

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2012-36

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA SUPPORTING RATIFICATION OF THE 2012 STATE OF ALASKA BALLOT PROPOSITION A WHICH INCLUDES 7,500,000 SAWMILL COVE INDUSTRIAL PARK BULKHEAD DOCK IN THE 2012 STATE TRANSPORTATION PROJECT FUND, AND APPROVING THE EXPENDITURE OF MUNICIPAL FUNDS NOT TO EXCEED THE AMOUNT OF \$1,000 FOR THE PURPOSE OF ADVOCATING FOR PUBLIC SUPPORT OF PROPOSITION A

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

2. **SEVERABILITY.** If any provision of this ordinance or any application 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 Assembly has appointed five members to the Sawmill Cove Board of Directors and granted them general powers that include responsibility for the "operation, maintenance, development, and marketing of the municipally owned Sawmill Cove Industrial Park, including such facilities as site development, docks, and facilities appurtenant thereto." The Board of Directors of the Sawmill Cove Industrial Park (SCIP) has a strategic plan, approved by the Assembly, that includes construction of commercial deepwater port facilities at the SCIP and may create an estimated 30 construction jobs and 30 non-construction jobs. Proposition A, on the State's November 6, 2012 ballot, seeks approval for issuance of State of Alaska General Obligation Bonds titled "2012 State Transportation Project Fund." These bonds include \$7,500,000 for the construction of a Sawmill Cove Industrial Park Bulkhead Dock at SCIP. The Sawmill Cove Board of Directors supports this Ordinance 2012-35.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the City and Borough of Sitka supports ratification of the State's General Obligation Bond to fund the "2012 State Transportation Project Fund" which includes the Sitka Sawmill Cove Industrial Park Bulkhead Dock; and that the City and Borough of Sitka approves spending Municipal funds, not to exceed the amount of \$1,000, to advocate for public support to ratify Proposition A on the State of Alaska November 6, 2012 ballot as recommended by the Sawmill Cove Industrial Park Board. and approved in the City and Borough of Sitka's FY 2013 Legislative Priorities.

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 30th day of October, 2012.

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Mim McConnell, Mayor

ATTEST:

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Colleen Ingman, MMC  
Municipal Clerk

**CITY AND BOROUGH OF SITKA**

**RESOLUTION 2011-22**

**A RESOLUTION BY THE CITY AND BOROUGH OF SITKA (CBS)  
SUBMITTING CBS 2013 STATE LEGISLATIVE PRIORITIES  
TO STATE OF ALASKA AND 2012 LEGISLATURE**

**WHEREAS**, the City and Borough of Sitka advocates cooperating and sharing resources with the State of Alaska to maximize public infrastructure and services for the citizens of Alaska in the most efficient, cost effective manner; and

**WHEREAS**, the State of Alaska has inadequately maintained State owned facilities and passed unfunded mandates on to municipalities; and

**WHEREAS**, municipalities have suffered major budget impacts from State management of the PERS/TRS system, State harbors, State roads and utilities, and other State responsibilities which should be compensated.

**NOW, THEREFORE, BE IT RESOLVED** that the Assembly of the City and Borough of Sitka, Alaska, adopts the following FY2013 State Legislative Priorities and urges the Alaska State Legislature to support them to the maximum extent possible:


- **State Revenue Sharing/Local Tax Relief** – The City and Borough of Sitka supports the State Revenue Sharing on a sustainable basis to equitably compensate Alaska communities for providing local services.
- **Education** – State funding should be increased to cover escalating transportation expenses, the rising costs of fuel and energy, and reasonable new costs to improve the quality of education.
- **Local Control and Maximum Local Self-Government Guaranteed by the Alaska Constitution** – The Legislature should defeat any legislation that creates new unfunded mandates or takes away existing powers of local governments. The State should fund existing unfunded State mandates.
- **Deferred Maintenance of Harbors** – The State should fully fund the deferred maintenance of State harbors transferred to local governments. In addition, the State should fully fund the 50 percent matching grants legislated by SB 291, the Municipal Harbor Facility Grant Fund, to assist with future harbor upgrades.

