

Colleen Ingman

From: Ernestine Massey [eb109@ptialaska.net]
Sent: Thursday, February 23, 2012 9:47 AM
To: assembly@cityofsitka.com
Subject: Centennial Hall proposed fee changes
Attachments: 93 SHS Harrigan agreement.pdf; 1966Centennial museum requirement.pdf

Dear Mr. Dinley and Assembly Members,

As per the Assembly agenda and documents that were recently released, the Centennial Hall proposed fee changes will have a significant negative impact on our budget, ability to maintain staffing, ability to meet our mission and do the work that the City has contracted us to do.

- \$200/month Fee for Museum Occupancy: **\$2400/year**
- New 5% City Charge for Museum Store Sales **\$2550/year** as per 2011
 - 2008 Gross Sales: \$99,000
 - 2011 Gross Sales: \$51,000 (a 51% drop and no net profit after expenses for 2011)
- Proposed non-profit Centennial Hall Room use Rate Charges: **\$2460/year** for museum based on 2011
 - Society officially used various rooms 28 times
 - Dale DeArmond Art Exhibition for Community of Sitka: (included above)
 - 6 days/Exhibit Room, @ \$150/day would have cost **\$900** alone

Total Cost to Society for 2011 would have been: **\$7,410**

History of Society Museum @ Centennial Hall:

- We are a line item in the city budget and contracted to provide a museum for the city of Sitka in order to improve the quality of life for our citizens.
- Our existing agreement with the city was signed in 1993 and has no such fees. (attached)
- This has been the format followed since 1970 when the city asked us to establish a historical museum for Sitka, and also related to 1966 compliance issues with the funding and construction of Centennial Hall. (attached)
- Financial support from the city for the partnership has been provided for over 30 years.

We realize the financial challenges facing Sitka. As individuals we expect to be asked to help be part of the solution. However, the proposed fees will have a significant impact on our organization, a non-profit. To continue in the present productive partnership with the City and Borough for the benefit of our community and our visitors we respectfully request:

- The Sitka Historical Society & Museum be exempted from this fee structure (6.25% fee increase based on our existing city allocation)
or
- Our contracted allocation be increased for FY13 by \$7,500 to absorb these new fees.

Sincerely,

Sitka Historical Society:
John Stein, President,
Pat Alexander, Vice President
Ernestine Massey, Treasurer

AGREEMENT

This agreement is entered into by and between the City and Borough of Sitka, 304 Lake Street, Room #104, Sitka, Alaska 99835 hereinafter referred to as SITKA and SITKA HISTORICAL SOCIETY of 330 Harbor Drive, Sitka, Alaska 99835 hereinafter referred to as THE SOCIETY.

WHEREAS SITKA owns and operates the Centennial Building for the benefit of the City and Borough of Sitka; and

WHEREAS THE SOCIETY is a nonprofit organization formed to improve the quality of life of the people of Sitka; and

WHEREAS the use and occupancy by THE SOCIETY of the Centennial Building benefits both SITKA and THE SOCIETY.

IN CONSIDERATION of the above premises and the mutual promises contained herein, the parties agree as follows:

GENERAL CONDITIONS

(1) Occupancy THE SOCIETY shall have the use and occupancy of the Isabel Miller Museum during the term of this agreement.

(2) Term This agreement shall operate on a month to month basis. Either party may terminate the agreement upon 12 months written notice to the other party.

(3) Operating Procedures

a. The building manager shall be informed of the operating hours of THE SOCIETY. Any change in these hours must be cleared with the manager.

b. The building shall remain locked unless a municipal employee is on duty in the building, unless prior arrangements have been made with the building manager.

c. No unauthorized groups shall be allowed in the building.

d. Any remodeling projects must be approved by SITKA.

e. THE SOCIETY shall comply with all Building and Fire Codes.

General Conditions

(4) Compensation In exchange for the providing of space in the building, THE SOCIETY shall operate the Isabel Miller Museum.

