

REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, August 25	Regular Meeting	6:00 PM
Tuesday, September 8	Regular Meeting	6:00 PM
Tuesday, September 22	Regular Meeting	6:00 PM

****Assembly Meetings are being held at UAS – Room 229****



Municipal Election Reminders

Friday, August 21	Last day for candidate to withdraw nomination
Tuesday, October 6	Municipal Election

Expiring Terms:

Assembly
Matthew Hunter
Michelle Putz

School Board
Cass Pook
Jennifer Robinson

Assembly Calendar

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August 2015

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26 <u>Jul</u>	27	28	29	30	31	1 <u>Aug</u>
		Guevin 1:00pm SCVB Board 6:00pm <u>Regular Assembly Mtg</u>	Guevin	Guevin	Guevin	Guevin
2	3	4	5	6	7	8
Guevin	Guevin	Guevin 7:00pm Planning	Guevin 7:00pm Library Board	Guevin McConnell 12:00pm - 1:30pm SEDA Board Meeting	Guevin	Guevin
9	10	11	12	13	14	15
Guevin Putz	Guevin Putz	12:00pm Health Needs & Human Services Guevin - calling in 6:00pm <u>Reg Assembly Mtg</u>	Guevin 6:00pm Historic Preservation	Guevin 12:00pm LEPC 12:00pm <u>Parks & Rec</u>	Guevin	Guevin
16	17	18	19	20	21	22
Guevin	Guevin	Guevin 12:00pm Tree/Landscape 7:00pm <u>Planning</u>	Guevin	Guevin	Guevin	Guevin
23	24	25	26	27	28	29
Guevin	Guevin	Guevin McConnell 1:00pm SCVB Board 6:00pm <u>Regular Assembly Mtg</u>	Guevin McConnell 6:00pm Police and Fire	Guevin McConnell	Guevin McConnell	Guevin McConnell
30	31	1 <u>Sep</u>	2	3	4	5
Guevin McConnell	Guevin McConnell	McConnell 7:00pm Planning	McConnell 7:00pm Library Board	McConnell 12:00pm - 1:30pm SEDA Board Meeting	McConnell	McConnell

Assembly Calendar

2014 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2016

September 2015

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30 <u>Aug</u>	31	1 <u>Sep</u>	2	3	4	5
Guevin McConnell	Guevin McConnell	McConnell 7:00pm Planning	McConnell 7:00pm Library Board	McConnell 12:00pm - 1:30pm SEDA Board Meeting	McConnell	McConnell
6	7	8	9	10	11	12
McConnell	McConnell Miyasato	McConnell Miyasato 12:00pm Health Needs & Human Services Commission 6:00pm <u>Reg Assembly Mtg</u>	McConnell Miyasato Putz 6:00pm Historic Preservation	McConnell Miyasato Putz 12:00pm LEPC 12:00pm <u>Parks & Rec</u>	McConnell Miyasato	McConnell
13	14	15	16	17	18	19
McConnell	McConnell	McConnell 12:00pm <u>Tree/Landscape</u> 7:00pm <u>Planning</u>	McConnell	McConnell	McConnell	McConnell
20	21	22	23	24	25	26
McConnell		6:00pm <u>Regular Assembly Mtg</u>	6:00pm Police and Fire Commission - Fire Hall			
27	28	29	30	1 <u>Oct</u>	2	3
		1:00pm SCVB Board		12:00pm - 1:30pm SEDA Board Meeting		



Executive Offices
3100 Channel Drive, Suite 300, Juneau, AK 99801
907.463.4000 · www.searhc.org

August 3, 2015

Mark Gorman
Municipal Administrator
City and Borough of Sitka
100 Lincoln Street
Sitka, AK 99835

Dear Mark,

Recently, City staff and SEARHC were able to meet and discuss options the city was considering regarding the construction of a new Seaplane Base for the Sitka community.

SEARHC understands the value such a Base can provide to the continued growth of the Seaplane industry, tourism, and growing the economy of Sitka. We are supportive of CBS continuing to investigate options for a new Seaplane Base with future consideration and discussion for provision of tidelands access through SEARHC property along Seward Avenue.

