



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Meeting Agenda

### City and Borough Assembly

*Mayor Matthew Hunter*  
*Deputy Mayor Bob Potrzuski*  
*Vice-Deputy Mayor Steven Eisenbeisz*  
*Tristan Guevin, Kevin Knox*  
*Aaron Bean, and Aaron Swanson*

*Municipal Administrator: Mark Gorman*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

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Tuesday, February 14, 2017

6:00 PM

Assembly Chambers

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#### REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

[17-019](#) Reminders, Calendars and General Correspondence

Attachments: [Reminders and Calendars.pdf](#)

V. CEREMONIAL MATTERS

[17-013](#) Proclamation - 70th Anniversary of Mt. Edgecumbe High School

Attachments: [MEHS Proclamation.pdf](#)

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

[17-014](#) Special Reports: 1) Alaska Permanent Capital Management, 2) Sitka Community Hospital Board Chair: Update on SEARHC/SCH Collaboration Project

Attachments: [APCM Report.pdf](#)

[SCH Board.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**     [17-010](#)     Approve the minutes of the January 24 and January 31 Assembly meetings  
*Attachments:* [Consent and Minutes.pdf](#)
- B**     [17-011](#)     Approve a liquor license renewal application for The Channel, LLC dba Channel Club  
*Attachments:* [Liquor License.pdf](#)
- C**     [17-015](#)     Approve the Health Needs and Human Services Commission goals for 2017  
*Attachments:* [HNHSC goals 2017.pdf](#)
- D**     [17-016](#)     Approve Health Needs and Human Services Commission member, Anthony Treas, to serve as an official City and Borough of Sitka liaison to the H.O.P.E. Coalition  
*Attachments:* [HOPE Coalition Liaison.pdf](#)
- E**     [RES 17-03](#)     Adopting an alternative allocation method for the FY17 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  
*Attachments:* [Res 2017-03.pdf](#)  
[application packet.pdf](#)
- F**     [RES 17-04](#)     Supporting the Affordable Care Act  
*Attachments:* [Res 2017-04.pdf](#)

**X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS**

- G**      [17-012](#)      Appoint Nicole Filipek to a term on the Library Commission and reappoint Charles Horan to fill a term on the Gary Paxton Industrial Park Board through July 2017

**Attachments:** [Motion appointments.pdf](#)

[Filipek app.pdf](#)

[Horan app.pdf](#)

**XI.      UNFINISHED BUSINESS:**

- H**      [17-008](#)      Approve sending either an Assembly member or City and Borough of Sitka staff representative to attend the Seatrade Cruise Global event in Fort Lauderdale, FL

**Attachments:** [Motion Seatrade.pdf](#)

[Staff memo.pdf](#)

[Roy correspondence.pdf](#)

[McGraw correspondence.pdf](#)

- I**      [ORD 17-03](#)      Amending Sitka General Code Chapter 4.09 "Sales Tax" at Section 4.09.100 "Exemptions" at (N) "Over Three Thousand Dollars on Sales and Rents of Tangible Personal Property and on Sales of Services, and Over Three Thousand Dollars in Rent or Lease of Real Property on a Monthly Basis"

**Attachments:** [Ord 2017-03.pdf](#)

- J**      [ORD 17-02](#)      Amending Sitka General Code Section 4.19.020 "Annual Transfer of Permanent Fund"

**Attachments:** [Ord 2017-02.pdf](#)

**XII.      NEW BUSINESS:**

**New Business First Reading**

- K**      [ORD 17-04](#)      Adjusting the FY17 Budget (Finance Department operations, pass-thru grant for Crescent Harbor Playground Renovation Project, Sitka Community Hospital equipment lease)

**Attachments:** [Motion Ord 2017-04.pdf](#)

[Ord 2017-04.pdf](#)

[REVISED 2017-04 budget adjustment.pdf](#)

[Memo Finance.pdf](#)

[Memo SCH.pdf](#)

**Additional New Business Items**

L      [17-017](#)      Discussion/Direction on electric utility rate increases

**Attachments:** [Disc Dir electric utility rate increases.pdf](#)

[Revised presentation - Rates FY18 Rev2 2-14-2017.pdf](#)

M      [17-018](#)      Discussion/Direction/Decision on extending an invitation to President Donald Trump to the Sesquicentennial Commemoration in October 2017

**Attachments:** [Invitation to President Donald Trump.pdf](#)

**XIII.      PERSONS TO BE HEARD:**

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

**XIV.      EXECUTIVE SESSION**

**XV.      ADJOURNMENT**

*Note: Detailed information on these agenda items can be found on the City website at <https://sitka.legistar.com/Calendar.aspx> or by contacting the Municipal Clerk's Office at City Hall, 100 Lincoln Street or 747-1811. A hard copy of the Assembly packet is available at the Sitka Public Library. Assembly meetings are aired live on KCAW FM 104.7 and via video streaming from the City's website. To receive Assembly agenda notifications, sign up with GovDelivery on the City website.*

*Sara Peterson, CMC, Municipal Clerk  
Publish: February 10*



# CITY AND BOROUGH OF SITKA

## Legislation Details

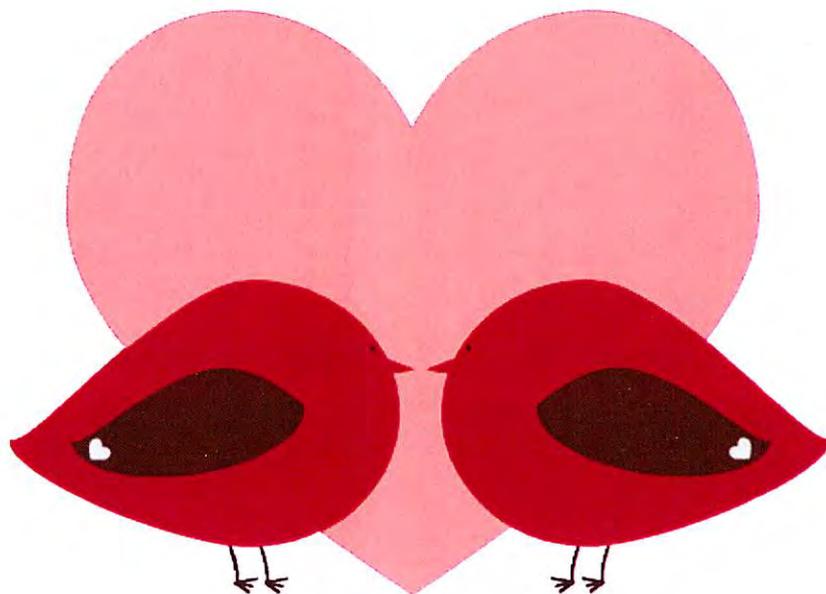
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**File #:** 17-019      **Version:** 1      **Name:**  
**Type:** Correspondence      **Status:** AGENDA READY  
**File created:** 2/9/2017      **In control:** City and Borough Assembly  
**On agenda:** 2/14/2017      **Final action:**  
**Title:** Reminders, Calendars and General Correspondence  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Reminders and Calendars.pdf](#)

Date	Ver.	Action By	Action	Result
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# REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, February 14	Regular Meeting	6:00 PM
Thursday, February 16	Special Meeting <i>Administrator Candidates Short-List</i>	6:00 PM
Tuesday, February 28	Regular Meeting	6:00 PM
Thursday, March 2	Special Meeting <i>Sitka School District Budget</i>	6:00 PM



# Assembly Calendar

[2016](#)   [Jan](#)   [Feb](#)   [Mar](#)   [Apr](#)   [May](#)   [Jun](#)   [Jul](#)   [Aug](#)   [Sep](#)   [Oct](#)   [Nov](#)   [Dec](#)   [2018](#)

**February 2017**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29   <a href="#">Jan</a>	30	31	1   <a href="#">Feb</a>	2	3	4
Eisenbeisz	Eisenbeisz	Eisenbeisz 12:00pm Parks & Rec 5:00pm <a href="#">Special Meeting (City Hall)</a> 5:15pm - 7:00pm <a href="#">Worksession: BOE Training (City Hall)</a>	Eisenbeisz 7:00pm Library Board	Eisenbeisz 12:00pm SEDA Board Meeting	Eisenbeisz 12:00pm Health Needs & Human Services Commission	
5	6	7	8	9	10	11
		7:00pm Planning	6:00pm Port & Harbors 6:00pm Historic Preservation	12:00pm LEPC		
12	13	14	15	16	17	18
		12:00pm Parks & Rec 6:00pm <a href="#">Regular Assembly Mtg</a>		6:00pm <a href="#">Special Meeting: Short-list Administrator candidates</a>		
19	20	21	22	23	24	25
		<a href="#">Potrzuski</a> 12:00pm <a href="#">Tree/Landscape</a> 7:00pm <a href="#">Planning</a>	<a href="#">Potrzuski</a> 6:00pm Police and Fire Commission - Fire Hall	<a href="#">Potrzuski</a> 6:00pm Hospital Board Meeting	<a href="#">Potrzuski</a>	<a href="#">Potrzuski</a>
26	27	28	1   <a href="#">Mar</a>	2	3	4
<a href="#">Potrzuski</a>	<a href="#">Potrzuski</a>	<a href="#">Potrzuski</a> 6:00pm <a href="#">Regular Assembly Mtg</a>	<a href="#">Potrzuski</a> 7:00pm Library Board	<a href="#">Potrzuski</a> 12:00pm SEDA Board Meeting 6:00pm <a href="#">Special Budget Meeting: Assembly/School Board</a>	<a href="#">Potrzuski</a>	<a href="#">Potrzuski</a>

# Assembly Calendar

[2016](#)   [Jan](#)   [Feb](#)   [Mar](#)   [Apr](#)   [May](#)   [Jun](#)   [Jul](#)   [Aug](#)   [Sep](#)   [Oct](#)   [Nov](#)   [Dec](#)   [2018](#)  
**March 2017**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26   <b>Feb</b>	27	28	1   <b>Mar</b>	2	3	4
Potzuski	Potzuski	Potzuski 6:00pm <u>Regular Assembly Mtg</u>	Potzuski 7:00pm Library Board	Potzuski 12:00pm SEDA Board Meeting 6:00pm Special Budget Meeting: Assembly/School Board	Potzuski	Potzuski
5	6	7	8	9	10	11
Potzuski	Potzuski	Potzuski 7:00pm Planning	Potzuski 12:00pm Health Needs & Human Services Commission 6:00pm Port & Harbors 6:00pm Historic Preservation	Potzuski 12:00pm LEPC 6:00pm Special Budget Meeting #1	Potzuski	Potzuski
12	13	14	15	16	17	18
Potzuski	Potzuski	Potzuski 12:00pm Parks & Rec 6:00pm <u>Regular Assembly Mtg</u>	Potzuski	Potzuski 6:00pm Special Budget Meeting #2	Potzuski	Potzuski
19	20	21	22	23	24	25
Potzuski		12:00pm <u>Tree/Landscape</u> 7:00pm <u>Planning</u>	6:00pm Police and Fire Commission - Fire Hall	6:00pm Hospital Board Meeting 6:00pm Special Budget Meeting #3		
26	27	28	29	30	31	1   <b>Apr</b>
		6:00pm <u>Regular Assembly Mtg</u>				



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-013      Version: 1      Name:  
Type: Item      Status: AGENDA READY  
File created: 2/8/2017      In control: City and Borough Assembly  
On agenda: 2/14/2017      Final action:  
Title: Proclamation - 70th Anniversary of Mt. Edgecumbe High School  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [MEHS Proclamation.pdf](#)

Date	Ver.	Action By	Action	Result
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OFFICE OF THE MAYOR  
City & Borough of Sitka

# *Proclamation*

## *70<sup>th</sup> Anniversary of Mt. Edgecumbe High School*

**WHEREAS,** Mt. Edgecumbe High School was established in 1947 after the federal government turned over a military base to the Department of Interior Bureau of Indian Affairs with the first graduating class in 1948; and

**WHEREAS,** although closed by the Bureau of Indian Affairs in 1983, with immense grassroots advocacy from all over Alaska, the State of Alaska assumed responsibility for the school in 1984, reopening for all Alaska students regardless of their backgrounds with priority given to rural students in the fall of 1985; and

**WHEREAS,** more than 10,000 students have graduated from Mt. Edgecumbe High School that have come from all over Alaska representing all Alaska Native groups; and

**WHEREAS,** those students have become contributors and leaders in business, health care, education, natural resource development and management, law enforcement, military, cultural revitalization, and local, state and tribal governments; and

**WHEREAS,** Mt. Edgecumbe High School continues to serve as an essential education option for Alaska students with the value going beyond the education of any individual as it serves as a unifier of people across Alaska. The students become lifelong friends, colleagues, and family, which provides great benefits for the entire State.

**NOW, THEREFORE, BE IT RESOLVED,** that the Assembly of the City and Borough of Sitka, does hereby proclaim appreciation for *Mt. Edgecumbe High School* in recognition of their 70<sup>th</sup> anniversary.

*Signed and sealed this 14<sup>th</sup> day of February, 2017.*



Matthew Hunter, Mayor

ATTEST:



Sara Peterson, CMC  
Municipal Clerk





# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-014      Version: 1      Name:

Type: Special Report      Status: AGENDA READY

File created: 2/8/2017      In control: City and Borough Assembly

On agenda: 2/14/2017      Final action:

Title: Special Reports: 1) Alaska Permanent Capital Management, 2) Sitka Community Hospital Board  
Chair: Update on SEARHC/SCH Collaboration Project

Sponsors:

Indexes:

Code sections:

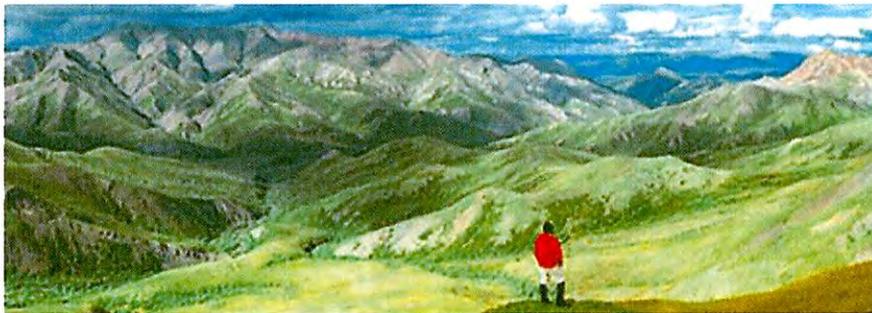
Attachments: [APCM Report.pdf](#)  
[SCH Board.pdf](#)

Date	Ver.	Action By	Action	Result
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# Special Report

## Alaska Permanent Capital Management

### Sitka Permanent Fund



# SITKA PERMANENT FUND

## Historical Market Value

*Inception to December 31, 2016*



Chart shows month-end portfolio market value from July 2015 to December 2016.

## Account Performance

*as of December 31, 2016*



Performance is gross of fees. Portfolio inception performance begins on 6/30/2015. Strategic benchmark is a blended return of the account's target allocation.

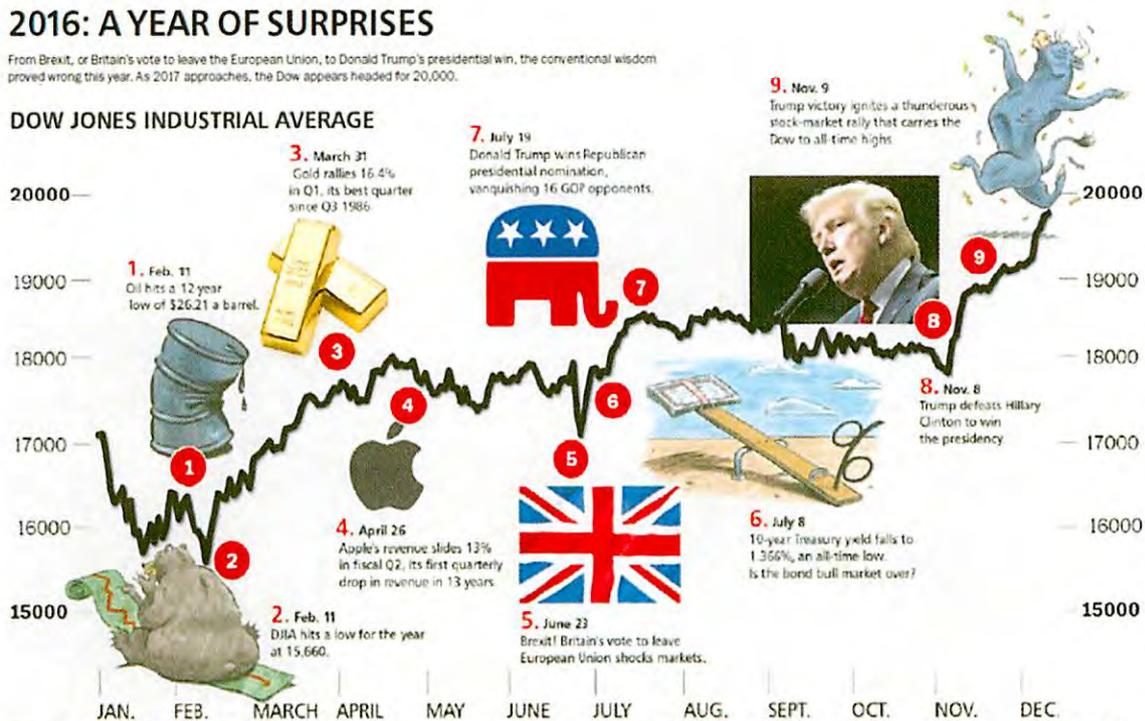
# 2016 MARKET SUMMARY

- **Equity markets began 2016** in turmoil, as the **falling price of oil**, concerns over **China**, and expectations for **tightening by the Federal Reserve** all weighed on stocks. The S&P 500 recorded its worst two week start to a year ever.
- The **British vote to leave the European Union** in June caused short lived volatility in the stock market, but many long term questions remain. While the U.K. has not yet formally initiated the exit process, the ongoing **negotiations will be important to watch in 2017**.
- **After the presidential election, U.S. equities rallied strongly** on the belief that an increase in **fiscal stimulus through tax cuts and infrastructure spending** would reignite growth in the world's largest economy. While emerging markets outperformed for much of the year, they sold off on the news due to a **strengthening dollar and concerns over global trade**.
- After reaching an **all time low of 1.37% in June**, the yield on the ten year Treasury increased post-election as anticipated growth **drove up inflation expectations** as well.

## 2016: A YEAR OF SURPRISES

From Brexit, or Britain's vote to leave the European Union, to Donald Trump's presidential win, the conventional wisdom proved wrong this year. As 2017 approaches, the Dow appears headed for 20,000.

