives was a competing bidder.

Sawmill Cove Board Director, Garry White, was present to answer questions. Westover thanked the board for their work and believed the price to be fair. Ozment was excited about what Silver Bay plans to do. Hackett was also excited to see Phase II. Mayor noted it was important to bring up the costs of repairs to the building.

Motion PASSED on a 5-0 roll call vote.

Item I

SCIP Strategic Plan

MOTION by Westover to approve the Sawmill Cove Industrial Park Strategic Plan June 2009 as developed by the Sawmill Cove Industrial Park Board.



209 Moller Avenue
Sitka, Alaska 99835
Phone: (907) 747-3241
Fax: (907) 747-1794

NEWS RELEASE – FOR IMMEDIATE RELEASE

Contact:
Angela McGraw
angelam@sitkahospital.org
907-747-1737

December 16, 2014, Sitka AK

Sitka Community Hospital is facing serious financial challenges but the Hospital Board is optimistic that with a combination of spending reductions and improved operational efficiencies, the hospital will soon be operating as needed to continue with the long term strategic goals.

There are several factors which have contributed to this current situation including cash management, the implementation of a required Electronic Health Record (EHR), increased charity care, and increased health care costs.

The implementation of the EHR, a requirement of the Affordable Care Act, has been a very significant challenge which is still being addressed. Ideally, a fully functioning EHR increases provider productivity, improves quality of care, and enhances the automation and efficiency of patient billing. In the case of Sitka Community Hospital's EHR, as with many hospitals across the country, it is still a work in progress.

The Hospital Board and CEO Jeff Comer are working with Municipal Administrator Mark Gorman, Municipal Attorney Robin Koutchak, and Deputy Administrator/Chief Finance and Administrative Officer Jay Sweeney to implement immediate strategies to increase revenue and improve operational efficiencies at SCH. It is anticipated that the Assembly will be requested to increase the line of credit currently provided to the hospital in the interim.

Sitka Community Hospital is owned by the City and Borough of Sitka and is proud to offer quality health care and a full range of services to the community since 1956.



Legislation Details

File #: 14-239 **Version:** 1 **Name:**

Type: Item **Status:** AGENDA READY

File created: 12/16/2014 **In control:** City and Borough Assembly

On agenda: 12/23/2014 **Final action:**

Title: Approve a conditional use permit, with conditions, for a horse stable at 5304 Halibut Point Road, filed by David Allen. The property is owned by Allen Marina, LLC

Sponsors:

Indexes:

Code sections:

Attachments: [BOA Motion.pdf](#)
[Allen CUP 5304 HPR Assembly Packet.pdf](#)

Date	Ver.	Action By	Action	Result
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BOARD OF ADJUSTMENT

1)

I MOVE TO CONVENE AS THE BOARD OF ADJUSTMENT

2)

I MOVE TO approve a conditional use permit request filed by David Allen on behalf of Allen Marina, LLC to build a horse stable with three stalls at 5304 Halibut Point Road under the following findings and conditions as proposed by the Planning Commission and request that they be entered into the minutes as part of the permanent record (no need to read further):

FINDINGS

1. The granting of the proposed conditional use permit will not:
 - a. Be detrimental to the public health, safety, and general welfare;
 - b. Adversely affect the established character of the surrounding vicinity; nor
 - c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives and policies of the comprehensive plan and any implementing regulation, *specifically:*
Section 2.3.1 To guide the orderly and efficient use of private and public land in a manner that maintains a small-town atmosphere, encourages a rural lifestyle, recognizes the natural environment, and enhances the quality of life for present and future generations.
Section 2.7.9 To assure that animal regulations in outlying areas and islands shall be as liberal as possible.
3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced. *Specifically, the four conditions that have been added to the conditional use permit.*
4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard.
5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that condition can be imposed to lessen any adverse impacts on such facilities and services.
6. Burden of proof: the applicant has met the burden of proof.

The request is supported by general approval criteria as follows:

1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of

the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;

3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures; *specifically, that the proposed use is in a large lot with no downstream residential uses.*
4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

The following criteria determining impacts of conditional uses have been considered.