We look forward to discussing the results of the investigation when it is completed.

Regards,

Dan Neumeister, FACHE
COO, SEARHC
Office: 907-966-8402 ext 8402
Cell: 530-680-5752
dann@searhc.org



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

PUBLIC NOTICE AUGUST 14, 2015

DRAFT BARANOF WARM SPRINGS CITY AND BOROUGH OF SITKA INFRASTRUCTURE MANAGEMENT PLAN AVAILABLE FOR COMMENT

The City and Borough of Sitka (CBS) is exploring new options for how to fund and manage the new Baranof Warm Springs dock when it is completed as well as other municipal infrastructure at Baranof Warm Springs. A draft City and Borough of Sitka Baranof Warm Springs Infrastructure Management Plan has been developed and is available for public comment. The draft plan is available at the City's website; cityofsitka.com, or at the CBS Planning and Community Development Department by hard copy.

Written comments will be accepted by e-mail to: planning.comment@cityofsitka.org

Or by mail to: City and Borough of Sitka
Planning and Community Development Department
100 Lincoln Street
Sitka, AK 99835

Comments must be received at the City and Borough of Sitka Planning and Community Development Department by Wednesday, September 30, 2015 to be included in final comment review. CBS is allowing a full 45 day comment period to give all interested persons an opportunity to comment.

(BWS)

D R A F T
CITY AND BOROUGH OF SITKA
BARANOF WARM SPRINGS INFRASTRUCTURE MANAGEMENT PLAN
FOR PUBLIC COMMENT August 14, 2015 to September 30, 2015

*Please submit comments to the City and Borough of Sitka Planning and Community
Development Department by e-mail to:
planning.comment@cityofsitka.org*

*Or by mail by hard copy to:
City and Borough of Sitka
Planning and Community Development Department
100 Lincoln Street
Sitka, AK 99835*

*Comments must be received at City and Borough of Sitka Planning and Community
Development Department by Wednesday, September 30, 2015 to be included in final
comment review.*

BRIEF HISTORY: Baranof Warm Springs (BWS) was first used as a harbor of refuge and hot springs site by Alaska Native peoples. As more vessels used the Inside Passage, by the 1900's, Warm Springs Bay had been discovered by miners and settlers. The large bay, curative powers attributed to the warm springs, nearby Baranof Lake with outlet stream ending in a waterfall directly into tidewater at the townsite and visible from Chatham Strait, and abundant fish and game made Warm Springs Bay a desirable destination. In 1902, Louis Ruikka may have been the first man to build a cabin when he recorded a claim to Lot 1 in April, 1902. Others built cabins, and by 1906, a permanent population of up to fifty people was established. A post office was approved in 1907 and a general store, rental cabins and a bath house were available. Good king salmon fishing in Chatham Strait and Baranof's store and hot springs attracted fishermen and other travelers. By 1911 a hydro-powered sawmill was built. The Forest Service tried to permit a sanitarium, but a national executive order stopped the project. Still, by 1913, Baranof was thriving, with a resort, two stores, post office, sawmill, and more than thirty cabins. In 1918 the Diamond Fish Company opened a herring saltery, and in 1926 Warm Springs Bay Packing Company opened a plant, but they did not succeed due to economic downturns. Fred and Clothilde Bahovic spent more than 30 years at Baranof, and the town experimented with bootlegging, tourism, and other industries. Wally Sonnenburg bought the bathhouse and store in 1971, the same year Sitka became a unified City and Borough, and sold them in the late 1980's; after which they deteriorated and eventually collapsed.

The State of Alaska Department of Transportation and Public Facilities built a public dock at Baranof Warm Springs in 1962, with significant upgrades in 1975. This dock is failing and is in the process of being replaced, with completion anticipated in spring, 2016, at which time the State of Alaska will transfer the ownership of the dock to City and Borough of Sitka (CBS). In addition to use of the dock by property owners at Baranof, large numbers of visitors stop by Baranof on their travels on the Inside Passage.