### DOW JONES INDUSTRIAL AVERAGE



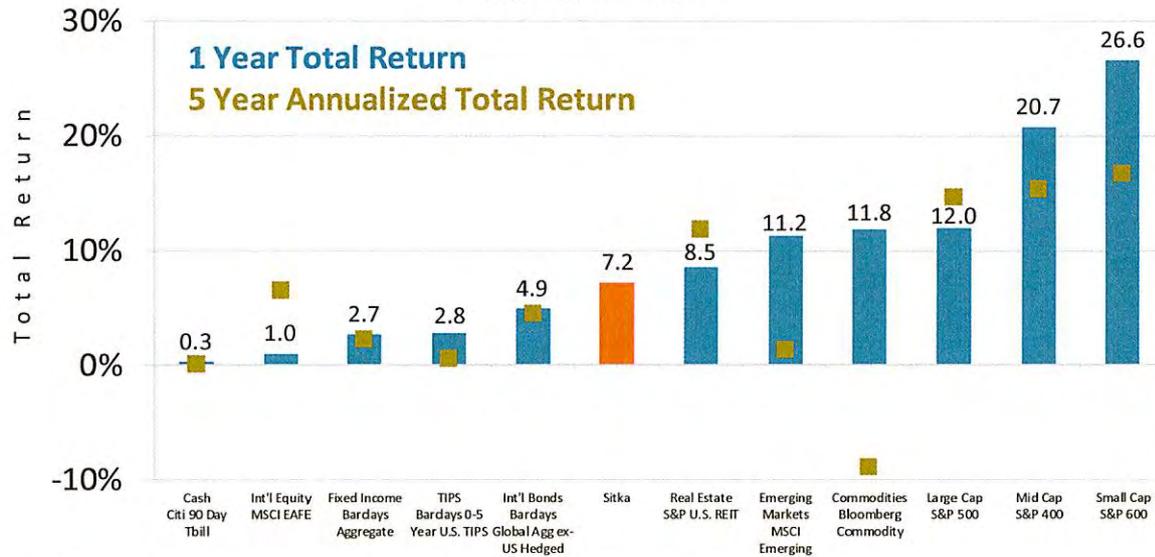
Illustrations: David Laibson for Barron's; Photographs: Beautyimage/shutterstock (gold); no credit (Apple logo); Andrew James/Iconberg (Trump); Steve Allen/Shutterstock (flag)

Source: Thomson Reuters

# SITKA PERMANENT FUND

## Asset Class Performance

Calendar Year 2016



Asset class performance is represented by the stated index return. Account performance is gross of fees.

## Asset Allocation

as of December 31, 2016

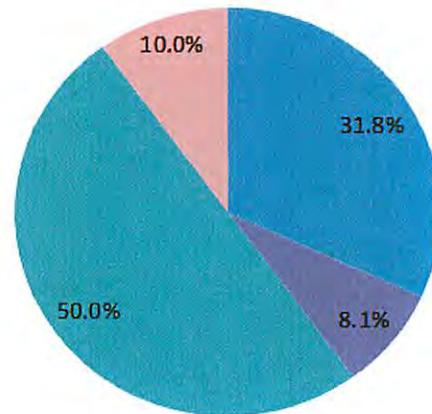
Asset Class	% Assets	Strategic Benchmark	Range	Market Value
<b>Fixed Income</b>	<b>40.0%</b>	<b>40%</b>		<b>\$9,548,496</b>
U.S. Fixed Income	31.8%	35	25-45%	\$7,604,935
Cash	8.1%	5	0-25	\$1,943,561
<b>Equities</b>	<b>60.0%</b>	<b>60%</b>		<b>\$14,344,909</b>
U.S. Equities	50.0%	50	40-60%	\$11,948,288
International	10.0%	10	0-15	\$2,396,621
<b>Total</b>				<b>\$23,893,405</b>

# 2017 OUTLOOK

- The **Federal Reserve** is in the process of **reducing the level of support** it provides to the economy. Markets are now pricing in support through **fiscal policy** in the form of **tax cuts and infrastructure spending**.
- Anticipated corporate tax cuts **and the recent commodities rally** has **increased optimism** for a resurgence in corporate profits. **Successful implementation of expected policies is key** to sustaining recent gains.
- **U.S. mid and small cap stocks** will benefit from anticipated **tax cuts** and a focus on U.S. production while large cap stocks face headwinds from a strong dollar. A **modest overweight to U.S. equities** is warranted and can be funded with **TIPS**, which **look rich** given current inflation forecasts.
- APCM expects **two increases in rates from the Federal Reserve** in 2017. This will likely continue to drive short yields higher and makes **holding some additional cash** attractive **relative to int'l bonds**.
- **Inflation could cause** the Fed to increase rates faster than expected leading to **increased volatility in both stocks and bonds**. Additionally, increased cash should provide some

## Portfolio Distribution

*as of December 31, 2016*



- U.S. Fixed Income
- Cash
- U.S. Equities
- International

stability given the **larger range of possible outcomes** that has emerged as a result of recent political/market events.

- While a **cyclical bounce** is possible with **fiscal stimulus**, longer term debt and demographic headwinds remain. Protectionism and **anti-trade policies would be a negative**.

Sitka Community Hospital Board

Bryan Bertacchi, Chair

Update on SEARHC/SCH Collaboration Project



 **SITKA COMMUNITY HOSPITAL**  
Creating a healthier tomorrow today.



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-010      Version: 1      Name:  
Type: Item      Status: AGENDA READY  
File created: 2/2/2017      In control: City and Borough Assembly  
On agenda: 2/14/2017      Final action:  
Title: Approve the minutes of the January 24 and January 31 Assembly meetings  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Consent and Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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# **CONSENT AGENDA**

## **POSSIBLE MOTION**

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**I MOVE TO APPROVE THE CONSENT AGENDA  
CONSISTING OF ITEMS A, B, C, D & E**

**I wish to remove Item(s) \_\_\_\_\_**

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

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

**POSSIBLE MOTION**

**I MOVE TO** approve the minutes of the  
January 24<sup>th</sup> and 31<sup>st</sup> Assembly meetings.



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Minutes - Draft

### City and Borough Assembly

*Mayor Matthew Hunter  
Deputy Mayor Bob Potrzuski  
Vice-Deputy Mayor Steven Eisenbeisz  
Tristan Guevin, Kevin Knox  
Aaron Bean, and Aaron Swanson*

*Municipal Administrator: Mark Gorman  
Municipal Attorney: Brian Hanson  
Municipal Clerk: Sara Peterson*

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Tuesday, January 24, 2017

6:00 PM

Assembly Chambers

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#### WORKSESSION 5:00 PM: Overview of Electric Rates and Debt Services

#### REGULAR MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

Present: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

#### IV. CORRESPONDENCE/AGENDA CHANGES

17-009 Reminders, Calenders and General Correspondence

#### V. CEREMONIAL MATTERS

None.

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

None.

#### VII. PERSONS TO BE HEARD

None.

**VIII. REPORTS**

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

Mayor - Hunter noted he had submitted a Letter to the Editor to the Sitka Sentinel stating his personal views on the City's fiscal problems.

Administrator - Gorman noted an open house hosted by FEMA was scheduled for January 25th to review new flood maps for the community. He informed City staff was working with the offices of Representative Kreiss-Tomkins and Senator Stedman on four land transfer requests for Sitka.

Attorney - Hanson reported the Legal Department was extremely busy working on a multitude of projects.

Liaisons - Potrzuski reported on the recent Local Emergency Planning Committee meeting, Guevin on the Investment Committee, and Eisenbeisz announced a Hospital Board meeting was scheduled for January 26.

**IX. CONSENT AGENDA**

**A motion was made by Guevin that the Consent Agenda consisting of items A, B & C be APPROVED. The motion PASSED by the following vote.**

**Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean**

**A 17-005 Approve the minutes of the January 10th Assembly meeting**

**This item was APPROVED ON THE CONSENT AGENDA.**

**B 17-006 Approve the liquor license renewal applications for 1) Triple C Ventures, Inc. dba Cascade Convenience Center and Watson Point Liquors, and, 2) Pioneer Liquor, Inc. dba Pioneer Bar and Pioneer Liquor Store, and, 3) Mean Queen, LLC dba Mean Queen**

**This item was APPROVED ON THE CONSENT AGENDA.**

**C RES 17-02 In support of the State of Alaska adopting the following fine print note to the 2017 National Electrical Code Article 555.3: "FPN: the 30MA requirement can be applied to all feeder circuits or all branch circuits in lieu of the main overcurrent protection device."**

**This item was APPROVED ON THE CONSENT AGENDA.**

**X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS**

**D 17-007 Reappoint Chris Spivey to a three-year term on the Planning Commission**

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

**XI. UNFINISHED BUSINESS:**

**E ORD 17-01 Adjusting the FY17 Budget (Central Garage Fund)**

Administrator Gorman stated the previous Police Chief had used his own vehicle and received a fuel allowance. Gorman spoke in support of the request explaining the Police Chief was on call 24/7 and that reliable transportation was critical. Assembly members Bean, Knox and Potrzuski also spoke in support of the request. Eisenbeisz wondered if the F250 recently repurposed from the Fire Department, or the vehicle currently used by a Lieutenant, could be used by the Police Chief.

Police Chief, Jeff Ankerfelt, explained the F250 received from the Fire Department was used by evidence staff and the truck was used by Lt. Ewers who served a dual purpose in the community, responding to calls and serving as Captain of Search and Rescue.

A motion was made by Guevin that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

**XII. NEW BUSINESS:**

**F ORD 17-03 Amending Sitka General Code Chapter 4.09 "Sales Tax" at Section 4.09.100 "Exemptions" at (N) "Over Three Thousand Dollars on Sales and Rents of Tangible Personal Property and on Sales of Services, and Over Three Thousand Dollars in Rent or Lease of Real Property on a Monthly Basis" (first reading)**

Knox wondered what the impact of an exemption on commercial rentals would have on the sales tax revenue stream. Administrator Gorman stated that information would be prepared for the next meeting.

Potrzuski, a cosponsor of the ordinance, originally had considered the idea of eliminating the cap, however noted the potential impacts on housing costs could be detrimental. The proposed cap of \$12,000 was modeled after the City and Borough of Juneau. Guevin spoke in support of the ordinance. Bean suggested the Assembly consider removing the cap entirely. Eisenbeisz noted the proposed ordinance would affect fuel sales, the charter fleet, commercial fleet and other businesses. He voiced concern of possibly deterring visitors. While initially supportive of the ordinance, Knox added construction companies would also be affected, but would like to hear more from the public. Mayor Hunter stated taxes hurt an economy no matter what, however, someone able to make an elective purchase over \$3,000 was likely able to afford to pay more.

Administrator Gorman noted passage of this ordinance could generate between \$1 million to \$1.5 million.

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

**Yes:** 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

**G RES 17-01**

Authorizing the application for loans to the Alaska Department of Environmental Conservation under the Alaska Drinking Water Fund for Lake & Monastery Street water improvements, and under the Alaska Clean Water Fund for Lake & Monastery Street sewer improvements, Brady lift station improvements, lift station backup generator replacement and Wastewater Treatment Plant Building envelope improvements

Administrator Gorman reminded the community had experienced a number of failures in the last month, symptomatic of what the future would bring, ultimately impacting rates.

Eisenbeisz wondered what the loan interest rate would be now and at maturity. He spoke in support of looking at a timeline in which the City not obtain the loans but instead save capital and complete the projects as they could be afforded. Bean agreed and noted while the projects were crucial, he did not agree with the city taking on more debt. Potrzuski spoke in support of the resolution and reminded that if money had been set aside over the years, the need for loans may have been avoided. Guevin offered his support and stated one of the biggest responsibilities of the Assembly was to ensure public health and safety. Swanson voiced support and added it would be wise to increase savings and raise the annual debt service from 125% to 150%.

Administrator Gorman stated the interest rate from the State was 1.5%; an excellent rate. He added this was an extremely responsible and prudent course for the City to take and had been well thought out by staff.

**A motion was made by Swanson that this Resolution be APPROVED on FIRST AND FINAL READING. The motion PASSED by the following vote.**

**Yes:** 5 - Swanson, Guevin, Potrzuski, Hunter, and Knox

**No:** 2 - Eisenbeisz, and Bean

**H ORD 17-02**

Amending Sitka General Code Section 4.19.020 "Annual Transfer of Permanent Fund" (*first reading*)

Administrator Gorman explained the ordinance corrected a clerical error in Ordinance 2016-23, approved in July 2016. The Investment Committee had recommended the initial transfer of funds would be 0.25% with the amount of the annual transfer increasing by 0.25% per subsequent fiscal year to a maximum of 2.0%.

**A motion was made by Guevin that this Ordinance be APPROVED on FIRST READING. The motion PASSED by the following vote.**

**Yes:** 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

**I 17-008**

Discussion/Direction/Decision on the selection of a City and Borough of Sitka representative to attend the Seatrade Cruise Global event in Fort Lauderdale, FL

Assembly members discussed past practices and the idea of sending an Assembly member or someone from outside the organization. Some felt it would be beneficial to send a representative while others noted attendance of Chamber of Commerce

staff would be sufficient. Administrator Gorman stated he would speak with the Chamber of Commerce to get their opinion on whether they felt it would be beneficial to send a City representative and report back to the Assembly.

**XIII. PERSONS TO BE HEARD:**

Chief Finance and Administrative Officer, Jay Sweeney, reported on the work of the Investment Committee. Sweeney explained the Committee would bring a debt policy and working capital policy forward for Assembly consideration in the future.

**XIV. EXECUTIVE SESSION**

None.

**XV. ADJOURNMENT**

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:23pm.

ATTEST:

\_\_\_\_\_  
Sara Peterson, CMC  
Municipal Clerk



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Minutes - Draft

### City and Borough Assembly

*Mayor Matthew Hunter*  
*Deputy Mayor Bob Potrzuski*  
*Vice-Deputy Mayor Steven Eisenbeisz*  
*Tristan Guevin, Kevin Knox*  
*Aaron Bean, and Aaron Swanson*

*Municipal Administrator: Mark Gorman*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

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Tuesday, January 31, 2017

5:00 PM

City Hall - 3rd Floor Conference Room

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#### SPECIAL MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

**Present:** 5 - Swanson, Potrzuski, Hunter, Knox, and Bean

**Absent:** 2 - Eisenbeisz, and Guevin

#### IV. PERSONS TO BE HEARD

None.

#### V. UNFINISHED BUSINESS:

##### A 17-008

Approve sending either an Assembly member or City and Borough of Sitka staff representative to attend the Seatrade Cruise Global event in Fort Lauderdale, FL

In correspondence to the Administrator, the Chamber remarked that continued participation in Seatrade, by the City and the Chamber, was important for continued growth of the cruise industry in Sitka.

As was expressed from the previous meeting, some Assembly members felt it would be beneficial to send a representative while others were of the opinion that attendance by the Chamber of Commerce staff was sufficient.

No action was taken.

#### VI. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 5:20pm.

ATTEST:

\_\_\_\_\_  
Sara Peterson, CMC  
Municipal Clerk



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-011      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 2/2/2017      In control: City and Borough Assembly

On agenda: 2/14/2017      Final action:

Title: Approve a liquor license renewal application for The Channel, LLC dba Channel Club

Sponsors:

Indexes:

Code sections:

Attachments: [Liquor License.pdf](#)

Date	Ver.	Action By	Action	Result
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If this item is pulled from the consent agenda the following motion would be in order:

### POSSIBLE MOTION

**I MOVE TO** approve a liquor license renewal application for The Channel, LLC dba the Channel Club and forward this approval to the Alcoholic Beverage Control Board without objection.



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 Hunter and Assembly Members  
From: Sara Peterson, Municipal Clerk  
Date: February 8, 2017  
Subject: Liquor License Renewal

---

This office has received notification of the following liquor license renewal application:

License #: 212  
DBA: Channel Club  
License Type: Beverage Dispensary  
Licensee: The Channel, LLC  
Premises Address: 2906 Halibut Point Road

A memo was circulated to the various departments who may have a reason to protest. No departmental objections were received.

**Recommendation: Approve the liquor license renewal application for The Channel, LLC dba the Channel Club and forward this approval to the Alcoholic Beverage Control Board without objection.**



City & Borough of Sitka  
**Municipal Clerk's Office**  
100 Lincoln Street, Sitka AK 99835  
Telephone: 907-747-1811 Fax: 907-747-4004



## Memorandum

**To:** Utility Billing Clerk – Diana  
Collections - Leisha  
Municipal Billings – Lindsey  
Sales Tax/Property Tax - Hannah  
Fire Department  
Police Department  
Building Official(s)

**From:** Sara Peterson, Municipal Clerk

**Date:** February 1, 2017

**Subject:** Liquor License Renewal Application – Channel Club

---

Our office has received notification of the following liquor license renewal application:

**Lic #:** **212**  
**DBA:** Channel Club  
**License Type:** Beverage Dispensary  
**Licensee:** The Channel, LLC  
**Premises Address:** 2906 Halibut Point Road

Please notify no later than **noon on Tuesday, February 7th** of any reason to protest this renewal request.

Thank you.



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of Commerce, Community,  
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE  
550 West 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
Main: 907.269.0350

February 1, 2017

City and Borough of Sitka  
Attn: Sara Peterson, Municipal Clerk  
Via Email: [sara.peterson@cityofsitka.org](mailto:sara.peterson@cityofsitka.org)  
[melissa.henshaw@cityofsitka.org](mailto:melissa.henshaw@cityofsitka.org)

**Re: Notice of 2017/2018 Liquor License Renewal Application**

<b>License Type:</b>	Beverage Dispensary	<b>License Number:</b>	212
<b>Licensee:</b>	The Channel, LLC		
<b>Doing Business As:</b>	Channel Club		

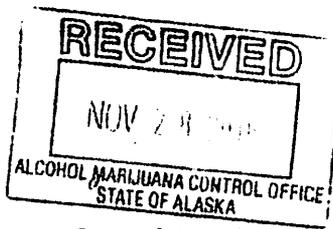
We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director and the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Jedediah Smith, Local Government Specialist  
[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-17: Renewal License Application

### What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing liquor license that will expire on December 31, 2016. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only needs to be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

This form must be completed correctly and submitted to the Alcohol & Marijuana Control Office (AMCO)'s main office, along with all other required documents and fees, before any renewal license application will be considered complete.

### Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed.

Licensee:	The Channel LLC	License #:	212
License Type:	Beverage Dispensary	Statute:	AS 04.11.090
Doing Business As:	Channel Club		
Premises Address:	2906 Halibut Point Road		
Local Governing Body:	City & Borough of Sitka		
Community Council:	None		

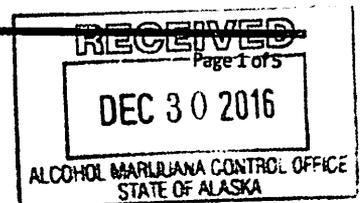
Mailing Address:	2906 H.P.R.				
City:	Sitka	State:	AK	ZIP:	99835

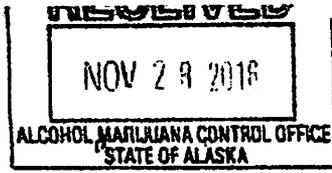
Enter information for the licensee who will be designated as the primary point of contact regarding this application and the license.