- a. Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses.
- b. Amount of noise to be generated and its impacts on surrounding land uses.
- c. Odors to be generated by the use and their impacts.
- d. Hours of operation.
- e. Location along a major or collector street.
- f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario.
- g. Effects on vehicular and pedestrian safety.
- h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site.
- i. Logic of the internal traffic layout.
- j. Effects of signage on nearby uses.
- k. Presence of existing or proposed buffers on the site or immediately adjacent the site.
- l. Relationship if the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan.
- m. Other criteria that surface through public comments or planning commission assembly review.

CONDITIONS

1. The facility shall be operated consistent with the application and plans that were submitted with the request.
2. The facility shall be operated in accordance with the narrative that was submitted with the application.
3. The Planning Commission, at its discretion, may schedule a public hearing at any time following the first year of operation for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties.
4. Failure to comply with any of the conditions may result in revocation of the conditional use permit.

3)

**I MOVE TO RECONVENE AS THE ASSEMBLY IN
REGULAR SESSION**



Legislation Details

File #: 14-243 **Version:** 1 **Name:**

Type: Item **Status:** AGENDA READY

File created: 12/19/2014 **In control:** City and Borough Assembly

On agenda: 12/23/2014 **Final action:**

Title: Formally accept the resignation of Assembly member Phyllis Hackett and determine the procedural direction and/or fill her replacement

Sponsors:

Indexes:

Code sections:

Attachments: [Filling vacant assembly seat.pdf](#)

Date	Ver.	Action By	Action	Result
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I MOVED to regretfully and formally accept the resignation of Assembly member Phyllis Hackett.

Sitka Home Rule Charter excerpt

Section 2.05 Vacancies and Forfeiture of Office

The office of an elected municipal official shall become vacant upon death, resignation, removal from office in any manner authorized by law or by this charter, or by forfeiture of his/her office.

An elected municipal official shall forfeit his/her office if he/she:

1. Is convicted of a felony or crime involving moral turpitude.
2. Fails to comply with all qualifications prescribed by this Charter.
3. Knowingly violates any prohibitions of this charter.
4. Fails to attend three consecutive regular meetings of the assembly without being excused by the assembly.

The assembly shall by ordinance provide the procedures for filling of vacancies.

A vacancy shall be filled by the assembly which shall elect a qualified person within 20 days after the vacancy occurs to be acting Assembly member until the next regular election and until a successor is elected and qualified to fill the remainder of the unexpired term.

Sitka General Code

2.04.200 Vacancies.

The assembly shall, within twenty days after a vacancy occurs, select a qualified person to be an acting assembly member until the next regular election when a successor is elected and qualified to fill the remainder of the term. The qualifications shall be those set out in Section 2.04 of the Charter and in state law.

Colleen Ingman

From: Phyllis Hackett <hackett.phyllis@gmail.com>
Sent: Friday, December 19, 2014 11:06 AM
To: assembly; Mark Gorman
Subject: Assembly

Dear Assembly members,

Due to unforeseen personal matters, I am unable to devote the attention and dedication my position on the Assembly deserves. Therefore, after very careful consideration, I hereby tender my resignation.

I have great faith in the current Assembly and Administration and remain confident that thoughtful decisions will be made for the greater good of our wonderful community.

I wholeheartedly thank the community for allowing me to serve in this fulfilling capacity for the past 6+ years and look forward to remaining an active, positive community member.

With slight hesitation I will now hit the send button.

Thank you and good luck!

Phyllis

--

Phyllis Hackett

SAMPLE BALLOT

INSTRUCTIONS TO VOTER: To vote for the issue/candidate of your choice, fill in the oval next to the issue/candidate you want to vote for. Place your ballot inside the secrecy sleeve and then take your ballot to the ballot box.

If you make a mistake while voting, return the ballot to the election official for a new one. A vote which has been erased or changed will not be counted.

OFFICIAL BALLOT
City and Borough of Sitka
REGULAR ELECTION
OCTOBER 7, 2014

INSTRUCTIONS TO VOTERS: To vote for the CANDIDATE of your choice, fill in the oval to the right of candidate's name. To vote for a write in candidate, write in the candidate's name on one of the blank lines provided in each race, AND fill in the oval to the right of the candidate's name.