The sixty lots in Baranof townsite are privately owned, and the hot springs are still serving both property owners and thousands of visitors. Over 9000 visitors to Baranof in 2012 were estimated as part of a recreational use study of Takatz and Baranof basins on east Baranof Island. City and Borough of Sitka (CBS) has cooperated with residents to construct boardwalks connecting the community streets, a public picnic shelter, and a public bathhouse. The City filed applications for water rights to the hot springs not already granted to individuals to preserve the public's access to this precious resource. In 2015, most residents and visitors are seasonal. A caretaker plows snow and maintains the dock, boardwalks, and private residences in winter.

PURPOSE: Baranof Warm Springs (BWS), a municipal townsite, is located on the eastern side of Baranof Island within the unified City and Borough of Sitka. The new public dock at Baranof Warm Springs is planned for completion by spring, 2016 by the Alaska Department of Transportation and Public Facilities with ownership to be transferred to City and Borough of Sitka upon completion. This provides an opportunity to develop a CBS plan to fund and maintain the dock as well as other municipal infrastructure at the remote (from Sitka) Baranof Warm Springs Townsite: municipal boardwalks, picnic shelter, and public bathhouse. The plan can also address how CBS facilities can continue to be efficiently managed in cooperation with Baranof Property Owners Association (BPOA), including the potential for future projects.

COMPONENTS: The final Baranof Warm Springs CBS Infrastructure Management Plan will consist of an executive summary, brief history of Baranof Warm Springs, plan for dock and uplands facilities management, maintenance, and revenue generation, and a structure to enable a dedicated BWS CBS infrastructure fund within the CBS General Fund for Baranof revenues and expenditures to provide sustainable funding for continuing municipal facilities maintenance and replacement.

TIMEFRAME: CBS staff have developed this DRAFT Baranof Warm Springs CBS Infrastructure Management Plan as an initial strategy for how to better manage and fund the City's infrastructure at this remote townsite in order to receive public comments. The public comment period will remain open from August 1 through September 18, 2015 to provide a full 45-day comment period. All input is welcome but must be submitted to the CBS Planning and Community Development Department during the comment period by e-mail, fax, or mail as specified in the comment instructions in order to be assured consideration. This draft Baranof Warm Springs CBS infrastructure management plan is being made widely available for public review and comment. After the conclusion of the public comment period, municipal staff will revise the draft to respond to the public comments. The plan will then be finalized, approved by staff and administration, and submitted to Sitka Assembly for approval later in fall, 2015. It is

presumed the final plan will go before the Sitka Assembly in October, 2015. The first year of implementation of the BWS CBS infrastructure management plan will be considered a trial period which may be re-evaluated and modified based on the results of the first intensive use season, estimated from May to September, 2016.

NEW BARANOF DOCK: The Alaska Department of Transportation and Public Facilities (DOTPF) is scheduling this project to go out to bid in summer, 2015, for construction beginning in fall 2015. On completion anticipated in spring 2016, the new dock will be transferred to City and Borough of Sitka ownership. The current dock was built by DOTPF in 1962 with major upgrade in 1975 and has lasted for more than 40 years with minimal local maintenance and almost no State maintenance. CBS will need to cover the portion of the winter caretaker's fee for snow removal on the new CBS-owned dock since the State will no longer contribute. CBS already contributes to BPOA to pay for snow removal and winter maintenance of the City's public boardwalks and other municipal facilities. BPOA's contract with the winter caretaker to snow plow and care for both the dock and uplands has worked well in the past.

DEDICATED FUND FOR BARANOF WARM SPRINGS MUNICIPAL REVENUES AND EXPENSES:

In order to effectively and equitably manage remote, multi-layered municipal infrastructure at Baranof Warm Springs, a separate dedicated CBS fund to manage both revenues and expenses for Baranof Warm Springs needs to be developed. This could be called the Baranof Warm Springs CBS Infrastructure Fund, with the objective to be sustainable. There are precedents for this fund with other special funds within the CBS General Fund. The advantage to CBS is that the fund will provide an ongoing revenue stream to enable the City to charge the fund for its actual expenses related to Baranof Warm Springs rather than various departments having to "raid" their budgets to cover unbudgeted expenses. The advantage to BWS property owners is that their taxes and fees can be directly correlated to the expenses to maintain the City's infrastructure at Baranof. The advantage to BWS visitors is that the quality of CBS public use infrastructure can be maintained, for the safety and enjoyment of all users.