Designated Licensee:	Sidney Kinney		
Contact Phone:	907 738 1614	Business Phone:	907 747 7440
Contact Email:	sidneyj410@hotmail.com		

Seasonal License?  Yes  No

If "Yes", write your six-month operating period: March - Sept





Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
alcohol.licensing@alaska.gov  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

## Alaska Alcoholic Beverage Control Board Form AB-17: Renewal License Application

### Section 2 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietor who is applying for a license. Entities should skip to Section 3.  
If more space is needed, please attach a separate sheet with the required information.  
The following information must be completed for each licensee and each affiliate (spouse).

This individual is an:  applicant  affiliate

Name:					
Address:					
City:		State:		ZIP:	
Email:					
Contact Phone:					

This individual is an:  applicant  affiliate

Name:					
Address:					
City:		State:		ZIP:	
Email:					
Contact Phone:					

### Section 3 – Entity Ownership Information

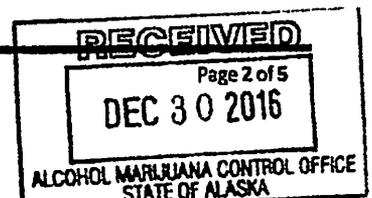
This subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations (DOC). Partnerships may skip to Page 3. Sole proprietors should skip to Section 4.

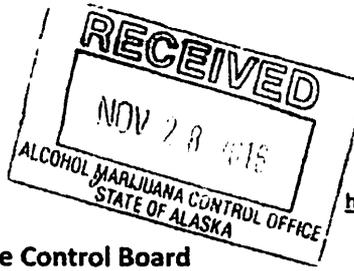
Alaska DOC Entity #:	#738561 / DOC #1040038K
----------------------	-------------------------

Alaska Division of Corporations:

Yes No

Is your entity in good standing with the Alaska Division of Corporations?





Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-17: Renewal License Application

This subsection must be completed by any entity, including a corporation, limited liability company (LLC), partnership, or limited partnership, that is applying for renewal. If more space is needed, please attach additional completed copies of this page.

- If the applicant is a corporation, the following information must be completed for each *stockholder who owns 10% or more of the stock in the corporation*, and for each *president, vice-president, secretary, and managing officer*.
- If the applicant is a limited liability organization, the following information must be completed for each *member with an ownership interest of 10% or more*, and for each *manager*.
- If the applicant is a partnership, including a limited partnership, the following information must be completed for each *partner with an interest of 10% or more*, and for each *general partner*.

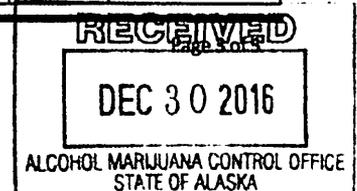
Entity Official:	Sidney Kinney			
Title(s):	CO-OWNER	Phone:	907 738 1114	% Owned: 33.3
Address:	103 Kramer Ave			
City:	SATKA	State:	AK	ZIP: 99835

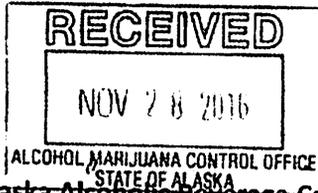
Entity Official:	Charles Olson			
Title(s):	CO-OWNER	Phone:	907 738 3947	% Owned: 33.3
Address:	3029 HPR			
City:	SATKA	State:	AK	ZIP: 99835

Entity Official:	Patrick O'Donnell			
Title(s):	CO-OWNER	Phone:	907 738 7440	% Owned: 33.3
Address:	2906 HPR			
City:	SATKA	State:	AK	ZIP: 99835

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:

Entity Official:				
Title(s):		Phone:		% Owned:
Address:				
City:		State:		ZIP:





Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-17: Renewal License Application

### Section 4 – Authorization

Communication with AMCO staff:

Yes No

Does any person other than a licensee named in this application have authority to discuss this license with AMCO staff?

If "Yes", disclose the name of the individual and the reason for this authorization:

### Section 5 – License Operation

Check the box that best describes your liquor license operations in calendar years 2015 and 2016:

The license was regularly operated continuously throughout each year, for 8 or more hours each day.

The license was regularly operated during a specific season each year, for 8 or more hours each day.

The license was only operated to meet the minimum requirement of 30 days each year, 8 hours each day. If this box is checked, an AMCO employee will contact you after reviewing your application.

The license was not operated at all or was not operated for at least the minimum requirement of 30 days each year, 8 hours each day, during one or both of the calendar years.

If this box is checked, an AMCO employee will contact you after reviewing your application.

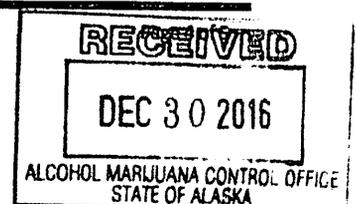
### Section 6 – Convictions

Applicant convictions in calendar years 2015 and 2016:

Yes No

Has any person named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2015 or 2016?

If "Yes", list all convictions:





**RECEIVED**  
NOV 28 2016  
ALCOHOL MARIJUANA CONTROL OFFICE  
STATE OF ALASKA

Alcohol and Marijuana Control Office  
550 W 7<sup>th</sup> Avenue, Suite 1600  
Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

## Form AB-17: Renewal License Application

### Section 7 - Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application, and if the licensee is an organized entity, that all current entity officials and stakeholders are listed with the Alaska Division of Corporations.

JK

I certify on behalf of myself or of the organized entity that I understand that providing a false statement on this form or any other form provided by AMCO is grounds for rejection or denial of this application or revocation of any license issued.

JK

I certify that in accordance with AS 04.11.450, no one other than the licensee(s) has a direct or indirect financial interest in the licensed business.

JK

I certify that I have not altered the functional floor plan or reduced or expanded the area of the licensed premises, and I have not changed the business name or the ownership (including officers or stakeholders) from what is currently on file with the Alcoholic Beverage Control Board.

JK

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Alcoholic Beverage Control Board.

JK

As an applicant for a liquor license renewal, I declare under penalty of perjury that I have read and am familiar with AS 04 and 3 AAC 304, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Alcoholic Beverage Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff will result in this application being returned to me as incomplete.

Sidney Kinney  
Signature of licensee

Laurie Seehafer  
Signature of Notary Public

Sidney Kinney  
Printed name of licensee

Notary Public in and for the State of Alaska

LAURIE SEEHAFER  
Notary Public, State of Alaska  
Commission # 150219001  
My Commission Expires  
February 19, 2019

My commission expires: 2-19-19

Subscribed and sworn to before me this 22 day of November, 2016.

License Fee:	\$ 2500.00	Filing Fee:	\$ 200.00	TOTAL:	\$ 2700.00
Late Fee of \$500.00 – if received or postmarked after 01/03/2017:					
Miscellaneous Fees:					
<b>GRAND TOTAL (if different than TOTAL):</b>					<u>2700.00</u>

**RECEIVED**  
Page 5 of 5  
DEC 30 2016  
ALCOHOL MARIJUANA CONTROL OFFICE  
STATE OF ALASKA



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-015      Version: 1      Name:  
Type: Item      Status: AGENDA READY  
File created: 2/8/2017      In control: City and Borough Assembly  
On agenda: 2/14/2017      Final action:  
Title: Approve the Health Needs and Human Services Commission goals for 2017  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [HNHSC goals 2017.pdf](#)

Date	Ver.	Action By	Action	Result
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If this item is pulled from the consent agenda the following motion would be in order:

**POSSIBLE MOTION**

**I MOVE TO** approve the Health Needs and Human Services Commission goals for 2017.

## **MEMORANDUM**

**To:** Mayor Hunter and Members of the Assembly

**From:** Doug Osborne, Chair of the Health Needs and Human Services Commission

**Subject:** Health Needs and Human Services Commission 2017 Goals

**Date:** February 6, 2017

---

At the February 3<sup>rd</sup> meeting, our commission unanimously voted to submit the following two goals for you to review and potentially approve.

1. To improve the health of Sitkans, especially children, by providing leadership, education and support that could lead to the passage of a tobacco 21 policy, that would increase the minimum legal sales age to buy tobacco from 19 to 21.
2. Support the possible implementation of a sugar sweetened beverage tax ordinance and to create a Sitka Children's Health Fund with the money that would be collected annually.

The new 2017 goals are very similar to last year's. Our seven person commission is full and ready for another productive year.

Thank you for your time and consideration.

Doug Osborne M.A.  
Chair HNHS Commission

## Action Plan Worksheet Tobacco 21

Goal: Protect people in Sitka (ages 11-20) from tobacco

**Objective: Research, educate and give people opportunities to provide feedback on the national movement that is raising the Minimum Legal Sales Age (MLSA) to 21 years old.**

**Overview: SEARHC, Sitka Community Hospital, Sitka Counseling, the Hope Coalition and CBS Health Needs and Human Services commission will partner to bring the MLSA21 idea and info. to Sitka.**

Activity	Specific Steps	Who is Responsible	Timeline for Completion						Outcome and output evaluation.
			Dec	Jan 1-15	Jan 16-30	Feb	Mar.	April	
1.) Gather facts and prepare 5, 10 minute presentation		Doug	X	X 1/9					Finished powerpoint
2.) Develop one page handout.		Amanda		1/9					2 sided hand out
3.) Make a presentation at the HOPE coalition.		Doug		1/10					Evaluation from coalition members
4.) Present Action plan to Health Commission + vote on ordinance	a. Vote on taking military exemption out b. Get feedback on the action plan.	Health Needs and Human Service commission		1/13					Ordinance
5.) Connect with partner at that State	a. Call Joe Darnell, chief tobacco enforcement,	Amanda		1/15					

	b. Contact state quitline								
6.) Create Media campaign.	a. Research ex. Of tobacco 21 ads b. Make purchases and run ads	Amanda			1/30				Ads
7.) Connect with retailers	a. Make a comprehensive list of all retailers. b. Set up meetings c. Share fact sheet and have a discussion.	Amanda			1/30	2/15			List of retailers
						2/20			
8.) Research signage and make retailer education plan	a. Decided on the number of signs that Sitka would need b. Come up with a price and design and contractor.					2/25			Quote on Tobacco 21 signs and stickers for all vendors.
9.) Do presentations to 3 or more interested groups.	a. Brainstorm groups to present to b. Schedule and deliver presentations	Doug + Amanda	X	X	X	X			Meeting notes
10.) Hold a town hall meeting that is open to the public and has a time for the public to express comments and concerns.	a. Select dates and format b. Publicize and invite c. Facilitate the meeting	Doug + designated HR staff			X	X			Public Service Announcements Meeting notes.

<p>11) Provide the assembly with updates and relevant information</p> <p>12) Monitor ordinance progression</p>		<p>Doug, Amanda, Health Needs and Human Services Commission.</p>	X	X	X	X	X	X	<p>On-going, written correspondence.</p>
<p>13.) If tobacco 21 passes, support the education and transition.</p>	<p>a.) Inform retailers b.) Distribute signs c.) Distribute Quit line materials and resource for 19-20 tobacco users d.) Create and run relevant public service announcements and media.</p>	<p>Amanda Amanda Amanda</p> <p>Amanda and Doug</p>					X	S	
<p>1.) Integrate customer service into recognition program.</p>	<p>1.) Designate the Spring Staff of the season award exclusively to customer service. 2.) Lead with recognizing customer service with all program promotion.</p>		X						<p>Staff of the Season awards – e-mails, picture for newspaper etc.</p> <p>e-mails, presentations etc.</p>



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-016      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 2/8/2017      In control: City and Borough Assembly

On agenda: 2/14/2017      Final action:

Title: Approve Health Needs and Human Services Commission member, Anthony Treas, to serve as an official City and Borough of Sitka liaison to the H.O.P.E. Coalition

Sponsors:

Indexes:

Code sections:

Attachments: [HOPE Coalition Liaison.pdf](#)

Date	Ver.	Action By	Action	Result
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If this item is pulled from the consent agenda the following motion would be in order:

**POSSIBLE MOTION**

**I MOVE TO** approve Health Needs and Human Services Commission member, Anthony Treas, serving as an official City and Borough of Sitka liaison to the H.O.P.E. Coalition.

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## MEMORANDUM

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**To:** Mayor Hunter and Members of the Assembly  
**From:** Doug Osborne, Chair of the Health Needs and Human Services Commission  
**Subject:** Approve a HNHS Commissioner to the H.O.P.E. Coalition  
**Date:** February 6, 2017

---

At their February 3, 2017 meeting, the Health Needs and Human Services (HNHS) Commission unanimously recommended that the City and Borough of Sitka Assembly approve HNHS Commission member Anthony Treas serve as the official city liaison to the HOPE Coalition for a Drug-Free Sitka (see motion below).

*M – Platson/S – Treas moved to have Commissioner Treas become the Health Needs and Human Services liaison to the HOPE Coalition pending approval of the Assembly. Motion carried unanimously on a voice vote.*

**Background Information:** As a pre-requisite for applying to the US Substance Abuse and Mental Health Services Administrations' (SAMHSA) Drug-Free Community grant program, Sitka Counseling and Prevention Services has organized the H.O.P.E. Coalition for a drug-free Sitka.

The H.O.P.E. Coalition's mission is to "reduce and prevent youth substance use and abuse by empowering individuals and organizations through knowledge, skills and options to grow resilient, substance free youth."

Under SAMHSA's requirements, the H.O.P.E. Coalition must have representation from 12 different sectors of the community, with one of these sectors being an official representative from the local city government. Given the required time commitment to serve on the H.O.P.E. Coalition and the already full schedules of city staff and Assembly, the HNHS Commission members felt it would be best for a HNHS Commissioner to serve in this capacity. Commissioner Lauren Hughey held this position previously, but has since moved out of state and Anthony Treas has volunteered to serve on the coalition.

The only commitment the City and Borough of Sitka is making through this appointment is to have a member of city government serve on the coalition.



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: RES 17-03    Version: 1    Name:  
Type: Resolution    Status: AGENDA READY  
File created: 2/2/2017    In control: City and Borough Assembly  
On agenda: 2/14/2017    Final action:  
Title: Adopting an alternative allocation method for the FY17 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

Sponsors:

Indexes:

Code sections:

Attachments: [Res 2017-03.pdf](#)  
[application packet.pdf](#)

Date	Ver.	Action By	Action	Result
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Should this item be pulled from the consent agenda the following motion is suggested:

**POSSIBLE MOTION**

**I MOVE TO** approve Resolution 2017-03 on first and final reading.

CITY AND BOROUGH OF SITKA, ALASKA

RESOLUTION NO. 2017-03

A RESOLUTION ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY17 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

WHEREAS, AS29.60.450 requires that for a municipality to participate in the FY17 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2015 from fisheries business activities; and,

WHEREAS, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and,

WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and,

WHEREAS, The City and Borough of Sitka proposes to use an alternative allocation method for allocation of FY17 funding available within the FMA 18: CENTRAL SOUTHEAST in agreement with all other municipalities in this area participating in the FY17 Shared Fisheries Business Tax Program.

NOW THEREFORE BE IT RESOLVED THAT: The City and Borough of Sitka by this resolution certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2015 of fisheries business activity in FMA 18: CENTRAL SOUTHEAST:

All municipalities share equally 50% of allocation; all municipalities share remaining 50% on a per capita basis.

PASSED, APPROVED AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on the 14th day of February, 2017.

Matthew Hunter, Mayor

ATTEST: Sara Peterson, CMC Municipal Clerk



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS

P.O. Box 110809  
Juneau, AK 99811-0809  
Phone: 907.465.5541  
Fax: 907.465.5867

January 30, 2017

Dear Municipal Official,

Attached please find the 2017 Shared Fisheries Business Tax Program application. I am sorry for the delay in getting this distributed to you. There have been many changes in DCRA over the past year, and so along with the changes come learning challenges. Having said that, next year should be smooth sailing!

The purpose of the *Shared Fisheries Business Tax Program (SFBT)* is to provide for a sharing of state fish tax collected outside municipal boundaries with municipalities that have been affected by fishing industry activities. Municipalities around the state will share approximately \$2.60 million based on 2015 fisheries activity as reported by fish processors on their fish tax returns.

The law that created this program requires that program funding be first allocated to fisheries management areas around the state based on the level of fish processing in each area compared to the total fish processing for the whole state. Then the funding is further allocated among the municipalities located within each fisheries management area based on the relative level of impacts experienced by each municipality. Details of how the program works are presented in the application under *Program Description*.

Your municipality is located in the Central Southeast Fisheries Management Area (FMA 18). The municipalities located in this area include Coffman Cove, Edna Bay, Kake, Kupernof, Pelican, Petersburg Borough, Port Alexander, Sitka, and Wrangell. The FY 17 program allocation to be shared within this area is estimated to be \$93,119.28.

The fisheries management areas where the program allocation is greater than \$4,000 multiplied by the number of municipalities in the area, program regulations provide for a "long-form" application. In your area, the threshold value equals \$36,000, (9 municipalities x \$4,000) and you are therefore receiving the attached Long-Form Application. The long-form application provides for a "standard" and an "alternative" method of funding allocation. We encourage your municipality to complete the FY 17 SFBT application as soon as possible. Due to the delay in sending these applications out, the **deadline to return them has been extended to March 17, 2017**.

If you have any questions about the program or require assistance in completing the application, please call me at 465-5541.

Sincerely,

A handwritten signature in blue ink that reads "Debi Kruse".

Debi Kruse  
Community Aid and Accountability Manager

FMA 18: Central Southeast Area							
<i>Alternative Method*</i>	Business Tax				Landing Tax		
	Total allocation:	50% Divided	50% per capita		Total allocation		
	\$91,111.72	\$45,555.86	\$45,555.86		\$2,007.56		TOTAL
Community	Population	50% divided share	50% per capita share	Calculated Allocation			Estimated Payment
Coffman Cove	199	\$5,061.76	\$580.42	\$5,642.18	\$124.32		\$5,766.50
Edna Bay	47	\$5,061.76	\$137.08	\$5,198.85	\$114.55		\$5,313.40
Kake	620	\$5,061.76	\$1,808.35	\$6,870.11	\$151.38		\$7,021.49
Kupreanof	20	\$5,061.76	\$58.33	\$5,120.10	\$112.82		\$5,232.91
Pelican	101	\$5,061.76	\$294.59	\$5,356.35	\$118.02		\$5,474.37
PB	3,199	\$5,061.76	\$9,330.51	\$14,392.27	\$317.12		\$14,709.39
Port Alexander	62	\$5,061.76	\$180.84	\$5,242.60	\$115.52		\$5,358.11
CBS	8,929	\$5,061.76	\$26,043.17	\$31,104.93	\$685.37		\$31,790.30
CBW	2,442	\$5,061.76	\$7,122.57	\$12,184.33	\$268.47		\$12,452.80
Totals	15,619	\$45,555.86	\$45,555.86	\$91,111.72	\$2,007.56		\$93,119.28
Community Count	9						
*All municipalities share 50% of allocation equally; share remaining 50% on a per capita basis.							