(5) Damage THE SOCIETY shall be responsible for any damage to the building and its equipment arising from its occupancy. THE SOCIETY shall hold SITKA, its agents and employees, harmless from any and all claims of any kind arising from its occupancy of the building.

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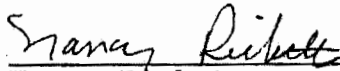
6. Insurance THE SOCIETY shall maintain in effect, premises, fire and general liability insurance covering the premises in amounts and with companies agreeable to the building manager. The municipality shall be an additional named insured on all such policies.

SPECIAL CONDITIONS

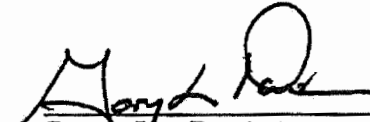
1. THE SOCIETY shall comply with the terms of the agreements with the Retail Merchants Association attached hereto and incorporated herein by reference as Exhibit A and Exhibit B. In the event of a conflict between the two documents, Exhibit B shall control.

6/10/93

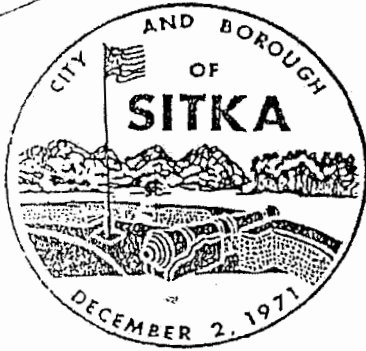
DATED this ___ day of February, 1993.



Nancy Ricketts
President
Sitka Historical Society



Gary L. Paxton
Administrator
City & Borough of Sitka



City and Borough of Sitka

304 LAKE STREET . SITKA, ALASKA . 99835

Adopted 4-14-92

A POLICY STATEMENT FOR THE MUSEUM STORE OF THE ISABEL MILLER MUSEUM OF THE SITKA HISTORICAL SOCIETY

The Isabel Miller Museum of the Sitka Historical Society is an educational institution, dedicated to the preservation of Sitka's past and its interpretation to the present. The museum store, as an integral part of the museum, must represent the mission and goals of the museum itself.* All employees, both paid and volunteer, are ethically obligated to reflect this in all of their actions.

All merchandise in the store shall reflect directly the mission statement of the Society and the collection policy of the Museum. The merchandise sold by the museum shall be related to the museum, its exhibits, Sitka and its history, including natural history. Replicas of items in the museum or of historical buildings in Sitka, books and cards on Sitka's history, and items imprinted with the museum's logo are some examples.

The museum store shall not sell merchandise that is solely tourism related including videos and books not directly related to Sitka and its history, including natural history.

Any reproductions or replicas produced and/or sold by the museum store shall be indelibly marked as such. Any advertising shall also reflect this policy.

Because children enjoy a unique relationship to the museum, the museum store shall select items for children which are educational, safe, and of the best quality, related to Sitka's history and natural history.

The store ascribes to the Code of Ethics of the Museum Store Association.

Attachment - Museum Store Association Code of Ethics is an active portion of the above Policy.

U.S. DEPARTMENT OF COMMERCE
Washington, D.C. 20230

Alaska Centennial Facilities

Project No.: 8
Offer Date : 7/21/66
Offer No. : 8

OFFER OF GRANT

Pursuant to his authority under the Act to provide for United States participation in the 1967 state-wide celebration of the centennial of the Alaska Purchase (P.L. 89-375), the Secretary of Commerce, acting through his duly authorized representative, the Assistant Secretary of Commerce and Director of Economic Development, hereinafter referred to as "Grantor," heraby offers to make a grant not to exceed \$630,400.00 to City of Sitka hereinafter referred to as "Grantee." Said offer of grant is made subject to standard terms and conditions attached hereto marked "Exhibit A" and special terms and conditions attached hereto marked "Exhibit B," both of said exhibits by this reference made a part hereof.