To augment the revenue stream to pay for dock and uplands CBS infrastructure expenses, new revenue streams will need to be developed and a Baranof Warm Springs CBS Infrastructure Fund created to cover both income and expenses of maintaining the City's remote BWS assets. These fees can come from several sources: CBS Parks and Recreation special use permit and client fees for use of the new dock and uplands facilities, overnight vessel moorage fees at the new dock, and BWS-related CBS tax receipts.

To facilitate collecting fees, it is hoped Baranof Property Owners Association will contract with a part-time summer caretaker or caretakers similar to the winter caretaker for the four months of heavy summer use (mid-May to mid-September). The caretaker will keep a detailed daily record of each vessel using the dock and each commercial passenger vessel either docking at or lightering passengers to the dock along with date, description, vessel length, and if appropriate number of clients.

Each commercial vessel using Baranof dock or uplands facilities with paying passengers is currently required to obtain a CBS special use permit for commercial activities under Chapter 23.20 Commercial Recreation Use of Municipal Lands and Facilities in the Sitka General Code. The yearly application fee is \$250 plus a fee of \$2 for each client using CBS recreational facilities. An additional \$1 per client is proposed to cover commercial client use of the dock.

If the BWS CBS Infrastructure Management Plan is approved, beginning May 15, 2016, all vessels overnighing in Baranof after 6:00 PM will be charged a reasonable fee to share the expense of maintaining and ultimately replacing the dock. See below in BUDGET section for proposed charges based on vessel size and length of stay. Users will be able to pay the fee in a sealed envelope identifying the user and vessel, amount, date and contact information to an "iron ranger" or can pay directly to CBS Harbor Department by credit card over the phone. The caretaker will collect the funds from the iron ranger as needed and send them to Sitka by locked courier pouch periodically. It will be CBS responsibility to bill, with penalty, those that do not willingly comply. If the user does not pay the fee, which could be determined by Sitka CBS staff after review of the daily log, the vessel could be billed, and the bill could ultimately be sent to the City's collection agent.

Since CBS has not previously charged fees for use of the State dock, the draft BWS CBS Infrastructure Management Plan will consider the first summer, 2016 collection of fees to be a trial period. Once a season's revenues and expenses have been completed, a more accurate annual budget can be developed and adjustments made to both the fee and collection structure, and the results incorporated into a more long-term management plan as needed. There should be flexibility to modify the plan for the 2017 season based on how well it works for City and Borough of Sitka, Baranof Property Owners Association, and all visitors to and residents of Baranof Warm Springs as well. Each year there may be budget adjustments for any major expenditures or anticipated revenues.

CBS will develop basic policies to protect the new municipal dock but recognizes enforcement will be difficult. Signage about fees and CBS dock policies such as not "rafting out" more than three vessels, not obstructing aircraft access to the floatplane float, not parking vessels longer than 75 feet at the dock, and maintaining areas for skiffs will be posted once approved by the Sitka Assembly. All users of Baranof facilities can be encouraged to cooperate for benefit of all, but it is probably not realistic to provide direct enforcement at this remote site. However, serious problems with users can be reported in the daily log, and these can be followed up by CBS if needed. There will also continue to be a Baranof Warm Springs liaison on CBS staff to assist with resolving problems with municipal facilities.

DRAFT BARANOF WARM SPRINGS CBS INFRASTRUCTURE FUND DRAFT BUDGET:

When the BWS CBS Infrastructure Management Plan is approved and implemented, there will need to be "ground-truthing" to determine a sustainable budget for the BWS CBS Infrastructure Fund. The following draft budget is a "best guess" starting point to create the infrastructure fund, anticipate routine reoccurring expenditures, and develop new sources of revenues to cover dock

maintenance and depreciation and other CBS infrastructure expenditures. Significant expenses for major upgrades or unplanned emergencies will need to be budgeted separately within the fund, and adequate funds approved to pay for them. After the first year, it is anticipated that the budget will be revised based on actual revenues and expenditures.