**DCCED  
SHARED FISHERIES BUSINESS  
TAX PROGRAM  
FY 17 LONG-FORM APPLICATION  
FOR**

**FMA 18: CENTRAL SOUTHEAST**



**APPLICATION MUST BE SUBMITTED TO DCCED  
NO LATER THAN **MARCH 17, 2017****

**State of Alaska  
Bill Walker, Governor**

**Department of Commerce, Community, and  
Economic Development  
Chris Hladick, Commissioner**

**Division of Community and Regional Affairs  
Katherine Eldemar, Director**

# FY 17 SHARED FISHERIES BUSINESS TAX PROGRAM

## PROGRAM DESCRIPTION

The purpose of the Shared Fisheries Business Tax Program is to provide for an annual sharing of fish tax collected outside municipal boundaries to municipalities that can demonstrate they suffered significant effects from fisheries business activities. This program is administered separately from the state fish tax sharing program administered by the Department of Revenue which shares fish tax revenues collected inside municipal boundaries.

### Program Eligibility

To be eligible for an allocation under this program, applicants must:

1. Be a municipality (city or borough); and
2. Demonstrate the municipality suffered significant effects as a result of fisheries business activity that occurred within its respective fisheries management area(s).

### Program Funding

The funding available for the program this year is equal to half the amount of state fisheries business tax revenues collected outside of municipal boundaries during calendar year 2015.

Program funding is allocated in two stages:

**1st Stage:** Nineteen Fisheries Management Areas (FMAs) were established using existing commercial fishing area boundaries. The available funding is allocated among these 19 FMAs based on the pounds of fish and shellfish processed in the whole state during the 2015 calendar year. For example, if an area processed 10% of all the fish and shellfish processed in the whole state during 2015, then that area would receive 10% of the funding available for the program this year. These allocations are calculated based on Fisheries Business Tax Return information for calendar year 2015.

**2nd Stage:** The funding available within each FMA will be allocated among the municipalities in that area based on the level of fishing industry significant effects suffered by each municipality compared to the level of effects experienced by the other municipalities in that FMA.

Some boroughs, because of their extensive area, are included in more than one fisheries management area. In these cases, the borough must submit a separate program application for each area.

# FY 17 SHARED FISHERIES BUSINESS TAX PROGRAM

## PROGRAM DESCRIPTION

### There are two possible application methods: Standard and Alternative

**Standard Method:** In the Standard Method, established by the department, each municipality in the FMA must determine and document the cost of fisheries business impacts experienced by the community in 2015. These impacts are submitted by each municipality in their applications. The department will review the applications and determine if the impacts submitted are valid. Once the impacts have been established for each of the municipalities in the FMA, the department will calculate the allocation for each municipality using the following formula:

One half of the funding available within a FMA is divided up among participating municipalities on the basis of the relative dollar amount of impact in each municipality. The other half of the funding available to that area is divided equally among all eligible municipalities.

**Alternative Method:** Alternative allocation methods may be proposed by the municipalities within the FMA. The department will consider approving the use of a proposed alternative method only if all the municipalities in the area agree to use the method, and if the method includes some measure of the relative effects of the fishing industry on the respective municipalities in the area.

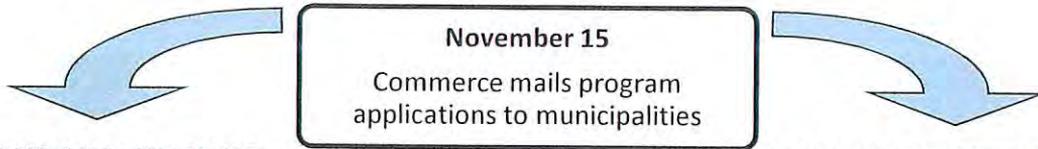
This application packet contains the instructions and forms for applying under either of these methods.

- The **yellow pages** are for applications using the standard method.
- The **pink pages** are to be used for alternative method applications.

The chart on the following page summarizes the process for these two methods.

# FY 17 SHARED FISHERIES BUSINESS TAX PROGRAM

## PROGRAM DESCRIPTION



### STANDARD METHOD

**By no later than February 15**

Each municipality determines and documents the cost of fisheries impacts on the community and submits this information with their application.



**By no later than April 15**

Commerce reviews applications, makes a determination as to the validity of the submitted impacts, and notifies the municipalities of this determination.



**Within 30 days**

Municipalities have 30 days in which to appeal Commerce's determinations regarding submitted impacts.



**Within 20 days**

Commerce will respond to appeals within 20 days after receiving them.



**After all appeals are resolved**

Commerce will perform the formula calculations for each FMA based on the relative impacts approved for each municipality in the FMA, and distribute the funding allocations.

### ALTERNATE METHOD

**By no later than January 15**

All municipalities in an FMA work together to develop an alternate allocation formula and submit their proposal to Commerce. Municipalities are encouraged to consult with Commerce during this effort regarding the acceptability of alternative methods.



**By no later than February 1**

Commerce reviews alternate proposals, determines if proposals are acceptable, and notifies the municipalities of this determination. If the proposal is accepted, municipalities may then use the Alternative Method application. If the proposal is not acceptable to Commerce, the department will work with municipalities in an area to resolve problems. If the problems cannot be resolved, the municipalities in that FMA must apply using the Standard Method application.



**By no later than February 15**

Each municipality must submit an Alternative Method application. Commerce will distribute allocations after all applications within that FMA have been received and verified.

# FY 17 Shared Fisheries Business Tax Program Application Instructions

## STANDARD METHOD

### The Process

- In the standard method application process each municipality determines and documents the cost to the municipality of fisheries industry significant effects suffered by the community in 2015.
- Details for each of these effects are submitted by municipalities using the Declaration of Significant Effects application forms on the following pages.
- The municipality must also submit an approved resolution by the governing body certifying that the information submitted in the application is correct and complete. A sample resolution is included in this packet.
- The department will review the applications and determine if the significant effects submitted are valid.
- Once the effects have been established for each of the municipalities in a Fisheries Management Area, the department will calculate the funding allocation for each municipality using the following formula:

**One half** of the funding available within a FMA is divided up among participating municipalities on the basis of the relative **dollar amount of impact** in each municipality. The **other half** of the funding available to that area is divided equally among all eligible municipalities.

### Guidelines for Completing the Declaration of Significant Effects Forms

**Some important definitions:** The Shared Fisheries Business Tax Program provides for a sharing of State Fisheries Business Tax with municipalities that can demonstrate they suffered *significant effects* during the *program base year* from *fisheries business activity* in their respective fisheries management area.

For the purposes of this program, "fisheries business activity" means:

- activity related to fishing, including but not limited to the catching and sale of fisheries resources;
- activity related to commercial vessel moorage and commercial vessel and gear maintenance;
- activity related to preparing fisheries resources for transportation; and,
- activity related to processing fisheries resources for sale by freezing, icing, cooking, salting, or other method and includes but is not limited to canneries, cold storages, freezer ships, and processing plants.

And, "significant effects" means:

- municipal expenditures during the program base year demonstrated by the municipality to the department to be reasonable and necessary that are the result of fisheries business activities on the municipality's:
  - population;
  - employment;
  - finances;
  - air and water quality;
  - fish and wildlife habitats; and,
  - ability to provide essential public services, including health care, public safety, education, transportation, marine garbage collection and disposal, solid waste disposal, utilities, and government administration.

And, "program base year" means:

- calendar year 2015.

**A municipality does not need to have actually made expenditures in 2015 in order to include them as significant effects in the application.** If a fishing business activity impacts a municipality in a manner that will result in a cost to the municipality, then the municipality can claim that impact as a significant effect. For example, a city's pier might have been damaged by an improperly docked fish processing vessel. The city might not have the funds to repair the pier during 2015, but the city has obtained final engineering estimates for the cost of repairs. In this case, the city could declare the repair cost estimates as significant effects on their application. However, **these costs may not be claimed again** if the city subsequently expended the monies to repair the pier at a later date (this would result in a double counting of significant effects).

If a significant effect claimed in the application reflects expenditures that were determined by the municipality to be necessary, but for which the municipality was unable to make an expenditure during the program base year, the application must include a finding by the municipal governing body which documents and clearly describes the procedures and methods by which the need and the estimated cost of such expenditures were determined.

**Only that part of overall community impacts which are directly attributable to fishing business activity should be included as significant effects in the application.** For example, a city water supply system may be impacted by the fresh water needs of the local fishing fleet and fish processing facilities. However, a city in this situation should not claim the entire cost of operating or maintaining the water system as a "significant effect" for the purposes of this program. In this case, the city must determine and document its estimate of the share of the use, and "wear and tear," of the water system that can reasonably be attributed to fisheries business activity. A place is provided on the *Declaration of Significant Effects* forms for municipalities to explain how they arrived at such estimates.

**Examples of eligible significant effects.** The kinds of negative effects which a municipality might possibly claim to have suffered are many. It is the responsibility of each municipality to describe, document and justify its particular claims of negative impacts during 2015 resulting from fisheries business activities. For the purposes of this program, all significant effects must be presented in terms of expenditures of municipal funds, either actual or determined necessary. For example, a sudden population increase of 1,000 people is not in itself a negative effect. It is the demonstrable impacts on the city budget of dealing with these extra people that

may be considered as significant effects for this program. The following examples represent the kinds of community impacts which are clearly eligible for inclusion in a city's *Declaration of Significant Effects* forms.

- a municipality's expenses during 2015 in repairing a dock damaged by a fishing vessel;
- a municipality's costs of hiring extra police, teachers or medical staff to cover periods during 2015 when fish processing workers or fishing crew and their families expanded the municipality's population;
- a city 2015 loan which was used to improve the city's water system to meet increased demands for fresh water by local fish processors. Only that part of the debt service which can be directly attributable to supporting the fishing industry may be counted as a significant effect.
- special expenditures made by a city during 2015 to assist or help re-train workers who lost their jobs in the fishing industry because of a downturn in fishing activity;
- a borough's expenditures for operating and maintaining harbor facilities during 2015;
- that part of operating and maintaining a city's water and sewer system or landfill during 2015 that is directly attributable to the fishing industry.

#### **Examples of events which are not eligible to be significant effects**

The following are examples of municipal expenditures or events which are **not eligible** for inclusion in a *municipality's Declaration of Significant Effects* forms:

- Municipal expenditures that occurred before or after 2015 which are the result of fishing business activities;
- Revenues which a city did not receive during 2015 because of a downturn in local fishing business activity.

**If you're not sure whether an event is a valid "significant effect" or not, contact DCCED.**

### **Specific Instructions for Completing the Standard Method Application**

The completed standard method application submitted by each municipality will contain three elements:

- a set of *Declaration of Significant Effects* forms (one separate form for each significant effect claimed by the municipality). **Three copies of this form are included in the application- please make as many additional copies of this form as you need.**
- a *Cover Page* that provides the total number and cost of the significant effects claimed by the municipality.
- an *approved resolution* by the governing body adopting the application as true and correct. A sample resolution is included in the application.

## **Instructions for the Cover Page/Summary**

The *Cover Page* must be completed and submitted as part of the application. This form summarizes the information found in the application. The number of significant effects claimed should be equal to the number of *Declarations of Significant Effects* forms submitted with the application and the total dollar amount should equal the sum of all the dollar amounts stated in Part 2 on the *Declarations of Significant Effects* forms.

### **Instruction for the *Resolution* form**

Municipalities may use this form, or a similar form, to comply with the requirement that the submitted application be certified by the municipality's governing body.

**Submit your completed application by no later than  
MARCH 17, 2017, to:**

**Department of Commerce, Community,  
and Economic Development  
Division of Community and Regional Affairs  
Shared Fisheries Business Tax Program  
P.O. Box 110809  
Juneau, AK 99811-0809**

**If you have any questions regarding this program, please call  
Debi Kruse at 465-5541**

**FY 17 SHARED FISHERIES BUSINESS  
TAX PROGRAM**

**STANDARD METHOD APPLICATION  
for FMA 18: CENTRAL SOUTHEAST**

Name of Municipality: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Total # of Significant Effects Claimed: \_\_\_\_\_

Total \$ of Significant Effects Claimed: \$ \_\_\_\_\_

Return this cover page along with  
Declaration of Significant Effects forms and resolution to:

Department of Commerce, Community, and  
Economic Development  
Division of Community and Regional Affairs  
Shared Fisheries Business Tax Program  
P.O. Box 110809  
Juneau, AK 99811-0809

**FY 17 Shared Fisheries Business Tax Program  
DECLARATION OF  
SIGNIFICANT EFFECTS FORM**

(One Separate Form for Each Significant Effect Claimed)

8. Description of the fisheries business activity which resulted in the significant effect:

2. Municipal expenditure is:  actual  determined necessary

3. Describe how the municipal expenditure figure listed under Part 2 was determined: (Every municipal expenditure marked "determined necessary" must be supported by a resolution that documents and clearly demonstrates the procedures and methods by which the needs and estimates were determined).

4. Total Significant effect (municipal expenditure) made necessary during 2015 by the fisheries business activity listed in #1: \$ \_\_\_\_\_

5. Is the fisheries business activity part of a larger fiscal impact on the municipality?  
 yes  no

If yes, describe how the fisheries business-related part of the overall fiscal impact was determined.

6. Describe the documentation that supports the municipality's claim of this significant effect (this documentation must be readily available to the department upon request):

**FY 17 Shared Fisheries Business Tax Program  
DECLARATION OF  
SIGNIFICANT EFFECTS FORM**

(One Separate Form for Each Significant Effect Claimed)

8. Description of the fisheries business activity which resulted in the significant effect:

2. Municipal expenditure is:  actual  determined necessary

3. Describe how the municipal expenditure figure listed under Part 2 was determined: (Every municipal expenditure marked "determined necessary" must be supported by a resolution that documents and clearly demonstrates the procedures and methods by which the needs and estimates were determined).

4. Total Significant effect (municipal expenditure) made necessary during 2015 by the fisheries business activity listed in #1: \$ \_\_\_\_\_

5. Is the fisheries business activity part of a larger fiscal impact on the municipality?  
 yes  no

If yes, describe how the fisheries business-related part of the overall fiscal impact was determined.

6. Describe the documentation that supports the municipality's claim of this significant effect (this documentation must be readily available to the department upon request):

**FY 17 Shared Fisheries Business Tax Program  
DECLARATION OF  
SIGNIFICANT EFFECTS FORM**

(One Separate Form for Each Significant Effect Claimed – make copies if more sheets are needed)

8. Description of the fisheries business activity which resulted in the significant effect:

2. Municipal expenditure is:  actual  determined necessary

3. Describe how the municipal expenditure figure listed under Part 2 was determined: (Every municipal expenditure marked "determined necessary" must be supported by a resolution that documents and clearly demonstrates the procedures and methods by which the needs and estimates were determined).

4. Total Significant effect (municipal expenditure) made necessary during 2015 by the fisheries business activity listed in #1: \$ \_\_\_\_\_

5. Is the fisheries business activity part of a larger fiscal impact on the municipality?  
 yes  no

If yes, describe how the fisheries business-related part of the overall fiscal impact was determined.

6. Describe the documentation that supports the municipality's claim of this significant effect (this documentation must be readily available to the department upon request):

FY 17 Shared Fisheries Business Tax Program  
Standard Method Resolution

\_\_\_\_\_  
(City or Borough)

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION CERTIFYING THE FY 17 SHARED FISHERIES BUSINESS TAX PROGRAM APPLICATION TO BE TRUE AND CORRECT

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY 17 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2015 from fisheries business activities; and

WHEREAS, the Department of Commerce, Community, and Economic Development has prepared specific application forms for the purpose of presenting the municipality's claims as to the significant effects suffered by the municipality during calendar year 2015; and

WHEREAS, 3 AAC 134.100 requires the governing body of the municipality to include with the municipality's FY 17 program application an approved resolution certifying the information contained in the application to be true and correct;

NOW THEREFORE BE IT RESOLVED THAT:

The \_\_\_\_\_ by this resolution certifies  
(Governing Body)

the information contained in the \_\_\_\_\_  
(City or Borough)

FY16 Shared Fisheries Business Tax Program Application to be true and correct to the best of our knowledge.

PASSED AND APPROVED by a duly constituted quorum of the

\_\_\_\_\_ this \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_  
(Governing Body)

SIGNED \_\_\_\_\_  
Mayor

ATTEST \_\_\_\_\_  
Clerk

## **FY 17 Shared Fisheries Business Tax Program Application Instructions**

### **ALTERNATE METHOD The Process**

- In the alternate method application process all municipalities in a fisheries management area may work together to develop an alternative allocation formula for distributing the available program funding among municipalities in the area. It is advised that the department be consulted during this process if the municipalities have questions or concerns about what constitutes an acceptable alternative to the standard allocation method.
- All the municipalities in an area must reach an agreement in writing on an alternative allocation formula.
- By January 15, the department must receive the proposed alternative method. If the alternative method is not acceptable, the department will work with the municipalities to resolve the problems.
- If the municipalities in an area fail to satisfy the department regarding the acceptability of the alternative allocation method proposed, then each municipality in the region must return to the standard application process and submit separate applications as required by that process.
- If the department finds the alternative allocation method satisfactory, each municipality must then complete an alternative method application consisting of a cover page and resolution. The resolution must be adopted by the governing body and it must clearly describe the approved alternative allocation method within that area. After all alternative method applications within an area have been received and approved; the department will perform the allocations and distribute program funds.

### **Specific Instructions for an Alternative Method Application**

In the alternative method application, an approved resolution constitutes the application. No other forms need to be submitted. A sample resolution has been attached for your use.

## **General Guidelines for Developing an Alternative Allocation Method**

**All municipalities in a fisheries management area must agree on the alternative method:**

There must be unanimous agreement among all eligible municipalities in a fisheries management area with regard to alternative allocation methods. It is the responsibility of community leaders in the area to work together to negotiate an alternative which is acceptable to all municipalities. The department may be consulted at any time regarding what kinds of formula approaches are considered acceptable by the department.

**Alternative methods must incorporate some measure of the relative significant effects experienced by the respective municipalities in the area.** The measure of significant effects may take many forms. One area might agree to use the number of commercial fishing boat visits-per-year per community as a measure of significant effects. Another area might use the linear foot-length of public docks as a measure. Another area might use community population figures as an indication of the significant effects of fisheries business activity. Another area might share one half of the funding equally between the respective municipalities and share the other half based upon community population figures. Areas may decide to use one measure, or may use a combination of measures.