If you make a MISTAKE while voting, return the ballot to the election official for a new one. A vote which has been erased or changed will not be counted.

FOR MAYOR ONE to be elected Vote for no more than 1	FOR ASSEMBLY TWO to be elected Vote for no more than 2
ORION HUGHES-KNOWLES <input type="radio"/>	LILLIAN R. FELDPAUSCH <input type="radio"/>
MIM MCCONNELL <input type="radio"/>	TRISTAN J. GUEVIN 748 <input type="radio"/>
WRITE IN <input type="radio"/>	THOR CHRISTIANSON 729 <input type="radio"/>
	DENNIE DANIELS <input type="radio"/>
FOR SCHOOL BOARD TWO to be elected Vote for no more than 2	RICHARD PARMELEE <input type="radio"/>
THOMAS L. CONLEY <input type="radio"/>	AARON S. WAMSLEY <input type="radio"/>
TIM J. FULTON <input type="radio"/>	STEVEN EISENBEISZ 771 <input type="radio"/>
WRITE IN <input type="radio"/>	WRITE IN <input type="radio"/>
WRITE IN <input type="radio"/>	WRITE IN <input type="radio"/>



Five people testified in support of the appointment of Pete Esquiro. Six people supported either the next highest vote getter or someone who ran for office. Two people specifically named John Stein and at least one person specifically named Jack Ozment and John Sherrod for appointment to the vacant seat.

Candidate Comments:

John Stein, the next highest vote getter, commented if three seats were open the third vote getter would get that seat. He contended Sitkans were aware of the possibility of this vacancy when they voted. He urged members to respect the existence of diversity on the assembly.

John Sherrod – Served on the Assembly from 2005-2008. He paid attention to the budget and made sure the tax payers were well served. Sherrod stated he did not represent any specific constituency.

Michelle Putz – Noted she did not feel voted against. A thousand people voted for her and she thinks they need to be represented.

Pete Esquiro – Submitted his name because of his great interest in Sitka. Esquiro noted he is a 30+ year resident of Sitka, is experienced in working with Tribal governments.

Jack Ozment - Testified previously on his desire to be appointed having served for four years on the Assembly. He declined to add anything further.

Municipal Attorney, Theresa Hillhouse, explained the Charter indicates the Assembly shall fill the vacant seat. The requirement that the seat be filled with the next highest vote getter went away in 2004 and is no longer required.

To begin with, all five candidates were nominated to fill the vacant seat. After the first vote was taken, the two candidates Ozment and Putz were dropped from consideration after receiving no votes.

Motion by Christianson to narrow it down to the three that received votes: Stein, Sherrod and Esquiro to fill the vacant assembly seat. This resulted in 2 votes for Stein and 4 for Esquiro. Esquiro was appointed to fill Westover's term until the next regular Municipal Election in 2011.

F ORD 10-29

Approve Ordinance 2010-29 Authorizing the issuance of electric revenue bonds of the City in the principal amount of not to exceed \$50,000,000 to refund and defease all outstanding obligations of combined electric and water utilities and to finance a portion of the cost of expanding the Blue Lake hydroelectric project, as approved by Sitka's voters in an advisory vote held on October 5, 2010; and authorizing the sale of the bonds to the Alaska Municipal Bond Bank on the terms and conditions provided in the ordinance.

Finance Director, David Wolff, informed the Assembly this ordinance would set up the transaction between CBS and the bond bank.

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

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

G ORD 10-28

Ordinance 2010-28: Adjusting the FY10 and FY11 Budgets for changes indentified during the Fourth Quarter Execution Review.



Finance Director, David Wolff, indicated this recaps and adjusts the budget in accordance with the Charter.

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

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

H 10-193

Approve Consent to an Assignment and Assumption of Tidelands Lease between City, SJC and for Sitka Sound Science Center.

Hackett thanked Sitka Sound Science Center (SSSC) for the inclusion of the award letter from the Karsh Foundation. Also clarified was that the Tideland's lease would still remain with the City, the City in turn would be leasing it to SSSC.

This matter was APPROVED

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

X. NEW BUSINESS:

New Business First Reading

J ORD 10-30

Amending SGC Chapter 4.12 entitled "Property Tax" to define Residential and Business Used Mobile and Modular Homes and similar structures that are attached to the land or utilities as real property instead of personal property.