Projected Yearly Expenses

BPOA Caretaker Contract

Winter snow removal/maintenance for CBS infrastructure \$8,000

NOTE: CBS contract with BPOA for winter caretaker has been \$4,000 but must be increased to cover around \$2,000 for snow removal on new dock. BPOA has requested \$8,000 per year to cover caretaker cost for dock and inflation since CBS share hasn't been raised in several years.

Summer season caretaker to keep daily dock log, maintain "iron ranger", and facilitate fee transfer to CBS from May 15 to September 15 (4 months) 7,200

NOTE: This represents \$1,800 per month or about \$60/day for estimated 1 to 2 hours work. Fee does not include any per diem or travel.

CBS Infrastructure annual expenses (materials, travel, staff)

--Uplands boardwalks, picnic shelter, bathhouse 6,000

--Dock routine maintenance 6,000

CBS dock liability insurance indirect cost 1,000

CBS staff/operations costs of managing BWS Infrastructure Fund, projects To be determined

CBS Dock Replacement – 50% of dock cost amortized over 45 years 20,000

TOTAL BASIC YEARLY BWS INFRASTRUCTURE BUDGET: \$48,200

BWS CBS INFRASTRUCTURE FUND REVENUE SOURCES:

In addition to CBS taxes generated for Baranof Warm Springs, additional revenue sources will need to be identified to permit CBS to maintain a separate BWS CBS Infrastructure Fund to cover the additional expenses of the new CBS dock and provide adequate funds for improvements to BWS CBS infrastructure without penalizing CBS department Harbor and Public Works Department budgets. With no way to estimate how much revenue will be generated and the certainty of ongoing expenses, the first season in which CBS will collect new fees, May 15, 2016 through September 15, 2015 will be considered a trial period, and the results will be evaluated to determine if both fees and expenses should be re-evaluated or handled differently.

Dock Fees Structure

New commercial vessel passenger CBS dock use fee --\$1 per client for each paying passenger coming across the dock, whether lightered in or vessel moored at dock, will be added to the \$2 per client commercial vessels should already be paying for use of CBS uplands recreational facilities (as well as the yearly \$250 application fee for CBS Parks and Recreation special use permit). The special use permit fees will continue to go to the CBS Parks budget to defray staff expenses. The per client charge totaling \$3 will go into the new dedicated BWS CBS Infrastructure Fund. The \$100 “minimum fee” in the Parks ordinance may be eliminated. It is anticipated that with dock monitoring by the summer caretaker, the number of commercial vessels paying fees will increase. There is also the possibility that some will avoid stopping at Baranof due to the \$3 per client fee.

New CBS dock charge for all vessels (except caretaker’s) moored at dock between May 15 and September 15, the peak visitor season (no fees charged remainder of year). CBS Harbormaster suggests a tiered system to be as simple to understand and comply with as possible:

Vessel length:	Daily Fee	Reduced Weekly Fee	Property Owner Seasonal Fee
Up to 20’	\$10	\$ 40	\$100
20 to 35’	20	80	200
35 to 50’	30	120	300
50 to 65’	40	160	400
65 to 75’	50	200	500

NOTE: This is an arbitrary starting point for fee structure. It attempts to balance a reasonable, non-punitive charge for using the City’s new dock without causing hardship and in some cases dissuading users from coming to Baranof. The fees must be high enough to generate needed revenues but not so high that they are considered excessive or unacceptable.

CBS is currently receiving revenues from Baranof Warm Springs property, bed, sales and fish box taxes. Some of these revenues or other funds will need to be included in the BWS CBS Infrastructure Fund, because fees alone can’t balance the \$48,200 yearly projected budget.