**Submit your completed application  
by no later than **MARCH 17, 2017** to:**

**Department of Commerce, Community,  
and Economic Development  
Division of Community and Regional Affairs  
Shared Fisheries Business Tax Program  
P.O. Box 110809  
Juneau, AK 99811-0809**

**If you require assistance in completing this application,  
please call Debi Kruse at 465-5541.**

FY 17 Shared Fisheries Business Tax Program  
Alternative Method Resolution

\_\_\_\_\_  
(City or Borough)

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE FY17 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

**WHEREAS**, AS 29.60.450 requires that for a municipality to participate in the FY 17 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community, and Economic Development that the municipality suffered significant effects during calendar year 2015 from fisheries business activities; and,

**WHEREAS**, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community, and Economic Development; and,

**WHEREAS**, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community, and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and,

WHEREAS, The \_\_\_\_\_ proposes to use an alternative allocation  
(Governing Body)

method for allocation of FY17 funding available within the FMA 18: CENTRAL SOUTHEAST in agreement with all other municipalities in this area participating in the FY17 Shared Fisheries Business Tax Program;

**NOW THEREFORE BE IT RESOLVED THAT:** The \_\_\_\_\_ by this resolution  
(Governing Body)

certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2015 of fisheries business activity in FMA 18: CENTRAL SOUTHEAST:

**All municipalities share equally 50% of allocation; all municipalities share remaining 50% on a per capita basis.**

PASSED and APPROVED by a duly constituted quorum of the \_\_\_\_\_ this  
\_\_\_\_\_ day of \_\_\_\_\_ 20\_\_.

SIGNED \_\_\_\_\_  
Mayor

ATTEST \_\_\_\_\_  
Clerk



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: RES 17-04    Version: 1    Name:  
Type: Resolution    Status: AGENDA READY  
File created: 2/8/2017    In control: City and Borough Assembly  
On agenda: 2/14/2017    Final action:  
Title: Supporting the Affordable Care Act  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Res 2017-04.pdf](#)

Date	Ver.	Action By	Action	Result
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Should this item be pulled from the consent agenda the following motion is suggested:

**POSSIBLE MOTION**

**I MOVE TO** approve Resolution 2017-04 on first and final reading.

**CITY AND BOROUGH OF SITKA  
RESOLUTION NO. 2017-04**

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA, ALASKA  
SUPPORTING THE AFFORDABLE CARE ACT**

**WHEREAS**, According to the U.S. Department of Health & Human Services, for calendar year 2015, 407 residents of Sitka enrolled in a healthcare plan through the Affordable Care Act Open Marketplace; and

**WHEREAS**, According to the U.S. Department of Health & Human Services, for calendar year 2016, 432 residents of Sitka enrolled in a healthcare plan through the Affordable Care Act Open Marketplace; and

**WHEREAS**, According to incomplete data available from the U.S. Department of Health & Human Services, for calendar year 2017, 379 residents of Sitka have enrolled in a healthcare plan through the Affordable Care Act Open Marketplace; 89 percent of whom received financial assistance in paying for their coverage; and

**WHEREAS**, the State of Alaska confirms that 3,303 Southeast Alaskans have signed up for the Affordable Care Act's Expanded Medicaid for adults ages 19-64 between September 1, 2015 and December 28, 2016. Prior to September 1, 2015 this group of adults could not get affordable health coverage otherwise; and

**WHEREAS**, Between 2010 and 2015, prior to the full implementation of the Affordable Care Act and expansion of Medicaid in Alaska, Sitka Community Hospital incurred \$3,136,000 in expenses for charity care, averaging \$522,666 each year; and

**WHEREAS**, In fiscal year 2016, during the first year of full implementation of the Affordable Care Act and expansion of Medicaid in Alaska, Sitka Community Hospital incurred \$59,280 in expenses for charity care, representing a decrease in expenses of more than 88.6 percent over the average for the previous six years; and

**WHEREAS**, if current trends continue under the Affordable Care Act, Sitka Community Hospital expects to incur approximately \$30,000 in expenses for charity care in Fiscal Year 2017; and

**WHEREAS**, in addition to contributing to the financial stability of Sitka Community Hospital and Mount Edgecumbe Hospital, the Affordable Care Act has improved health and reduced financial strain for hundreds of residents of Sitka by making health care affordable;

**NOW, THEREFORE, BE IT RESOLVED** that the Assembly of the City and Borough of Sitka, Alaska by this resolution is in support of retaining the Affordable Care Act in its entirety, unless and until it can be demonstrated by clear and convincing evidence from a reputable nonpartisan source that alternative legislation will be able to provide an equivalent level of affordable coverage for residents of Sitka.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska, on this 14<sup>th</sup> day of February, 2017.

\_\_\_\_\_  
Matthew Hunter, Mayor

ATTEST:

\_\_\_\_\_  
Sara Peterson, CMC  
Municipal Clerk

1<sup>st</sup> and final reading 02/14/17



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-012      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 2/2/2017      In control: City and Borough Assembly

On agenda: 2/14/2017      Final action:

Title: Appoint Nicole Filipek to a term on the Library Commission and reappoint Charles Horan to fill a term on the Gary Paxton Industrial Park Board through July 2017

Sponsors:

Indexes:

Code sections:

Attachments: [Motion appointments.pdf](#)  
[Filipek app.pdf](#)  
[Horan app.pdf](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

**I MOVE TO** appoint Nicole Filipek to a term on the Library Commission and reappoint Charles Horan to fill a term on the Gary Paxton Industrial Park Board through July 2017.



Application for Appointment to Boards, Committees, and Commissions  
City and Borough of Sitka

Board/Commission/Committee: Library Commission  
Name: Nicole C. FILIPEK Daytime Phone: (206) 769-3685  
Address: P.O. Box 251 Sitka, AK Evening Phone: SAA  
Email Address: nicolefilipek@gmail.com Fax Number: N/A  
Length of Residence in Sitka: 3 years Registered to vote in Sitka?  Yes  No  
Employer: Stay-at-home mother

Organizations you belong to or participate in:

Dolly Parton Imagination Library - Sitka Board  
Sitka Children's Museum - volunteer

Explain your main reason for applying:

Children and young families are not currently represented. I hope to fill the vacancy and represent those interests.

What background, experience or credentials will you bring to the board, commission, or committee membership?

I have a volunteer history working with libraries. I am currently serving on the Sitka Board of

Please disclose any potential conflicts of interest that may arise from your appointment. These may include but are not limited to:

- A substantial financial interest of \$1000 annually that could be influenced by your appointment.
- An immediate family member employed within the scope of this appointment.

NONE

Dolly Parton's Imagination Library.

Please attach a letter of interest, outline, or resume which includes your education, work, and volunteer experience that will enhance your membership. Please see back of page.

→ (To be considered, your application must be complete AND be accompanied by one of the above supporting documents.)

Date: February 7, 2017 Signature: Nicole C. Filipek

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting.

Please note: all information submitted will be made public and published online. Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed?  Yes  No

Return to:

Melissa Henshaw, Deputy Clerk/Records Specialist, 100 Lincoln Street  
Fax: 907-747-7403 Email: melissa.henshaw@cityofsitka.org

I was born, raised and educated in the State of Maine. I graduated from the University of Maine, Orono, with a B.S. Animal Science in 1999. I began my career in medical research at The Jackson Laboratory in Bar Harbor, Maine. In 2005, I began working at the University of Washington in Seattle, Washington. Spring of 2011, my spouse and I departed Seattle on our sailboat and spent the summer cruising the Inside Passage. When autumn arrived we decided to spend the winter in Sitka, during which time we began our family. We departed Sitka June of 2013, and returned October of 2015 after short residencies in Washington and Maine. Since the birth of our child, I have ~~remained~~ remained a stay-at-home parent.

I am interested in serving as a Library Commissioner because I am passionate about promoting literacy. I believe that public libraries are a vital community resource. I am currently serving on the Sitka Board of the Dolly Parton Imagination Library, a book gifting program for enrollees ages 0-5 years. I have volunteered as a Reading Buddy for the Sitka Summer Reading Program. I was a volunteer assisting the Children's Librarian at the Southwest Harbor, ~~ME~~ Maine, Public Library. I am mother to one young child and hope to represent the interests of youth and young families on the Commission.



## LIBRARY COMMISSION

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
ALICE JOHNSTONE 213 Shotgun Alley	747-3931 johnstone@ak.net	7/22/03 7/11/06 7/14/09 7/24/12 7/14/15	7/22/06 7/11/09 7/14/12 7/24/15 7/14/18	Chair
LORRAINE LIL 105 Austin Street	738-1350 c 747-3309 committeework@outlook.com	4/12/16	4/12/19	Secretary
JANE EIDLER PO Box 1673	747-5354 eidlerjee@yahoo.com	6/27/06 7/8/08 6/28/11 6/24/14	7/12/08 7/8/11 6/28/14 6/24/17	
DORIK MECHAU 209 Observatory St.	747-7671 twojuncos@icloud.com	1/12/16	1/12/19	
BARBARA BINGHAM PO Box 6112	738-3557 bbingham23@gmail.com	9/12/06 9/8/09 10/23/12 1/26/16	9/12/09 9/8/12 10/23/15 1/26/19	
JOSHUA THOMAS PO Box 473	817-471-6054 Josh0417@att.net	9/13/16	9/13/19	
<i>PJ FORD SLACK PO Box 6281</i>	<i>966-1906 w 738-0020 c fordpj@sitkaschools.org</i>	<i>8/27/10 11/9/10 11/12/13</i>	<i>11/13/10 11/9/13 11/12/16</i>	<i>Resigned 6/22/16</i>
Matthew Hunter 102 Remington Way	738-6851 assemblyhunter@cityofsitka.org			Assembly Liaison
Elizabeth O'Donnell 214 Observatory	747-8014			Emeritus Member

7 Members from Public 3-year terms  
 Established by Ordinance 72-50, Ord. 03-1730 added 2 more members  
 First Wednesday of the Month, 7 p.m. at the Sitka Public Library, 320 Harbor Drive

**OATH OF OFFICE REQUIRED**

Revised: October 13, 2016



Application for Appointment to Boards, Committees, and Commissions  
City and Borough of Sitka

Board/Commission/Committee: GARY PAXTON INDUSTRIAL PARK BOARD  
Name: CHARLES HORAN Daytime Phone: 907-747-~~6666~~ 6666  
Address: 403 LINCOLN ST Evening Phone: CELL 907-738-1666  
Email Address: CHARLES@HORANAPPRAISALS.COM Fax Number: 907-747-6471  
Length of Residence in Sitka: 40 YEARS Registered to vote in Sitka?  Yes \_\_\_ No  
Employer: SELF HORAN & CO LLC

Organizations you belong to or participate in: CATHOLIC COMMUNITY SERVICE,  
CHAMBER OF COMMERCE

Explain your main reason for applying: FILL OUT TERM TO JULY 2017

What background, experience or credentials will you bring to the board, commission, or committee membership?  
PAST/PRESENT BOARD, REAL ESTATE APPRAISAL BACKGROUND.

Please disclose any potential conflicts of interest that may arise from your appointment. These may include but are not limited to:

- A substantial financial interest of \$1000 annually that could be influenced by your appointment.
- An immediate family member employed within the scope of this appointment.

NONE

Please attach a letter of interest, outline, or resume which includes your education, work, and volunteer experience that will enhance your membership.

SEE ATTACHED.

→ (To be considered, your application must be complete AND be accompanied by one of the above supporting documents.)

Date: 1/30/17 Signature: Charles Horan

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting.

Please note: all information submitted will be made public and published online. Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? \_\_\_ Yes \_\_\_ No

Return to:

Melissa Henshaw, Deputy Clerk/Records Specialist, 100 Lincoln Street  
Fax: 907-747-7403 Email: melissa.henshaw@cityofsitka.org

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## QUALIFICATIONS OF CHARLES E. HORAN, MAI

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<b>Professional Designation</b>	MAI, Member Appraisal Institute, No. 6534
<b>State Certification</b>	State of Alaska General Appraiser Certification, No. AA41
<b>Bachelor of Science Degree</b>	University of San Francisco, B.S., Business Administration, 1973

### Employment History:

8/04 – now	Owner, HORAN & COMPANY, LLC
3/87 – 7/04	Partner, HORAN, CORAK AND COMPANY
1980 – 2/87	Partner, The PD Appraisal Group, managing partner since November 1984 (formerly POMTIER, DUVERNAY & HORAN)
1976 – 80	Partner/Appraiser, POMTIER, DUVERNAY & COMPANY, INC., Juneau and Sitka, Alaska
1975 – 76	Real Estate Appraiser, H. Pomtier & Associates, Ketchikan, AK
1973 – 75	Jr. Appraiser, Ketchikan Gateway Borough, Ketchikan, AK

### Lectures and Educational Presentations:

2007, "Conservation Easements" Presentation - Alaska Association of Assessing Officers, Fairbanks, AK  
1998, "Easement Valuation Seminar," Alaska Chapter Appraisal Institute, Anchorage, AK  
1998, "Easement Valuation Seminar," Seal Trust, Juneau, Alaska  
1997, "Sitka Housing Market," Sitka Chamber of Commerce  
1997, developed and taught commercial real estate investment seminar for Shee Atika, Inc.  
1994, developed and taught seminar "Introduction to Real Estate Appraising," UAS, Sitka Campus  
1985, Speaker at Sitka Chamber of Commerce, "What is an Appraisal? How to Read the Appraisal"  
1984, Southeast Alaska Realtor's Mini Convention, Juneau, Alaska  
Day 1: Introduction of Appraising, Cost and Market Data Approaches  
Day 2: Income Approach, Types of Appraisals, AIREA Accredited Course  
1983, "The State of Southeast Alaska's Real Estate Market"  
1982, "What is an Appraisal?"

### Types of Property Appraised:

*Commercial* - Retail shops, enclosed mall, shopping centers, medical buildings, restaurants, service stations, office buildings, auto body shops, schools, remote retail stores, liquor stores, supermarkets, funeral home, mobile home parks, camper courts. Appraised various businesses with real estate for value as a going concern with or without fixtures such as hotels, motels, bowling alleys, marinas, restaurants, lounges.

*Industrial* - Warehouse, mini-warehouse, hangars, docks barge loading facilities, industrial acreage, industrial sites, bulk plant sites, and fish processing facility. Appraised tank farms, bulk terminal sites, and a variety of waterfront port sites.

*Special Land* - Partial Interest and Leasehold Valuation - Remote acreage, tidelands with estimates of annual market rent. Large acreage land exchanges for federal, state, municipal governments and Alaska Native Corporations; retail lot valuations and absorption studies of large subdivisions; gravel and rock royalty value estimates; easements, partial interests, conservation easements; title limitations, permit fee evaluations. Appraised various properties under lease to determine leasehold and leased fee interests. Value easements and complex partial interests.

*Special Projects* - Special consultation for Federal land exchanges. Developed Land Evaluation Module (LEM) to describe and evaluate 290,000 acres of remote lands. Renovation feasibilities, residential lot absorption studies, commercial, and office building absorption studies. Contract review appraiser for private individuals, municipalities, and lenders. Restaurant feasibility studies, Housing demand studies and overall market projections. Estimated impact of nuisances on property values. Historic appreciation / market change studies. Historic barren material royalty valuations, subsurface mineral and timber valuation in conjunction with resource experts. Mass appraisal valuations for

Municipality of Skagway, City of Craig, Ketchikan Gateway Borough and other Alaska communities. Developed electronic/digital assessment record system for municipalities. Developed extensive state-wide market data record system which identified sales in all geographic areas.

### **Expert Witness Experience and Testimony:**

2009 Expert at mediation - Talbot's Inc vs State of Alaska, et al. IKE-07-168CI

2008 Albright vs Albright, IKE-07-265CI, settled

2006 State of Alaska vs Homestead Alaska, et al, 1JU-06-572, settled

2006 State of Alaska vs Heaton, et al, 1JU-06-570CI, settled

2006 State of Alaska vs Jean Gain Estate, 1JU-06-571, settled

2004 Assessment Appeal, Board of Equalization, Franklin Dock vs City and Borough of Juneau

2000 Alaska Pulp Corporation vs National Surety - Deposition

U.S. Senate, Natural Resources Committee

U.S. House of Representatives, Resource Committee

Superior Court, State of Alaska, Trial Court and Bankruptcy Courts

Board of Equalization Hearings testified on behalf of these municipalities: Ketchikan Gateway Borough, City of Skagway, City of Pelican, City and Borough of Haines, Alaska

Witness at binding arbitration hearings, appointed Master for property partitionment by superior state court, selected expert as final appraiser in multi parties suit with settlements of real estate land value issues

### **Partial List of Clients:**

#### Federal Agencies

Bureau of Indian Affairs  
Bureau of Land Mngmnt  
Coast Guard  
Dept. Of Agriculture  
Dept. Of Interior  
Dept. Of Transportation  
Federal Deposit Ins Corp  
Federal Highway Admin.  
Fish & Wildlife Service  
Forest Service  
General Service Agency  
National Park Service  
USDA Rural Develop.  
Veterans Administration

#### Lending Institutions

Alaska Growth Capital  
Alaska Pacific Bank  
Alaska Ind. Dev. Auth.  
ALPS FCU  
First Bank  
First National Bank AK  
Key Bank  
Met Life Capital Corp.  
National Bank of AK  
Rainier National Bank  
SeaFirst Bank  
True North Credit Union  
Wells Fargo  
Wells Fargo RETECHS

#### ANCSA Corporations

Cape Fox, Inc.  
Doyon Corporation  
Eyak Corporation  
Goldbelt  
Haida Corporation  
Huna Totem  
Kake Tribal Corporation  
Klawock-Heenya Corp.  
Klukwan, Inc.  
Kootznoowoo, Inc.  
Sealaska Corporation  
Shaan Seet, Inc.  
Shee Atika Corporation  
TDX Corporation  
The Tatitlek Corporation  
Yak-Tat Kwan

#### Companies

AK Electric Light & Power  
AK Lumber & Pulp Co.  
AK Power & Telephone  
Allen Marine  
Arrowhead Transfer  
AT&T Alscorn  
Coeur Alaska  
Delta Western  
Gulf Oil of Canada  
Hames Corporation  
HDR Alaska, Inc.  
Holland America  
Home Depot  
Kennecott Greens Creek  
Kennedy & Associates  
Madsen Construction, Inc.  
Service Transfer  
Standard Oil of CA  
The Conservation Fund  
Union Oil  
Ward Cove Packing  
White Pass & Yukon RR  
Yutana Barge Lines

#### Municipalities

City & Borough of Haines  
City & Borough of Juneau  
City & Borough of Sitka  
City of Akutan  
City of Coffman Cove  
City of Craig  
City of Hoonah  
City of Ketchikan  
City of Klawock  
City of Pelican  
City of Petersburg  
City of Thorne Bay  
City of Wrangell  
Ketchikan Gateway Borg.  
Municipality of Skagway