Randy Hughes, Assessor, reported CBS had an audit from the State Assessors office and personal property was one of the things they advised us to review. This Ordinance would define Residential and Business Used Mobile and Modular Homes and similar structures as real property instead of personal property. Hughes stated this wouldn't take effect until January 2012 and that his office would give notice to people.

The ordinance PASSED on FIRST READING.

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

K RES 10-29

Resolution 2010-29: Providing for a systematic re-evaluation of all taxable property within the City and Borough.

Assessor, Randy Hughes, pointed out this is an item of great concern. A re-evaluation of all taxable property within CBS is required by Alaska State Statute. He stated he would be in the field more; his goal to re-evaluate all taxable property in Sitka within 4 to 5 years.

This item was APPROVED.

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

L RES 10-30

To enter into a Conservation Easement with Southeast Alaska Land Trust regarding tidelands adjacent to Lot 8 of the Sheldon Jackson Campus Subdivision, accept ownership of Lot 8 from Southeast Alaska Land Trust upon its acquisition of this parcel from Sheldon Jackson College, with Lot 8 subject to the Conservation Easement, and authorize the Municipal Administrator to execute all necessary documents.

Motion was made by McConnell to PASS Resolution 2010-30 on first and final

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2004-55

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA AMENDING SITKA GENERAL CODE SECTION 2.04.200, VACANCIES, TO REMOVE THE REQUIREMENT THAT THE ASSEMBLY CHOOSE "THE HIGHEST VOTE GETTER FOR ASSEMBLY" WHEN FILLING A VACANCY ON THE ASSEMBLY

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.** This ordinance removes a restriction adopted in 1996 on the Assembly's choice in filling a vacancy on the Assembly. When a vacancy occurs on the Assembly because an Assembly Member has "been elected to another municipal position," Sitka General Code Subsection 2.04.200.B.1 provides that the Assembly must fill that vacancy with a person qualified to serve on the Assembly under the Charter and state law who is "the highest vote getter for [A]ssembly who was not elected and is willing to serve." This ordinance eliminates that "highest vote getter" restriction and returns the law to where it was before the Assembly imposed that restriction on itself by passing an ordinance in 1996.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that Section 2.04.200, Vacancies, is amended to read as follows:

2.04.200 Vacancies.

[A.] The A[A]ssembly shall, within twenty days after a vacancy occurs, select a qualified person to be an acting A[A]ssembly member until the next regular election when a successor is elected and qualified to fill the remainder of the term.

[B.] [QUALIFICATIONS.

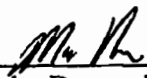
1. IN THE CASE OF A VACANCY OCCURRING BECAUSE OF AN ASSEMBLY MEMBER BEING ELECTED TO ANOTHER MUNICIPAL POSITION, THE QUALIFICATIONS SHALL INCLUDE THOSE SET OUT IN SECTION 2.04 OF THE CHARTER AND STATE LAW AND THAT THE PERSON BE THE HIGHEST VOTE GETTER FOR ASSEMBLY WHO WAS NOT ELECTED AND IS WILLING TO SERVE. WHEN SUCH

A POSSIBILITY EXISTS THE CLERK WILL INFORM THE ELECTORATE IN ADVANCE OF THE ELECTION.

2. IN THE CASE OF ALL OTHER VACANCIES,] I[T]he qualifications shall be those set out in Section 2.04 of the Charter and in state law.

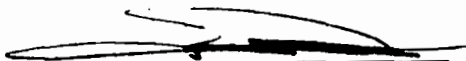
5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 16th day of November, 2004.



Marko Dapceovich, Mayor

ATTEST:



Colleen Pellett, CMC
Municipal Clerk



City and Borough of Sitka

100 Lincoln Street Sitka, Alaska 99835

FOR IMMEDIATE RELEASE

CONTACT:
Colleen Pellett
747-1811

Thursday October 12, 2006

For Publication Through Oct. 17

VACANT ASSEMBLY SEAT

An Assembly Member has resigned from the City and Borough Assembly; the Assembly formally accepted that resignation on October 10, 2006. In accordance with Sitka's Home Rule Charter and Sitka General Code, the vacancy shall be filled by the Assembly which shall appoint a qualified person within 20 days after the vacancy occurs to serve as acting Assembly Member until the next regular election. The Assembly intends to fill this vacancy under Unfinished Business at the meeting of October 24, 2006.