CBS BOARDWALKS, BATHHOUSE, PICNIC SHELTER AND NEW CBS INFRASTRUCTURE: Routine maintenance will continue to be handled by the BPOA caretakers or referred to CBS. The new BWS CBS Infrastructure fund will be used for maintenance and upgrades of BWS municipal facilities. When municipal staff time and other expenses are required (such as dock hardware replacement and travel for inspections), they can be charged to the Baranof fund as well. Occasional larger expenditures for major maintenance or new facilities will need to be budgeted as a project. The dedicated fund for Baranof Warm Springs revenues and expenditures will

facilitate handling routine maintenance and operations costs without adversely impacting CBS enterprise funds not related to Baranof Warm Springs. The development of the BWS CBS Infrastructure Fund will require an initial corpus of the fund to cover expenditures for the new summer caretaker, signage, iron ranger, and other CBS management plan implementation costs.

FUTURE CBS INFRASTRUCTURE PROJECTS:

PUBLIC HOT WATER SYSTEM: City and Borough of Sitka has committed to the Alaska Department of Natural Resources that it is willing to construct a public hot water system using the hot springs included in the City and Borough of Sitka's hot water rights applications to the State of Alaska, if sufficient funding and other resources were available. This commitment was required as part of the City's water rights application to continue to make the hot springs available for public use. If the State grants CBS the hot water rights and a system is constructed, it would preserve the public's access to the hot springs water and could demonstrate beneficial use and the most efficient management of hot water lines, insulation, etc. However, the costs of constructing and maintaining the hot water distribution system would have to be borne by the users or otherwise funded. This could prove costly, and since most residents with homes in the gravity feed areas of the townsite already have their own access to hot water, there has been limited interest in developing such a system at present.

SOLID WASTE REMOVAL: The residents of Baranof Warm Springs have generally been able to process, recycle, and dispose of their own garbage, so no supplemental service has been previously provided. However, the thousands of visitors who come to Baranof are not always so self-sufficient. Visitors are asked to pack out anything they bring into the townsite, but there is occasional litter and garbage left behind which requires disposal. Baranof property owners also sometimes have difficulty disposing of large "white goods" such as washers and stoves. City and Borough of Sitka may be able to arrange for transport of solid waste once or twice a year. City of Sitka staff have discussed arranging with a commercial vessel to provide once or twice per year transport of solid waste from Baranof Warm Springs to Sitka for off-island disposal. CBS has also assisted other small communities to dispose of hazardous wastes and may be able to facilitate collection if there is a need. CBS staff will continue discussions with BPOA to arrange occasional disposal services.

CARETAKER HOUSING: CBS recognizes either winter or summer housing for the part-time caretaker hired by BPOA with partial funding from CBS may be very difficult to achieve, especially if the caretaker does not have housing at Baranof. City staff will continue to look for creative solutions for this problem, since the employment of the caretaker through BPOA provides many community services at very small cost and is critically important to maintain CBS infrastructure at Baranof Warm Springs. Not charging the caretaker dock fees may help recruitment, but a modest living quarters would be a major incentive.

PUBLIC RESTROOM FACILITIES: There is a need for public restroom facilities, with thousands of visitors coming ashore at Baranof, most from vessels. Most boats have marine head facilities, but once visitors are on the uplands, there is no public-use latrine available. Due to the high cost

and difficulty of developing, cleaning and maintaining, receiving Alaska Department of Environmental Conservation permits, and keeping any public use facility functional in such a remote and fragile environment, no feasible or cost effective solution has been determined feasible at present.

FUTURE BWS IMPROVEMENTS: CBS is primarily interested in maintaining its existing BWS infrastructure, but there may be ways the City and Borough of Sitka, Baranof Warm Springs community, and visitors could cooperate on improvements, such as upgrading Sadie Lake Trail or the State's portion of the BWS trail to Baranof Lake, or other cooperative efforts or funding. BPOA has also been asked to submit its priorities for yearly improvements to CBS and could propose cooperative projects as well. Persons or groups identifying a priority need and proposing a cooperative solution consistent with CBS interests should contact the City and Borough of Sitka BWS liaison Maegan Bosak, Director of the CBS Planning and Community Development Department, to explore possibilities. Her e-mail address is maegan.bosak@cityofsitka.org and her phone is 907-747-1824.