#### Other Organizations

BIHA  
Central Council for Tlingit & Haida Indian Tribes of Alaska (CCTHITA)  
Diocese of Juneau  
Elks Lodge  
Hoonah Indian Assoc.  
LDS Church  
Moose Lodge  
SE AK Land Trust (SEAL)  
SEARHC  
Sitka Tribe of Alaska  
The Nature Conservancy

#### State of Alaska Agencies

Alaska State Building Authority (formerly ASHA)  
Attorney General  
Dept. of Fish & Game  
Dept. of Natural Service, Div. of Lands  
Dept. of Public Safety  
DOT&PF  
Mental Health Land Trust  
Superior Court  
University of Alaska

## Education

- 7-Hour National USPAP Update Course, Mount Vernon, WA, April 2013
- Fall Real Estate Conference 2012, Seattle, Wa November, 2012
- Appraising the Appraisal: Appraisal Review-General, Rockville, MD, May 2012
- Information Security Awareness for Appraisal Professionals Webinar, December, 2012
- Fall Real Estate Conference 2011 Seattle, WA October, 2011
- Appraisal Curriculum Overview (2-day General) Milwaukee, WI, August 2011
- Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA), Rockville, MD, Oct 2010
- Business Practices and Ethics, Seattle, WA, Apr 2010
- Fall Real Estate Conference, Seattle, WA, Dec 2009
- 7-hour National USPAP Update Course, Seattle, WA, May 2009
- Fall Real Estate Conference, Seattle, WA, Nov 2008
- Attacking and Defending an Appraisal in Litigation, Kent, WA, Sep 2008
- Sustainable Mixed-Use N.I.M., Seattle, WA, Feb 2008
- Appraising 2-4 Unit Properties, Bellevue, WA, Sep 2007
- Business Practices and Ethics, Seattle, WA, Jun 2007
- 7-hour National USPAP Update Course, Seattle, WA, Jun 2007
- Residential Market Analysis and Highest and Best Use, Seattle, WA, Apr 2007
- Basic Appraisal Procedures, Seattle, WA, Feb 2007
- USPAP Update Course, Anchorage, AK, Feb 2005
- Rates & Ratios: Making Sense of GIMs, OARs, and DCF, Anchorage, AK, Feb 2005
- Best Practices for Residential Appraisal Report Writing, Juneau, AK, Apr 2005
- Scope of Work - Expanding Your Range of Services, Anchorage, AK May 2003
- Litigation Appraising - Specialized Topics and Applications, Dublin, CA, Oct 2002
- UASFLA: Practical Applications for Fee Appraisers, Jim Eaton, Washington, D.C., May 2002
- USPAP, Part A, Burr Ridge, IL, Jun 2001
- Partial Interest Valuation - Undivided, Anchorage, AK, May 2001
- Partial Interest Valuation - Divided, Anchorage, AK, May 2001
- Easement Valuation, San Diego, CA, Dec 1997
- USPAP, Seattle, WA, Apr 1997
- The Appraiser as Expert Witness, Anchorage, AK, May 1995
- Appraisal Practices for Litigation, Anchorage, AK, May 1995
- Forestry Appraisal Practices, Atterbury Consultants, Beaverton, OR, Apr 1995
- Advanced Sales Comparison & Cost Approaches, Univ. of Colorado, Boulder, CO, Jun 1993
- Computer Assisted Investment Analysis, University of Maryland, MD, Jul 1991
- USPAP, Anchorage, AK, Apr 1991
- General State Certification Review Seminar, Anchorage, AK, Apr 1991
- State Certification Review Seminar, Dean Potter, Anchorage, AK, Apr 1991
- Highest and Best Use and Market Analysis, Baltimore, MA, Mar 1991
- Financial Institution Reform, Recovery & Enforcement Act of 1989, Doreen Fair Westfall, Appraisal Analyst, OTS, Juneau, AK, Jul 1990
- Real Estate Appraisal Reform, Gregory Hoefler, MAI, OTS, Juneau, AK, Jul 1990
- Standards of Professional Practice, Anchorage, AK, Oct 1987
- Federal Home Loan Bank Board Memorandum R41C Seminar, Catherine Gearhearth, MAI, FHLBB District Appraiser, Juneau, AK, Mar 1987
- Market Analysis, Boulder, CO, Jun 1986
- Federal Home Loan Bank Board Regulation 41b, Instructor Bob Foreman, MAI, Seattle, WA, Sep 1985
- Litigation Valuation, Chapel Hill, North CA, Aug 1984
- Standards of Professional Practices, Bloomington, IN, Jan 1982
- Course 2B, Valuation Analysis & Report Writing, Stanford, CA, Aug 1980
- Course 6, Introduction to Real Estate Investment Analysis, Aug 1980
- Course 1B, Capitalization Techniques, San Francisco, CA, Aug 1976
- Course 2A, Case Studies in Real Estate Valuation, Aug 1976
- Course 1A, Real Estate Principles and Valuation, San Francisco, CA, Aug 1974



## GARY PAXTON INDUSTRIAL PARK BOARD OF DIRECTORS

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
SCOTT WAGNER 304 Nicole Drive	747-6850 w 747-3791 h scott_wagner@nsraa.org	11/25/14 6/28/16	6/24/16 6/28/18	CHAIR
DAN JONES 719 Sirstad Street	738-6998 c 747-6373 h danielgjonespe@gci.net	10/11/11 10/22/13 10/27/15	10/11/13 10/22/15 10/27/17	VICE- CHAIR
HUGH BEVAN 720 Pherson Street	747-2709 h kbdsitka@gmail.com	7/12/16	6/14/18	<i>Miller's term</i>
CHARLES HORAN 403 Lincoln Street	747-6666 w 747-7417 fax charles@horanappraisals.com	3/24/15	7/9/15	<i>Fondell's term</i>
PTARMICA MCCONNELL 2575 Sawmill Creek Rd.	738-9941 c ptarmica@sheeatika.com	6/10/14	6/10/16	
Garry White 329 Harbor Drive, #212	747-2660 w 747-7688 fax garrywhite@gci.net			GPIP Director
Mark Gorman City & Borough of Sitka 100 Lincoln Street	747-1808 w 747-7403 fax mark.gorman@cityofsitka.org			Municipal Administrator
Steven Eisenbeisz 208 Lincoln Street	738-9075 c assemblyeisenbeisz@cityofsitka.org			Assembly Liaison
Mary Suminski 329 Harbor Drive, #212	747-2660 w 747-7688 fax sedasitka@gmail.com			Secretary

Established by Ordinance 00-1568

Five members appointed by the Assembly for 2-year terms, one designated At-Large

Revised: October 10, 2016



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-008      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 1/17/2017      In control: City and Borough Assembly

On agenda: 2/14/2017      Final action:

Title: Approve sending either an Assembly member or City and Borough of Sitka staff representative to attend the Seatrade Cruise Global event in Fort Lauderdale, FL

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Seatrade.pdf](#)  
[Staff memo.pdf](#)  
[Roy correspondence.pdf](#)  
[McGraw correspondence.pdf](#)

Date	Ver.	Action By	Action	Result
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## Step 1

**DISCUSSION** on sending either an Assembly member or City and Borough of Sitka staff representative to attend the Seatrade Cruise Global event in Fort Lauderdale, FL.

## Step 2

### Possible Motions

**I MOVE TO** approve sending Assembly member \_\_\_\_\_ to the Seatrade Cruise Global event in Fort Lauderdale, FL with expenses to be paid from the Visitor Activities Enhancement Fund.

OR

**I MOVE TO** approve sending CBS staff member \_\_\_\_\_ to serve as a representative at the Seatrade Cruise Global event in Fort Lauderdale, FL with expenses to be paid from the Visitor Activities Enhancement Fund.



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 Hunter and Assembly Members  
Cc: Mark Gorman, Municipal Administrator  
From: Sara Peterson, Municipal Clerk  
Date: February 8, 2017  
Subject: City and Borough of Sitka representation at Seatrade

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The 2017 Seatrade Cruise Global event will be held March 13-16 in Fort Lauderdale, Florida. Cruise line executives, buyers, and suppliers attend this annual event for a week of networking, sourcing, innovation, and education.

Sitka participants planning to attend this event are Sitka Chamber of Commerce Executive Director, Rachel Roy; Sitka Chamber of Commerce Director of Tourism, Sherry Aitken; Chris McGraw on behalf of Old Sitka Dock; and Naa Kahidi Dancer, Madison Roy-Mercer.

The City and Borough of Sitka (CBS) has sent an Assembly member to this event since 2012. Pete Esquiro attended in 2012 and Mim McConnell in subsequent years.

Travel costs are anticipated to be approximately \$3,012 and will be expensed from the Visitor Activities Enhancement Fund. One of the intended uses of the Fund is to fund visitor enhancement related travel such as this. An appropriation of \$5,000 exists in the Fund for travel.

Previously, CBS has been criticized for not actively supporting the cruise ship industry. In recent years we have reversed this conception. To maintain this sense of support and collaboration, staff strongly recommends an Assembly member or CBS staff representative attend Seatrade.

## Sara Peterson

---

**From:** Rachel Roy <ed@sitkachamber.com>  
**Sent:** Tuesday, January 31, 2017 2:29 PM  
**To:** Sara Peterson; Mark Gorman; chris@halibutpointmarine.com; Matthew Hunter (Assembly)  
**Subject:** Re: CBS participation at SeaTrade

Hello Mark,

I have another obligation tonight so I will not be able to attend the meeting. Please consider my written comments.

I believe that continued participation in Seatrade is very important for both the City of Sitka and the Chamber. Seatrade is one of the primary opportunities for ports to meet face-to-face with the decision makers within the cruise industry. The connections that are made can translate to real dollars when talking about a ship being scheduled in Sitka for a season.

With the budget cuts to State marketing dollars, ATIA and the Destination Marketing Organizations (DMOs) discussed the viability of our participation. The outcome was to ensure that Alaska keeps its market share in the massive global industry, we must be present and continue to maintain and build relationships. I believe that for Sitka to get real cruise ship growth, we have to be there too! We have seen the growth in ports like Icy Straight Point (Hoonah) who make trips to Florida to meet with the cruise execs every year.

I agree with Chris's points, the cruise industry will be one of our main industries in Sitka and it is important that they know they are welcome in our port. Let's continue to build on what we have and welcome them to our port. Please consider sending an assembly member or staff representative from the city.

I have included some quotes from CLIA's John Brinkley below:

<http://www.tourismworksforak.org/industry-data.html>

Alaska's share of the global cruise industry is on the decline. Long before he was a Republican state lawmaker and candidate for governor, John Binkley worked on his family's riverboat in Fairbanks, doing tours for visitors to Alaska's Interior.

"When we were growing up in our family business, my father used to always tell us that, 'If you're coasting, you're going downhill,'" Binkley told the Juneau Assembly Committee of the Whole.

Binkley is now president of Cruise Lines International Association of Alaska, formerly the Alaska Cruise Association. He says the state has been coasting when it comes to attracting tourists.

"I think we've taken a lot of it for granted, what we've had here in Alaska in terms of the industry, and other destinations around the world have not," he said.

Binkley says Alaska's share of the global market has declined from 6.5 percent in 2006 to 4.5 percent. He says some of the most successful cruise ship ports have partnered with the industry to improve their facilities.

Will people come if we don't tell them we're here?

Thank you for considering my comments,

Rachel Roy  
907-738-1186

Sent from my iPhone

On Jan 30, 2017, at 4:36 PM, Sara Peterson <[sara.peterson@cityofsitka.org](mailto:sara.peterson@cityofsitka.org)> wrote:

Hi Rachel,

The Assembly will hold a special meeting to further discuss this issue tomorrow (Tuesday) night. If you have a few moments, it would be helpful to have your opinion to share. You can submit by email or certainly attend the meeting which will be held at City Hall in the 3<sup>rd</sup> floor conference room.

Thanks,

*Sara*

**From:** Chris McGraw [<mailto:chris@halibutpointmarine.com>]  
**Sent:** Wednesday, January 25, 2017 12:05 PM  
**To:** Mark Gorman <[mark.gorman@cityofsitka.org](mailto:mark.gorman@cityofsitka.org)>  
**Cc:** Matthew Hunter (Assembly) <[assemblyhunter@cityofsitka.org](mailto:assemblyhunter@cityofsitka.org)>; Sara Peterson <[sara.peterson@cityofsitka.org](mailto:sara.peterson@cityofsitka.org)>; Rachel Roy <[ed@sitkachamber.com](mailto:ed@sitkachamber.com)>  
**Subject:** Re: CBS participation at SeaTrade

Mark,

I think representation by the Assembly or City staff is important. I believe it does two things. First, I believe it shows the cruise line executives that Sitka is supportive of the cruise industry and that we are eager for their business. The second thing that I think it does is it provides experience and helps educate the City on the cruise industry and how competitive the market is for the ships amongst the ports in Alaska and worldwide. As we continue down the path of lean financial times the cruise industry is going to be a major economic driver in Sitka's economy. The more knowledgeable the City government is on this industry, it is likely that better decisions will be made regarding this industry and the local economy.

Thanks for letting me share my opinion.

Chris

On Jan 25, 2017, at 8:07 AM, Mark Gorman <[mark.gorman@cityofsitka.org](mailto:mark.gorman@cityofsitka.org)> wrote:

Sent to the wrong Chris.

Apologies,

Mark

**From:** Mark Gorman

**Sent:** Wednesday, January 25, 2017 7:41 AM

**To:** 'Rachel Roy' <[ed@sitkachamber.com](mailto:ed@sitkachamber.com)>;

**Cc:** Sara Peterson <[sara.peterson@cityofsitka.org](mailto:sara.peterson@cityofsitka.org)>; Matthew Hunter ([assemblyhunter@cityofsitka.org](mailto:assemblyhunter@cityofsitka.org)) <[assemblyhunter@cityofsitka.org](mailto:assemblyhunter@cityofsitka.org)>

**Subject:** CBS participation at SeaTrade

Good morning Rachel and Chris,

At last night's Assembly meeting, CBS representation at the Seatrade event was discussed. The Assembly decided not to take action on sending an Assembly member as there was question to whether there is value given the cost of the trip. I told the Assembly that I would check with you both and if you feel representation by a member of the Assembly or city staff is important, this issue will be reconsidered at the February 14<sup>th</sup> meeting.

If you could let me know your thoughts, that would be very much appreciated.

Thanks,

Mark

**Sara Peterson**

---

**Subject:** FW: City of Sitka representation at Seatrade

----- Forwarded message -----

From: "Chris McGraw" <[chris@halibutpointmarine.com](mailto:chris@halibutpointmarine.com)>

Date: Sat, Feb 4, 2017 at 3:52 AM +0700

Subject: City of Sitka representation at Seatrade

To: "Maegan Bosak" <[maegan.bosak@cityofsitka.org](mailto:maegan.bosak@cityofsitka.org)>

Cc: "Mark Gorman" <[mark.gorman@cityofsitka.org](mailto:mark.gorman@cityofsitka.org)>, "Rachel Roy" <[ed@sitkachamber.com](mailto:ed@sitkachamber.com)>

Megan,

I understand that Mark is out of the office and you are acting administrator. I know the Assembly met on Tuesday evening to discuss sending a CBS representative to the cruise ship convention Seatrade in Florida next month. My understanding is that the assembly is not interested in funding this trip and most likely won't be sending a representative. As a local business owner in the visitor industry and as President of the Greater Sitka Chamber of Commerce and Visit Sitka I feel that it is important to have CBS representation at Seatrade to show that the local government is actively supporting Sitka as a cruise destination. With this said, Visit Sitka through a donation from a local business is willing to fund sending a representative from CBS to Seatrade. If CBS could take this into consideration in its decision making regarding sending a representative, I would appreciate it. If you have any questions please feel free to contact me.

Thanks,  
Chris McGraw  
907-738-9011

## Sara Peterson

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**From:** Sara Peterson  
**Sent:** Wednesday, January 25, 2017 4:23 PM  
**To:** Aaron Bean; Aaron Swanson (Assembly); Bob Potrzuski (Assembly); Kevin Knox; Matthew Hunter (Assembly); Melissa Henshaw; Renee Wheat; Steven Eisenbeisz (Assembly); Tristan Guevin (Assembly)  
**Cc:** Brian Hanson; Mark Gorman (mark.gorman@cityofsitka.org)  
**Subject:** Special Meeting Jan 31: CBS participation at Seatrade  
**Importance:** High

**\*\*Please do not reply all\*\***

Hello,

Please read the email feedback below from Chris McGraw regarding the importance of CBS participation at the SeaTrade event. A special meeting has been set for 5pm January 31<sup>st</sup> to make a decision on representation at the event as travel/registration arrangements are time sensitive.

If the Assembly desires to send a staff representative, it is recommended that Maegan Bosak attend on behalf of the City and Borough of Sitka.

This will be the only item on the agenda and be followed by the scheduled Board of Equalization training with State Assessor, Marty McGee. The meeting will be held in the 3<sup>rd</sup> Floor Conference Room of City Hall.

*Sara*

**From:** Mark Gorman  
**Sent:** Wednesday, January 25, 2017 12:20 PM  
**To:** Chris McGraw <chris@halibutpointmarine.com>  
**Cc:** Matthew Hunter (Assembly) <assemblyhunter@cityofsitka.org>; Sara Peterson <sara.peterson@cityofsitka.org>; Rachel Roy <ed@sitkachamber.com>  
**Subject:** Re: CBS participation at SeaTrade

Thanks Chris

This is very helpful feedback. We will bring it back to the Assembly.

Best

Mark

Get [Outlook for Android](#)

On Wed, Jan 25, 2017 at 12:05 PM -0900, "Chris McGraw" <[chris@halibutpointmarine.com](mailto:chris@halibutpointmarine.com)> wrote:

Mark,

I think representation by the Assembly or City staff is important. I believe it does two things. First, I believe it shows the cruise line executives that Sitka is supportive of the cruise industry and that we are eager for their business. The second thing that I think it does is it provides experience and helps educate the City on the cruise industry and how competitive the market is for the ships amongst the ports in Alaska and worldwide. As we continue down the path of lean financial times the cruise industry is going to be a major economic driver in Sitka's economy. The more knowledgeable the City government is on this industry, it is likely that better decisions will be made regarding this industry and the local economy.

Thanks for letting me share my opinion.

Chris

**From:** Mark Gorman

**Sent:** Wednesday, January 25, 2017 7:41 AM

**To:** 'Rachel Roy' <[ed@sitkachamber.com](mailto:ed@sitkachamber.com)>;

**Cc:** Sara Peterson <[sara.peterson@cityofsitka.org](mailto:sara.peterson@cityofsitka.org)>; Matthew Hunter ([assemblyhunter@cityofsitka.org](mailto:assemblyhunter@cityofsitka.org)) <[assemblyhunter@cityofsitka.org](mailto:assemblyhunter@cityofsitka.org)>

**Subject:** CBS participation at SeaTrade

Good morning Rachel and Chris,

At last night's Assembly meeting, CBS representation at the Seatrade event was discussed. The Assembly decided not to take action on sending an Assembly member as there was question to whether there is value given the cost of the trip. I told the Assembly that I would check with you both and if you feel representation by a member of the Assembly or city staff is important, this issue will be reconsidered at the February 14<sup>th</sup> meeting.