Only a qualified voter of the municipality who has been a resident of the municipality for at least one year immediately preceding the appointment to office shall be eligible.

To be considered for this vacant seat please submit a letter of interest stating your reasons to the Municipal Clerk's Office. To be included in the meeting packet, please submit no later than 5:00 PM on Tuesday October 17, 2006. If you need further clarification please phone the Municipal Clerk's Office at 747-1811.

- END -

Sample

MOTION, by Holst to amend to change \$500,000 to \$600,000 raw fish tax in both places in section 3.B.

Motion on amendment PASSED with a unanimous voice vote.

Mayor had questions about Fund 240.

MOTION, by Mayor amend to strike section B and the last several words under Purpose, "~~and the replenishment of the fund with raw fish taxes.~~"

Skannes asked for a deferral to get input from the Port and Harbors Commission and from the fishing community.

MOTION, by Skannes to postpone to the next regular meeting.

Motion PASSED 5-0 on a roll call vote with a motion to amend on the floor.

Item I
Assembly Vacancy

Mayor gave the history of filling an assembly vacancy. He explained there are no set rules, that each assembly determines how they will fill a vacancy.

MOTION, by Dapceвич to nominate Jack Ozment to fill an unexpired term on the City and Borough of Sitka Assembly and to close nominations.

Helen Craig said she felt the person who was next highest vote getter should get appointed.

Motion PASSED on a 5-0 roll call vote.

Mr. Ozment was sworn in and took his seat with the assembly.

Recess

A recess was taken from 8:31 p.m. to 8:40 p.m.

Item J
Liaison Appointments

There was discussion and consensus among the assembly members that liaison appointments to boards and commissions are too time consuming for assembly members. It does not accomplish the desired outcome of reports coming back to the assembly as a whole. Boards and commissions are encouraged to send written reports on specific issues and to submit their minutes immediately after the meeting.

The clerk reported that minutes will be on line and that board secretaries are encouraged to get them to the office more quickly.

Hillhouse clarified that there is nothing in the SGC requiring liaisons.

Item K
City Logo

MOTION, by Skannes to postpone this discussion to a future date.

Motion PASSED by a unanimous voice vote.

X. NEW BUSINESS:

Item L
Res. 2006-30

MOTION, by Holst to authorize use of Title III payments to States Funds for Sitka Search and Rescue equipment.



Dapceвич would like to see the money come from other than General Fund resources.

Motion PASSED on a 5-0 roll call vote.

Item N
Duncan Resignation

MOTION, by Skannes to regretfully and formally accept Al Duncan Sr.'s resignation from his seat on the Sitka City and Borough Assembly.

Motion PASSED on a unanimous voice vote.

There was discussion about what method to use to fill the vacant assembly seat.

MOTION, by Dapceвич to advertise the vacancy and bring back applicants at the next meeting for a decision; and bring back an ordinance that we mandate that the assembly advertise for positions/vacancies on the assembly.

A decision will be made at the next meeting on whether the vote will be by secret ballot or in public. The mayor prefers a public vote and, unless overruled by four members, will handle it in that manner.

Motion PASSED by unanimous consent.

Item O
Liaisons 2006

MOTION, by Skannes to postpone until next meeting.

Motion PASSED on voice vote.

Both Skannes and Dapceвич expressed concerns on how the liaison appointments have been handled.

Skannes was elected as Deputy Mayor and Holst was elected as Vice-Deputy Mayor.

Both motions to elect PASSED either on a majority voice vote or unanimous consent.

Item P
Scheduling

The following meetings/events were scheduled for the assembly:

Special meeting on collective bargaining issues October 23rd from 6:00 until 9:00 PM. Assembly Orientation/Tours is to be scheduled on a Saturday to ensure that the new members can participate. December 1st was suggested. The new assembly members were asked to contact department heads to set up individual tours of facilities at their convenience. The first regular assembly meeting in November will be moved to November 6th and preceded by a special meeting to conduct the administrator's evaluation from 5:30 – 6:30 PM.