Purpose of said grant is to assist in construction or equipment of facilities planned to support initially the 1967 Alaska Centennial celebration. Said facilities presently are estimated to cost \$1,352,285.00 and consist of Civic center, convention and exhibition building.

Provided, however, that in no event shall this grant exceed more than one-half of the cost of the project described above. This offer and the acceptance hereof, together with the conditions referred to hereinabove, constitute the grant agreement.

This offer must be accepted and returned to the Assistant Secretary prior to the expiration of two weeks after the above offer date.

Assistant Secretary of Commerce and
Director of Economic Development

The above offer of grant is hereby accepted.

Date July 21 - 1966

By F. P. Jolley

John W. Freeman
Name of Grantee

Asst. Secretary of Commerce
Title

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| Post-It® brand fax transmittal memo 7671 | | # of pages ▶ | 6 |
| To | Orlene Denlow | | |
| Co. | Star Archives | | |
| Dept. | Phone # 162 2270 | | |
| Fax # | 717-5219 | Fax # | 162 1462 |



U.S. DEPARTMENT OF COMMERCE
ECONOMIC DEVELOPMENT ADMINISTRATION
WESTERN AREA OFFICE
415 FIRST AVENUE NORTH
SEATTLE, WASHINGTON 98108

August 28, 1967

Mayor and City Council
Sitka, Alaska 99835

Gentlemen:

We continue to receive many fine compliments on the new Community Center in Sitka. Various visitors who have seen it remarked on the beauty of the building and on the attractiveness and interest aroused by the displays which are found inside the building entrance. I have been advised by one of these people that the kitchen is not serviceable at this time and that there were no utensils or dishes there, which surprised me since we had granted additional funds specifically for this purpose. I have also received information that the Federal displays which were given to the city for display purposes in the Centennial Building were not going to be kept together in the building and displayed there. I continue to receive reports also that the Borough and the City are making plans to take over most of the display areas in this building. I am sure you gentlemen appreciate that your application for construction funds to erect this building was based on the continued use of this building as a convention and community center and to display historical items of significance and interest to the people of the world relating to Sitka and the State of Alaska history. Any other uses of this building were to be incidental and not to interfere with these primary uses. When I was last in Sitka, I talked to Mayor O'Connell and several others about his request to use a back room and a small area of adjoining space for a public utility accounting division for the city which had outgrown its quarters. I pointed out that during the Centennial year it would not be advisable to do this but that in the future such an operation might not interfere with the intended purposes of the building providing its space was limited and massive vaults, partitions, desks, files, and counters which would fill the area outside this room, were not involved as these would preclude the normal convention and display uses of the areas at the front of the building. Space is also to be maintained on a continuing basis for a tourist promotion and information office in the building.

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August 28, 1967

I write this letter as a word of caution to you so you will think back to the terms of the grant offers. Your building has attracted wide spread interest and approval as it is presently set up and in the use for which it was intended. I believe aside from the question of using Federal money for a purpose not certified in the application that the City of Sitka could be criticized by the public, the State, other agencies, civic and historical groups if the prime purpose of the building was changed and it became in effect a city or borough hall with a large auditorium as a part of this new operation but without the displays and exhibits which the Federal Government and others have made possible and which was a certified part of the application of uses for this building. Please also note the use and original funding of these Centennial projects is subject to review and audit for a period of years both by the State and Federal Government.