If you could let me know your thoughts, that would be very much appreciated.

Thanks,

Mark



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 17-03    Version: 1    Name:  
Type: Ordinance    Status: AGENDA READY  
File created: 1/17/2017    In control: City and Borough Assembly  
On agenda: 2/14/2017    Final action:  
Title: Amending Sitka General Code Chapter 4.09 "Sales Tax" at Section 4.09.100 "Exemptions" at (N) "Over Three Thousand Dollars on Sales and Rents of Tangible Personal Property and on Sales of Services, and Over Three Thousand Dollars in Rent or Lease of Real Property on a Monthly Basis"

Sponsors:

Indexes:

Code sections:

Attachments: [Ord 2017-03.pdf](#)

Date	Ver.	Action By	Action	Result
1/24/2017	1	City and Borough Assembly		

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2017-03 on  
second and final reading.

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## MEMORANDUM

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

**From:** Jay Sweeney, Chief Finance and Administrative Officer

**Date:** January 17, 2017

**Subject:** Prospective Revenue from Increase of Sales Tax Cap

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Mayor Hunter and Members of the Assembly,

I anticipate that a question will be asked as to how much additional sales tax revenue would result from an increase in the taxable transaction limit to \$12,000.

A precise estimate is difficult to provide, as data does not exist regarding how many sales over the taxable transaction limit fall within sales price bands.

For example, the current taxable transaction limit is \$3,000. Merchants are not required to report their sales over this amount in transaction bands, such as between \$3,000 and \$4,000, over \$10,000, etc., as requiring this level of extra reporting would be onerous and burdensome on merchants.

We do know, however, that if the taxable transaction limit was eliminated completely, approximately \$2,287,000 in additional sales tax per year would be generated, assuming the current exemption scheme and no loss of business.

Rather than being a straight line function, sales transaction totals follow a logarithmic function sloping curve. With each successively higher transaction price, the number of transactions that occur at that price decline at a logarithmic rate.

Given this, the best answer is a general estimate of a potential range of additional tax revenues. I would estimate that raising the transaction limit to \$12,000 would generate between \$1,000,000 and \$1,500,000 in additional tax revenues.

The category of business least affected by the \$12,000 cap would be construction, as many construction contracts far exceed \$12,000. The total amount of exempt construction sales in FY16 was \$10,376,194, resulting in \$570,691 in taxes being forgone (at 5.5%). It is also important to note that exemption P, sale for resale, means that much of this commerce goes untaxed.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2017-03

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL CODE CHAPTER 4.09 "SALES TAX" AT SECTION 4.09.100 "EXEMPTIONS" AT (N) "OVER THREE THOUSAND DOLLARS ON SALES AND RENTS OF TANGIBLE PERSONAL PROPERTY AND ON SALES OF SERVICES, AND OVER THREE THOUSAND DOLLARS IN RENT OR LEASE OF REAL PROPERTY ON A MONTHLY BASIS"

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 purpose of this ordinance is to amend the sales tax cap exemption detailed in Sitka General Code 4.09.100(N) by increasing the cap from three thousand dollars to twelve thousand dollars.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 4 Chapter 4.09 "Sales Tax" is amended as follows (new language underlined; deleted language stricken):

Chapter 4.09
SALES TAX

\*\*\*

4.09.100 Exemptions.

The following sales are exempt from taxation:

\*\*\*

N. Over ~~Three~~ Twelve Thousand Dollars on Sales and Rents of Tangible Personal Property and on Sales of Services, and Over ~~Three~~ Twelve Thousand Dollars in Rent or Lease of Real Property on a Monthly Basis. That portion of a selling price for a single piece of equipment or tangible personal property or sale unit in excess of ~~three~~ Twelve thousand dollars is exempt. A single sale unit is:

- 1. Any retail merchandise sale where the selling price is totaled on one invoice or any sales slip, although this exemption does not apply if any portion of the invoice or sales slip refers to more than one business day;





# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 17-02    Version: 1    Name:  
Type: Ordinance    Status: AGENDA READY  
File created: 1/17/2017    In control: City and Borough Assembly  
On agenda: 2/14/2017    Final action:  
Title: Amending Sitka General Code Section 4.19.020 "Annual Transfer of Permanent Fund"  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Ord 2017-02.pdf](#)

Date	Ver.	Action By	Action	Result
1/24/2017	1	City and Borough Assembly		

## POSSIBLE MOTION

**I MOVE TO** approve Ordinance 2017-02 on second and final reading.

Notes:

- This ordinance corrects a clerical error in Ordinance 2016-23 approved by the Assembly in July 2016.
- The intent of Ordinance 2016-23 was to establish procedures within Sitka General Code for an annual transfer of funds from the General Fund to the Permanent Fund with the initial transfer taking place in FY18.
- Ordinance 2016-23 stated the initial transfer would be 0.50% (should be 0.25%).
- The amount of the annual transfer would increase by 0.50% (should be 0.25%) per subsequent fiscal year, to a maximum of 2.0%.
- The Investment Committee recommended a rate of 0.25% at their June 1, 2016 meeting.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2017-02

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL CODE SECTION 4.19.020 "ANNUAL TRANSFER TO PERMANENT FUND"

- 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 purpose of this ordinance is to amend the rate as recommended by the CBS Investment Committee.
- 4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that SGC Section 4.19.020 is amended as follows (old or repealed language stricken, new language underlined):

Chapter 4.19  
SITKA PERMANENT FUND

- Sections:
- 4.19.010 Fund established
  - 4.19.020 Annual transfer to permanent fund

\* \* \*

**4.19.020 Annual Transfer To Permanent Fund.**

As part of the annual budget submission to the Assembly, the Administrator will include an amount of funds to be transferred from the General Fund to the Permanent Fund during the subsequent fiscal year. The purpose for the transfer will be to reduce the effective take out from the Permanent Fund so that the purchasing power of the Permanent Fund is maintained as much as possible. The initial transfer will take place in FY2018 and will be ~~0.50~~ 0.25% of the average market value of the Sitka Permanent Fund for the past three years, as measured on December 31<sup>st</sup> of each year. The amount of the annual transfer will increase by ~~0.50~~ 0.25% per subsequent fiscal year, to a maximum of 2.0%.

\* \* \*

- 5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

48 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough  
49 of Sitka, Alaska this 14<sup>th</sup> day of February, 2017.

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\_\_\_\_\_  
Matthew Hunter, Mayor

53 **ATTEST:**

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56 \_\_\_\_\_  
Sara Peterson, CMC

57 Municipal Clerk

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59 1<sup>st</sup> reading 1/24/17

60 2<sup>nd</sup> reading 2/14/17

The ordinance would be sent to the Committee for review once edited.

**VI. Annual Transfer Ordinance**

Chair Reif reviewed the history of the annual transfer amount. Discussion occurred with regards to using inflation as a benchmark, around the percentage of distribution of .25% each year, the fact that bond rates have changed, the annual transfer in conjunction with the budget and a more directive ordinance.

**M – Stedman/S – Christner moved to edit the annual transfer ordinance to state: As part of the annual budget submission to the Assembly, the Administrator shall include an amount of funds to be transferred from the General Fund to the Permanent Fund during the subsequent fiscal year. This amount shall start at .25% of the budgeted transfer by the Charter and shall increase an additional .25% per year until reaching a maximum of 2%. Motion carried unanimously.**

The ordinance would be sent to the Committee for final review.

**VII. Election of Officers**

**M – Stedman/S – Christner moved to elect Reif as Chair and Christner as Vice Chair. Motion carried unanimously.**

**VIII. Adjourn**

The next meeting would be a quarterly update from APCM in late August unless significant changes needed to be made to the ordinances. Seeing no objection the meeting adjourned at 11:04 AM.

Attest:  
Melissa Henshaw, Deputy Clerk

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**Chapter 4.19**  
**SITKA PERMANENT FUND** Revised 8/16

Sections:

4.19.010 Fund established.

4.19.020 Annual transfer to permanent fund. Revised 8/16

**4.19.010 Fund established.**

Under Section 11.16 of the Home Rule Charter of the City and Borough of Sitka Charter there is established a separate fund: the Sitka Permanent Fund. The Sitka Permanent Fund consists of money appropriated to the Sitka Permanent Fund by the assembly. Such appropriation may be made by inclusion of the amounts to be appropriated in the annual budget or may be made by separate ordinance. (Ord. 01-1650 § 4(A), 2001.)

**4.19.020 Annual transfer to permanent fund.** Revised 8/16

As part of the annual budget submission to the assembly, the administrator will include an amount of funds to be transferred from the general fund to the permanent fund during the subsequent fiscal year. The purpose for the transfer will be to reduce the effective takeout from the permanent fund so that the purchasing power of the permanent fund is maintained as much as possible. The initial transfer will take place in FY2018 and will be one-half of one percent of the average market value of the Sitka Permanent Fund for the past three years, as measured on December 31st of each year. The amount of the annual transfer will increase by one-half of one percent per subsequent fiscal year, to a maximum of two percent. (Ord. 16-23 § 4, 2016.)

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# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 17-04    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 2/8/2017    In control: City and Borough Assembly

On agenda: 2/14/2017    Final action:

Title: Adjusting the FY17 Budget (Finance Department operations, pass-thru grant for Crescent Harbor Playground Renovation Project, Sitka Community Hospital equipment lease)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2017-04.pdf](#)  
[Ord 2017-04.pdf](#)  
[REVISED 2017-04 budget adjustment.pdf](#)  
[Memo Finance.pdf](#)  
[Memo SCH.pdf](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2017-04 on  
first reading.

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**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2017-04  
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA  
ADJUSTING THE FY17 BUDGET (FINANCE DEPARTMENT OPERATIONS, PASS-THRU  
GRANT FOR CRESCENT HARBOR PLAYGROUND RENOVATION PROJECT, SITKA  
COMMUNITY HOSPITAL EQUIPMENT LEASE)**

**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 FY17 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY17 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, 2016 and ending June 30, 2017 is hereby adjusted as follows:

<b><u>FISCAL YEAR 2017 EXPENDITURE BUDGETS</u></b>
<b>GENERAL FUND</b>
<b>Finance – Operations: The Finance Director has requested to re-appropriate funds in the amount of \$30,000 from personnel to contracted/purchased services. An outside accounting firm will help to finalize the FY16 CAFR due to the Deputy Finance Director position being vacant.</b>
<b>Other – Operations: This is to recognize a Grant from the Land &amp; Water Conservation Fund in the amount of \$124,999 for the Crescent Harbor Playground Renovation Project. This is a pass –thru Grant to Sitka Trail Works where the revenue and appropriations will be recorded through the General Fund in equal amounts.</b>
<b>Sitka Community Hospital- Capital: In the FY17 Budget, the Hospital budgeted \$130,000 for the Omnicell med-dispense system. They are requesting that this equipment be leased over a 5 year period. The total cost would come to \$160,000 and is requesting an additional appropriation of \$30,000 from the Hospital Working Capital.</b>

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**EXPLANATION**

**Necessary revisions in the FY 2017 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 28th Day of February, 2017.**

**ATTEST:**

\_\_\_\_\_  
**Matthew Hunter, Mayor**

\_\_\_\_\_  
**Melissa Henshaw, CMC**  
**Acting Municipal Clerk**

**1<sup>st</sup> reading 2/14/17**  
**2<sup>nd</sup> reading 2/28/17**

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**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2017-04**

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA  
ADJUSTING THE FY17 BUDGET (FINANCE DEPARTMENT OPERATIONS, PASS-THRU  
GRANT FOR CRESCENT HARBOR PLAYGROUND RENOVATION PROJECT, SITKA  
COMMUNITY HOSPITAL EQUIPMENT LEASE)**

**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.

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3. **PURPOSE.** The purpose of this ordinance is to adjust the FY17 budgets for known changes.

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<b><u>FISCAL YEAR 2017 EXPENDITURE BUDGETS</u></b>
<b>GENERAL FUND</b>
<b>Finance – Operations: The Finance Director has requested to re-appropriate funds in the amount of \$30,000 from personnel to contracted/purchased services. An outside accounting firm will help to finalize the FY16 CAFR due to the Deputy Finance Director position being vacant.</b>
<b>Other – Operations: This is to recognize a Grant from the Land &amp; Water Conservation Fund in the amount of \$124,999 for the Crescent Harbor Playground Renovation Project. This is a pass –thru Grant where the revenue and appropriations will be recorded through the General Fund in equal amounts.</b>
<b>Sitka Community Hospital- Capital: In the FY17 Budget, the Hospital budgeted \$130,000 for the Omnicell med-dispense system. They are requesting that this equipment be leased over a 5 year period. The total cost would come to \$160,000 and is requesting an additional appropriation of \$30,000 from the Hospital Working Capital.</b>

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**EXPLANATION**

**Necessary revisions in the FY 2017 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 28th Day of February, 2017.**

**ATTEST:**

\_\_\_\_\_  
**Matthew Hunter, Mayor**

\_\_\_\_\_  
**Melissa Henshaw, CMC**  
**Acting Municipal Clerk**

**1<sup>st</sup> reading 2/14/17**  
**2<sup>nd</sup> reading 2/28/17**

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## MEMORANDUM

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

**From:** Jay Sweeney, Chief Financial and Administrative Officer

**Date:** February 7, 2017

**Subject:** Finance-related Adjustments in Supplemental Budget Ordinance

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Mayor Hunter and Members of the Assembly,

The accompanying supplemental budget ordinance contains two finance-related appropriations/reappropriations.

The first is a request to reappropriate \$30,000 from wages and benefits in the Finance Department to contracted and purchased services. The Finance Department has experienced a vacancy in the Deputy Finance Director role since June, 2016; a new employee has accepted an employment offer but will not begin work until March 20<sup>th</sup>. To obtain professional assistance in preparing for external audit, the Finance Department previously requested a portion of the budgeted salary for the Deputy be reappropriated to purchased services. As the fiscal calendar is turning towards annual budget preparation requiring attention of the CFAO to shift, the Finance Department is requesting resources to obtain additional professional assistance in finalizing the 2016 CAFR. The draft 2016 CAFR is complete and has been posted on the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access (EMMA), as required by loan agreements with the Alaska Municipal Bond Bank Authority. Additional work, however, is needed to finalize the MD&A and statistical sections of the document. The additional amount of \$30,000 represents an estimated top-end amount required to complete all audit-related services including audit fees and professional assistance; if the appropriation is not fully spent (which is likely) the unspent portion will lapse on June 30<sup>th</sup> into the General fund balance. As of February 7<sup>th</sup>; the Finance Department had expended \$425,096, 44.49%, of its FY2016 salaries appropriation of \$868,104; normal expenditure by this date in the fiscal year would be 58.3% of the appropriation, or \$506,394. The Finance Department has also spent \$121,670, or 78%, of its FY2016 appropriation for contracted purchases and services of \$156,200 to date, and additional outlays are expected to finalize the audit and the CAFR. Assembly approval is required to transfer appropriations from wages and benefits to contracted and purchased services.

The second is an appropriation request to expend a grant from the Land and Water Conservation Fund for the Crescent Harbor Playground Renovation project. Even though 100% of the funding for the appropriation will come from the grant, an appropriation is required to expend public funds. As the ordinance indicates, this is a pass-through grant. No non-grant funds will be expended through this appropriation and the effect on the General Fund is \$0, as all expenditures will be matched by grant funds.



## MEMORANDUM

**To:** Mayor Hunter and Members of the Assembly,  
Mark Gorman, Administrator

**Cc:** Bryan Bertacchi, Hospital Board Chair  
Rob Allen, CEO

**From:** Steven Hartford, SCH Director of Operations

**Date:** November 2, 2016

**Subject:** Request for supplemental budget ordinance for Medical Equipment Lease

The Hospital had included \$130,000.00 for the acquisition of a medication dispensing system in its current year capital budget. The process for reviewing the product options available to the Hospital led to a decision to lease the equipment from a company known as Omnicell. This lease will be for a 60 month or 5 year period at a cost to the Hospital of \$2645.02 per month for a total of \$160,041.64 over the 5 year period.

Jay Sweeney has recommended that we seek an ordinance allowing us to supplement our current fiscal year capital budget by \$30,000 in order to cover the difference and ensure authority to expend the total amount over the 5 year period.

For your information I am attaching the memo and other materials we provided to our Board last month when they approved the project.



## MEMORANDUM

To: Board of Directors and Rob Allen, CEO

From: Steve Hartford, Director of Operations

Date: January 19, 2017

Re: **Recommendation for acquisition and lease financing of Omnicell Med-dispense system**

As you may recall, SCH made a determination last year that a high priority for medical equipment upgrades was to acquire a medication dispensing system also known as a dispensing cabinet. An "automated dispensing cabinet" (ADC) is a computerized drug storage device or cabinet designed for hospitals. ADCs allow medications to be stored and dispensed near the point of care while controlling and tracking drug distribution.

Hospital pharmacies have traditionally provided medications for patients by filling patient-specific cassettes of unit-dose medications that were then delivered to the nursing unit and stored in medication cabinets or carts. ADCs, which are designed to replace non-automated floor stock storage, were introduced in hospitals in the 1980s and have facilitated the transition to alternative delivery models and more decentralized medication distribution systems. These systems have become commonplace in our industry.

SCH's clinical leaders firmly believe that implementing automated dispensing cabinets as part of a decentralized or hybrid medication distribution system will improve patient safety and the accountability of the inventory, streamline certain billing processes, and ultimately, lead to increased nursing and patient satisfaction.

Because automated dispensing cabinets track user access and dispensed medications, their use can improve control over medication inventory. Furthermore, by restricting individual drugs – such as high-risk medications and controlled substances – to unique drawers within the cabinet, overall inventory management, patient safety, and medication security can be improved.

Automated cabinets can also enable providers to record medication charges upon dispensing; reducing the billing paperwork pharmacy is responsible for. In addition, nurses can note returned medications using the cabinets' computers, enabling direct credits to patients' accounts. Since the cabinet will be located in the medication room near the nurses' station, nurses will have speedier access to a patient's medications. Decreased wait time for medication can lead to less frustration for nursing staff and prevent conflict between the pharmacy and nursing staff. Also, shorter waiting time ensures improved patient comfort and care. This particular unit will allow us to integrate the system with our new EHR.



The selection of the product was made by a team of nurses led by our Acute Care Manager Kat Richards and which solicited input from our I.S. department, pharmacy and biomed. The process included selecting 3 of the top rated vendors for Critical Access Hospitals and with onsite and offsite demonstrations of each product. Ultimately Omnicell was determined to be the best fit for our operation and is highly rated by the industry led medical technology review association known as KLAS.