Item Q
City Logo/Pins

Stein mentioned it may be time to update the logo and get the schools involved and perhaps have a contest.

There was discussion about how to handle public participation.

MOTION, by Dapceвич to defer to the next assembly meeting and to communicate to the Alaska Day Committee.





Legislation Details

File #: 14-244 **Version:** 1 **Name:**
Type: Item **Status:** AGENDA READY
File created: 12/22/2014 **In control:** City and Borough Assembly
On agenda: 12/23/2014 **Final action:**
Title: Assignments: Vice Deputy Mayor and Sitka Community Hospital Assembly Liaison
Sponsors:
Indexes:
Code sections:
Attachments: [Appoint Vice Deputy Mayor 2014.pdf](#)
[LIAISONS 2014-2015.pdf](#)

Date	Ver.	Action By	Action	Result
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Appoint Vice-Deputy Mayor

I nominate _____, _____, _____ for Vice-Deputy Mayor

VICE DEPUTY				
EISENBEISZ				
HUNTER				
MCCONNELL				
MIYASATO				
SWANSON				
GUEVIN				

Municipal Boards/Commissions/Committees Monthly Meeting Schedule 2014-2015

ENTITY	CHAIR	Day of Month	Time	Location	Liaisons
Animal Hearing	Susan Royce	Meets as needed			*NA
Building Department Appeals	Gary Smith	Meets as needed			*NA
Convention & Visitors Bureau Board	Mary Stensvold	last Tuesday of month	1:00 PM	Harrigan Hall	Mayor McConnell
Employment Relations Board	Leigh Kainulainen	Meets as needed	Varies	Harrigan Hall	*NA
Gary Paxton Industrial Park Board	Grant Miller	Varies	3:00 PM	Sawmill Cove or SEDA	Eisenbeisz/ Alt. Hackett
Health Needs/Community Services	Willow Moore	2nd Tuesday	Noon	Harrigan Hall	Guevin
Historic Preservation	James Kinsman	2nd Wednesday	6:00 PM	Harrigan Hall	Swanson
Sitka Community Hospital Board	Celeste Tydingco	4th Thursday	6:30 PM	Hospital Classroom	Hackett
Investment Committee	Bert Stedman	Meets as needed			Guevin
Library	Curt Ledford	First Wednesday	7:00 PM	Library Office	Miyasato
Local Emergency Planning	Dave Miller	2nd Thursday	Noon	Fire Hall	Mayor
Parks & Recreation	Hans von Rekowski	2nd Thursday	Noon	City Hall 3rd Floor	Miyasato
Planning & Zoning	Richard Parmelee	1st & 3rd Tuesday	7:00 PM	Harrigan Hall	NA
Police & Fire	Joseph Reeves	1st Wednesday	6:00 PM	Harrigan Hall	Swanson
Port & Harbors *	Stan Johnson	2nd Wednesday	6:00 PM	Harrigan Hall	Hunter
Strategic Planning Commission	TBD	TBD			Guevin
Tourism Commission	Jennifer Robinson	3rd Monday	Noon	Harrigan Hall	NA
Tree & Landscape	Joe D'Arienzo	3rd Tuesday	Noon	Harrigan Hall	Eisenbeisz
* No Summer Meetings					
Informational					
SEDA	<i>Steve Reifentstahl</i>	<i>1st Thursday</i>	<i>Noon</i>	<i>329 Harbor Drive</i>	Mayor McConnell
<i>Sitka Tribe of Alaska (STA)</i>	<i>Michael Baines</i>	<i>3rd Wednesday</i>	<i>6:30 PM</i>	<i>Community House</i>	Swanson
<i>School Board</i>	<i>Lon Garrison</i>	<i>1st Tuesday</i>	<i>6:00 PM</i>	<i>SHS Library</i>	Guevin
		<i>3rd Tuesday - worksession</i>	<i>6:00 PM</i>	<i>District Office Board Room</i>	
Bolded Boards/Commissions/Committees Liaison Required by Ordinance.					
*Don't meet often enough to need a liaison					Revised: October 29, 2014