Sincerely yours,

F. Gaines Sutherlin
Alaska Centennial Projects Officer

cc:

Governor Walter J. Hickel
Senator E. L. Bartlett
Senator Ernest Gruening
Mr. Joe Fitzgerald, Federal Field Committee
Mr. Robert Ward, Commissioner of Department of Administration
Mr. Kenneth Crites, Sitka Centennial Committee
Mrs. Alice Harrigan, Vice President, Alaska Centennial Commission
Mr. Val Cameron, Area Director
Mr. Russ Stevens



U.S. DEPARTMENT OF COMMERCE
ECONOMIC DEVELOPMENT ADMINISTRATION
WESTERN AREA OFFICE
415 FIRST AVENUE NORTH
SEATTLE, WASHINGTON 98109

August 29, 1967

Mr. Robert Ward
Commissioner of Department of Administration
State of Alaska
Juneau, Alaska 99801

Dear Mr. Ward:

A copy of the enclosed letter was sent to you as a matter of information. It is our policy to try to follow through with the local areas and make certain that the funds so generously provided by the Federal Government are being used in the manner certified in the applications made for the Federal grants. The main use of this building under the terms of the Federal application was for a Community Center, a Convention Center, to house tourist information and tourism development offices, and to display historical and cultural exhibits significant to Sitka and the State of Alaska. The use of the building as a City Hall or Borough Hall was not contemplated and would appear acceptable only if such use did not in any way interfere with the intended and certified uses of this building.

Sincerely yours,

A handwritten signature in cursive script that reads "F. Gaines Sutherlin".

F. Gaines Sutherlin
Alaska Centennial Projects Officer

Enclosure



U.S. DEPARTMENT OF COMMERCE
ECONOMIC DEVELOPMENT ADMINISTRATION
WESTERN AREA OFFICE
415 FIRST AVENUE NORTH
SEATTLE, WASHINGTON 98109

September 5, 1967

Acting Mayor R. J. Cushing
Sitka, Alaska 99835

Dear Mayor Cushing:

Subject: Sitka Alaska Centennial Convention Center, Your
Letter of September 1

Thank you for your letter which explained the Sitka project situation. I believe that we are all in agreement that the prime use of the building is for centennial, historical, tourist promotion, and convention use.

I am aware of Former Assistant Secretary Foley's comment; in fact, I think I was with him when he made the remark. His remark, however, did not mean to imply that the city and borough operation would take over the major spaces of the building. No off hand comment of this type changes the terms and conditions of the offer and acceptance of the grant. When Mayor O'Connell talked with me about the matter of space for the city and borough, I pointed out to him that great care must be taken not to put into the building, facilities which would detract from the primary uses. Obviously from a maintenance standpoint the use of small offices by the city and borough could be included in the building to great advantage for all. My concern is that these offices tend to grow like "topsy" and might soon become the prime use of the building if not watched.

I am a little confused as to your comment in Paragraph Number 1 of your letter that additional funds had been granted the building which could be used for the purpose of completing the kitchen. If you will examine the grant papers you will find that attached to the additional grant offer of \$13,500 was a sheet of special terms and conditions applying to this grant offer in which a maximum of \$4,700 of the \$13,500 was specifically listed for expenditure to equip the kitchen and supply needed dishes and other facilities. It is not a question that these funds could be used, but rather that these funds were to be used for the kitchen purposes.

Acting Mayor R. J. Cushing

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September 5, 1967

When the Federal and State Audits are made of your building, I am sure the Auditors will require a detailing of the use of the Federal funds in keeping with the provisions of these grant offers, hence my caution to you in light of these possible dangers.

Should there be any more information needed, I will be happy to supply it. In the meantime I am certain your letter will go a long ways to clear the air. My very best wishes to Sitka for the continued success in their operation of this building and general economic development.

Sincerely yours,

F. Gaines Sutherlin
Alaska Centennial Projects Officer

cc:

Governor Walter J. Hickel

Senator E. L. Bartlett

Senator Ernest Gruening

Mr. Joe Fitzgerald, Federal Field Committee

✓ Mr. Robert Ward, Commissioner of Department of Administration

Mr. Kenneth Crites, Sitka Centennial Committee

Mr. Alice Harrigan, Vice President, Alaska Centennial Commission

Mr. Val Cameron, Area Director

Mr. Russ Stevens

Mr. Clyde Courtnaga, Field Coordinator