**NOW FURTHER BE IT RESOLVED** that the Assembly submits the enclosed FY2013 City and Borough of Sitka Legislative Priorities, CBS Legislative Capital Project Requests and CBS Requests for State Funding for State Facilities in priority order to the 2012 Session of the Alaska State Legislature and State of Alaska.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska, on this 27<sup>th</sup> day of September, 2011.

  
Cheryl Westover, Mayor

ATTEST:

  
Colleen Ingman, MMC  
Municipal Clerk

## FY2013 CBS LEGISLATIVE CAPITAL PROJECT REQUEST

Project Title: SAWMILL COVE INDUSTRIAL PARK BULKHEAD DOCK

Total Bulkhead Dock Project Cost:	\$ 7,500,000
FY2013 State Funding Request:	\$ 7,500,000
Previous Upland Development Funded:	\$ 11,000,000 (Federal, State, CBS)
City and Borough of Sitka Federal Tax ID Number:	92-0041163

**City and Borough of Sitka requests \$7,500,000 from the State of Alaska, for construction of a bulkhead dock at Sawmill Cove Industrial Park. This bulkhead will enable Sitka to again serve as a deep water port for Municipal, State, Federal, and private sector access to the Gulf of Alaska.**

In 1993 the Alaska Pulp Corporation mill operation shut down, resulting in the loss of over 400 jobs in the community of Sitka. The City and Borough of Sitka took over the former Alaska Pulp Corporation mill site in 1999. Over \$11,000,000 of Federal, State and CBS funds were used to complete upland utilities, system upgrades, and paving. The State contributed \$1,000,000 toward a raw water line to allow for bulk water export. A Wastewater Outfall Project has also been completed to support fish processors. The Industrial Park is operational, with tenants including Cove Partners Water Bottling, Fortress of the Bear, Island Fever Diving, Monarch Tannery, Audio Workshop, Child Song Dolls, NSRAA Salmon Hatchery and Silver Bay Seafoods. Total private investment into the industrial park is over \$20,000,000. Development at the industrial park has created 60 full time jobs and seasonal employment for over 320 people.

The 2002 Sawmill Cove Industrial Park Waterfront Plan details the improvements that must be completed to permit deep water port use of the Industrial Park. The existing waterfront facilities are unsafe for use and must be removed and new pilings, bulkhead, dredging and shoreline protection, and other improvements must be completed to allow the park access to the ocean and water transportation avenues.

**The highest priority Waterfront Development Project is the Sawmill Cove Bulkhead Dock Completion – total cost \$7,500,000. CBS requests \$7,500,000 in State funds.** This multi-purpose dock facility, a bulkhead cargo and freight dock, will be located in the center of the Industrial Park waterfront (Lot 9). Development includes a bulkhead dock, fender system, uplands improvements, and other infrastructure improvements to allow freight to come over the dock. Currently there is no safe and useable docking facility at the industrial park. The Sawmill Cove Industrial Park has not reached its full potential due to the lack of infrastructure to access the ocean and water based commerce. **A bulkhead dock is critical for future development of the park.** It will help grow existing tenant's business, attract new business, and is essential in creating new jobs. Additionally, a bulkhead dock on the south end of town will help reduce traffic on State road systems and will help the CBS with logistics of the Blue Lake Dam expansion project.

**Past public investments into the Sawmill Cove Industrial Park have resulted in private investment, job creation, and a sustainable tax basis for the CBS. The former Pulp Mill deep water dock formerly served ocean going container ships transiting across the Pacific Ocean. Sitka is closer to open ocean than any other SE port. The Bulkhead Dock Project at Sawmill Cove Park is the key to enabling Sitka to develop an economically viable deep water port intermodal facility once again.**