In December the Board approved the acquisition of this equipment by approving an allocation of \$130,000.00, leadership is recommending a plan to finance this acquisition using a 60 month financing vehicle offered by the vendor. The payments for this plan will come from our current capital budget and ensuing capital budgets over the next 5 years.

**We are requesting approval of the 60 month financing plan. It is our understanding that the Assembly will also have to approve this as it is a multi-year commitment.**

For your information I have attached the following:

- Vendor comparison analysis and recommendation prepared by Kat Richards;
- Term sheet from Omnicell including costs and financing details;
- Omnicell product information.

**Master Agreement ID** 20417-01

**Summary By Product**

**Start Date** 12/15/16

**Pricing Supplement ID** 5227465

**Expiration Date** 03/15/17

**Quote:** 5227465 Initial Automation with 3rd Carrier

**Price List** USA List

**Ship To ID** 20417  
 Sitka Community Hospital  
 209 Moller Avenue  
 Sitka AK 99835-7145

**Bill To ID** 20417  
 Sitka Community Hospital  
 209 Moller Avenue  
 Sitka AK 99835-7145

**Support Services Term / Level** 60 Months/Advantage

**Lease Term** 60 Months

		Product				Monthly Services	
Product	Description	Qty	Contract List Price	Unit Price	Extended Price	Unit Services	Extended Services
MED-CSD-001	XT CONTROLLED SUBSTANCE DISPENSER	1	\$393.19	\$137.62	\$137.62	\$65.00	\$65.00
MED-DRW-001	XT 48-BIN OPEN CONFIGURABLE DRW	5	\$49.15	\$3.09	\$15.45		
MED-DRW-003	XT MED 6-BIN DBL DEEP METAL LOCKING DRW	2	\$100.26	\$35.09	\$70.18		
MED-DRW-004	XT MED 10-BIN METAL LOCKING LID DRW	2	\$100.26	\$35.09	\$70.18		
MED-DRW-005	XT MED 18-BIN METAL LOCKING LID DRW	4	\$100.26	\$35.09	\$140.36		
MED-DRW-006	XT MED 27-BIN METAL LOCKING LID DRW	6	\$100.26	\$35.09	\$210.54		
MED-DRW-007	XT MED 36-BIN METAL LOCKING LID DRW	2	\$100.26	\$35.09	\$70.18		
MED-FRM-101	XT MED 1-CELL CABINET	1	\$685.15	\$239.81	\$239.81	\$105.00	\$105.00
	Solution Includes: * XT MED 1-CELL CABINET * SW LICENSE- SCHEDULED MEDS * SW LICENSE- PROFILE OPTION * XT SCANNER, WIRED (1,2,3 CELL) * XT CONSOLE- BIOID, MED LBL & RCPT PRNTR						
MED-FRM-102	XT MED 2-CELL CABINET	1	\$842.43	\$294.86	\$294.86	\$120.00	\$120.00
	Solution Includes: * XT MED 2-CELL CABINET * SW LICENSE- SCHEDULED MEDS * SW LICENSE- PROFILE OPTION * XT SCANNER, WIRED (1,2,3 CELL) * XT CONSOLE- BIOID, MED LBL & RCPT PRNTR						

		Product				Monthly Services	
Product	Description	Qty	Contract List Price	Unit Price	Extended Price	Unit Services	Extended Services
MED-OPT-002	XT EXTERNAL RETURN BIN, WIRED CAB MOUNT	2	\$64.88	\$22.71	\$45.42		
MED-OPT-009	XT MED PRINTER LABELS- BOX (6 ROLLS)	1	\$1.97	\$0.69	\$0.69		
MED-OPT-011	XT CSD STANDARD CASSETTE KT-32 LINE ITEM	1	\$58.98	\$20.64	\$20.64		
OMC-BDL-010	CAH BASE RACK SERVER BUNDLE	1	\$589.79	\$589.79	\$589.79	\$230.00	\$230.00
OMC-SCN-003	2D SAFETYSTOCK SERVER SUITE(SCANNER)	1	\$119.83	\$41.94	\$41.94		
SRD-OPT-012	XT FLEXLOCK WITH 50 FT CABLE,INSTALLED	2	\$77.66	\$27.18	\$54.36	\$20.00	\$40.00
SRD-SUB-001	TRAINING SUBSCRIPTION (5 YR)	1	\$83.33	\$83.00	\$83.00		
	Prices are calculated based on 60 month subscription term						
	<b>Total Monthly Product</b>		\$2,085.02				
	<b>Total Monthly Support Services</b>		\$560.00				
	<b>Grand Total Monthly</b>		\$2,645.02				
			<b>Total Product</b>		\$125,101.20		
			<b>Total Support Services</b>		\$33,600.00		
			<b>Total Shipping &amp; Handling</b>		\$1,340.44		
			<b>Grand Total</b>		\$160,041.64		
<b>Discount Included Above: \$169,478.40</b>							

		Product				Monthly Services	
Product	Description	Qty	Contract List Price	Unit Price	Extended Price	Unit Services	Extended Services
	<p>A purchase order for Support Services in the amount shown as Total Service Fees is included with this Pricing Supplement.</p> <p>The pricing being offered within this Pricing Supplement is contingent upon execution by Customer of the applicable Omnicell Master Agreement.</p> <p>The pricing being offered within this Pricing Supplement is contingent upon execution by Customer of the applicable Sole Source Letter Agreement.</p> <p>The pricing and terms being offered within this Pricing Supplement are contingent upon approved credit for Customer as received from the applicable credit entity.</p>						

**Master Agreement ID** 20417-01**Supplement****Start Date** 12/15/16**Pricing Supplement ID** 5227465**Expiration Date** 03/15/17**Quote:** 5227465 Initial Automation with 3rd Carrier**Price List** USA List**Ship To ID** 20417Sitka Community Hospital  
209 Moller Avenue  
Sitka AK 99835-7145**Bill To ID** 20417Sitka Community Hospital  
209 Moller Avenue  
Sitka AK 99835-7145**Support Services Term / Level** 60 Months/Advantage**Lease Term** 60 Months

1. This Pricing Supplement is subject to and incorporates by reference all of the terms and conditions as set forth within the Master Agreement identified above.
2. Any terms and conditions on any Purchase Order issued in conjunction with this Pricing Supplement shall be for reference purposes only and shall not become a part of the terms and conditions of this Pricing Supplement.
3. Customer acknowledges and agrees that it is Customer's obligation to pay the amounts as set forth on this Pricing Supplement and that such payment obligations are governed by the terms and conditions of the above referenced Master Agreement including all applicable scheduled, attachments and exhibits.
4. The undersigned hereby acknowledges that he/she has the authority to sign this Pricing Supplement and bind the Customer to the terms and conditions of this Pricing Supplement.

<b>OMNICELL, INC:</b>  Signature: _____  Print Name: _____  Title: _____  Date: _____	<b>CUSTOMER:</b>  Signature: _____  Print Name: _____  Title: _____  Date: _____
---	--

**\*\* Please fax all document pages to (650) 251-6240**

Attn: Sales Operations  
 Omnicell, Inc.  
 590 E. Middlefield Road  
 Mountain View, CA 94043  
 Phone: (650) 251-6000  
 Fax: (650) 251-6240

# Omniceil Automated Medication Dispensing Cabinets



**Omniceil**

Take on Tomorrow

# Achieve Safer, More Efficient

## HOW CAN YOU BETTER MANAGE MEDICATIONS IN TODAY'S ENVIRONMENT?

Omnicell understands nursing and pharmacy challenges, and we design our automated medication dispensing cabinets to address them.

- Clinician-preferred ease of use
- Durable, reliable hardware
- Lowest cost of ownership
- Regular software upgrades included with industry-leading service program
- Seamless integration with health care information systems
- Advanced security and diversion prevention
- Innovations that improve workflow and compliance

*Nurses are interrupted approximately once every 5 minutes.<sup>1</sup>*

*Patient safety and quality of care are tied to nurse satisfaction.<sup>2</sup>*

*Nearly \$1 billion paid to hospitals in the next year will be based in part on patient satisfaction.<sup>3</sup>*

*"We found that Omnicell's advanced technology is unparalleled in the market. Omnicell's interoperability, user-friendly interface and forward-thinking approach to medication management set them apart in our search."*

**Jeff St. Clair, President and CEO**  
Springhill Medical Center

### Highest KLAS Honors for 10 Consecutive Years

#### #1 Overall pharmacy automation equipment vendor (2013 - 2015)<sup>4</sup>

##### Best in KLAS:

- Automated Medication Dispensing Units: 2010-2015

##### Category Leader:

- Automated Medication Dispensing Units: 2006-2011<sup>5</sup>

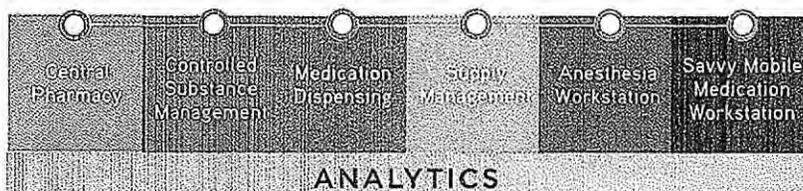


## Integration That Saves Time, Prevents Errors

As part of the Unity enterprise platform, Omnicell automated medication dispensing systems share a single medication database. This integration helps to save time, simplify user account management, reduce errors, and minimize system maintenance and IT involvement.

**Interoperability**—Integration between the Omnicell automated dispensing cabinet and electronic health record (EHR) saves clinicians steps in medication workflow.

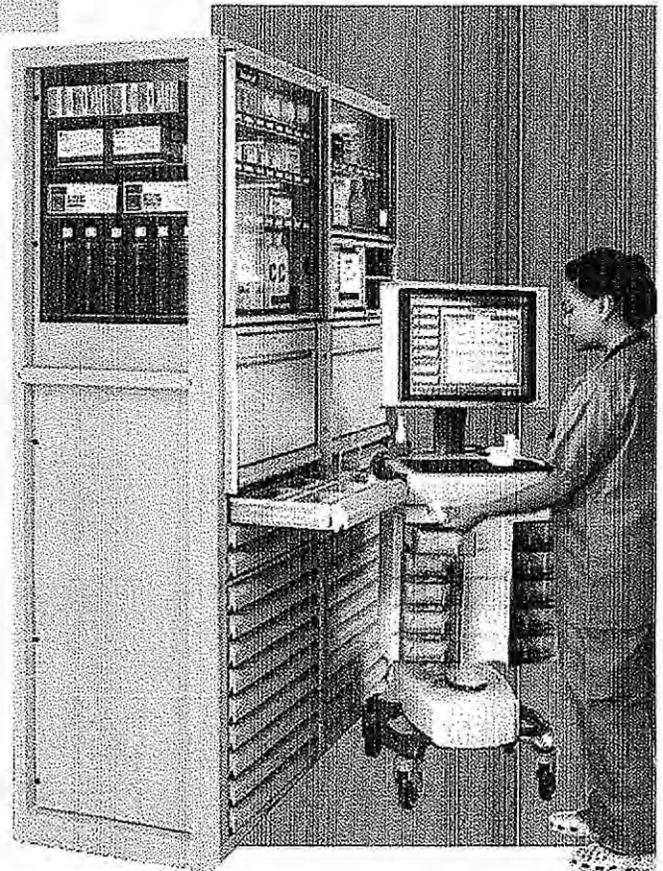
### Unity Enterprise Platform



## Leading Technology Fits Enterprises of All Sizes

The scalable, enterprise-class OmniCenter<sup>®</sup> server centrally manages your Omnicell medication and supply dispensing systems.

- Holds up to seven years of data
- Remote access from any PC connected to the hospital's network
- Comprehensive array of reports for inventory and clinical management
- Supports multiple sites and multiple time zones — up to 1,000 cabinets on a single server
- Choice of physical or virtual platforms
- Employs the latest technology
- EHR Modular Certification supports meaningful use
- Enterprise analytics improve inventory management and diversion detection



<sup>1</sup> Brixey JJ, Robinson DJ, Tang Z, et al. Interruptions in workflow for RNs in a level one trauma center. *AMIA Annu Symp Proc.* 2005;86-90. <sup>2</sup> Aiken LH, Sermeus W, Van den Heede K. Patient safety, satisfaction, and quality of hospital care: cross sectional surveys of nurses and patients in 12 countries in Europe and the United States. *BMJ.* March 20, 2012;344:e1717. <sup>3</sup> Adamy J. U.S. ties hospital payments to making patients happy. *Wall Street Journal.* October 14, 2012. Accessed online 2/5/13. <sup>4</sup> Best in KLAS Awards: *Medical Equipment report*; 2006-2015. ©2015 KLAS Enterprises, LLC. All rights reserved. [www.KLASresearch.com](http://www.KLASresearch.com) <sup>5</sup> This Category Leader award was discontinued in 2012 and combined with Best in KLAS. <sup>6</sup> Joint Commission 2013 Hospital National Patient Safety Goals (NPSG.03.04.01 relates to labeling medications). <sup>7</sup> Cohen H, Robinson ES, Mandrack M. Getting to the root of medication errors: survey results. *Nursing* 2003. 2003;33(9):36-45. <sup>8</sup> Monegan B. Nurse interrupted: South Jersey Hospital uses technology to reduce disruptions, avoid errors. *Healthcare IT News.* June 2010. Accessed online 2/14/13. <sup>9</sup> Data collection from cabinet log file analysis. <sup>10</sup> Omnicell beta customer data on file.

# Workflow

## SATISFIED NURSES, SAFER PATIENTS

### How are you complying with National Patient Safety Goal 03.04.01?<sup>6</sup>

Unlabeled medications pose a patient safety hazard and a Joint Commission compliance issue.

**Solution:** Omnicell offers a Medication Label Printer integrated within the automated dispensing cabinet (ADC), allowing nurses to print patient-specific labels during medication issue.

### How often are your nurses interrupted while preparing for medication passes?

Interruptions during medication administration were cited as the top reasons for medication errors.<sup>7</sup>

**Solution:** Anywhere RN™ remote medication management software allows nurses to remotely manage medications in quieter areas with fewer distractions.

- 54% of nurses reported reduced interruptions in the medication administration process.<sup>8</sup>
- ADC medication removal time decreased 33%.<sup>9</sup>

Anywhere RN now integrates within the Epic and Cerner electronic health record (EHR) systems.

### How do you manage patient-specific medications?

Patient-specific items not stored in the ADC must be managed manually, increasing the risk of loss, diversion, missing doses, and other medication errors.

**Solution:** SinglePointe™ patient medication management software enables up to 100% of a patient's medications to be managed via the ADC.

- Missing doses decreased 30%<sup>10</sup>
- Returns/credits decreased 80%<sup>10</sup>

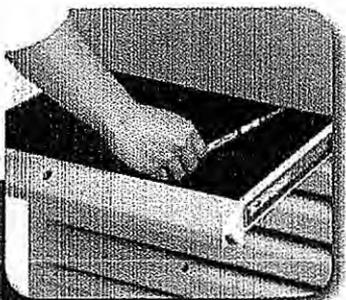
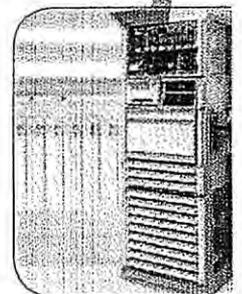
### How much time are nurses spending on narcotic countbacks?

Tedious narcotic counts at the ADC—and the inevitable recounts to resolve discrepancies—take time away from patients.

**Solution:** The OmniDispenser™ single-dose dispensing module secures medications in a separate location in the ADC and dispenses each dose individually, virtually eliminating the need for countbacks.



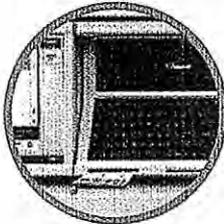
Anywhere RN



# Workflow

## Work Smarter With Omnicell Cabinets

Select items for each patient via touch screen computer interface

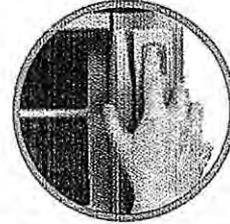


Print patient-specific labels with integrated Medication Label Printer

Dispense each dose individually with OmniDispenser



Identify location of selected items with guiding lights

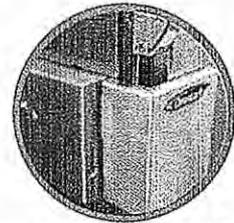


Have fast yet secure access with advanced Touch & Go™ biometric ID system

Confirm correct item with SafetyStock® bar code scanning



Secure unused medication in the external return bin



Secure refrigerated medications and monitor temperature to meet CDC guidelines with FlexLock

*Omnicell One-Cell Cabinet With OmniDispenser Module*

To learn more about Omnicell medication management systems, please contact your Omnicell representative or visit [www.Omnicell.com](http://www.Omnicell.com).



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-017      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 2/8/2017      In control: City and Borough Assembly

On agenda: 2/14/2017      Final action:

Title: Discussion/Direction on electric utility rate increases

Sponsors:

Indexes:

Code sections:

Attachments: [Disc Dir electric utility rate increases.pdf](#)  
[Revised presentation - Rates FY18 Rev2 2-14-2017.pdf](#)

Date	Ver.	Action By	Action	Result
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**DISCUSSION ~ DIRECTION**  
on electric utility rate increases.





# ELECTRIC DEPARTMENT – RATES

## Key Rate Issues for FY17-FY18

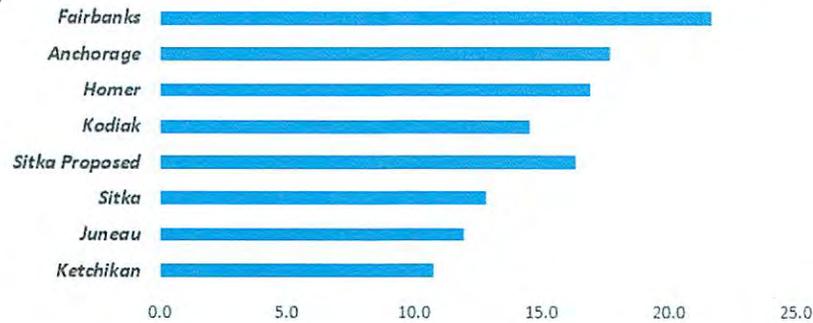
- Since 2015 Rates have leveled to 103-105 million kwhr/yr
- Early analysis shows FY17 Load trending down by 1% to flat
- Range of revenue \$13.9-14.2 m
- Upside – Expenses expected to be under budget
- Existing \$ in Rate Stabilization fund – \$1.65 m
- Balance of undesignated funding required for FY17
  - Early Guess of approx. \$589,000
  - Range of \$200,000 to \$1.2 m
  - Funding source???

## Options to Balance the Enterprise Fund

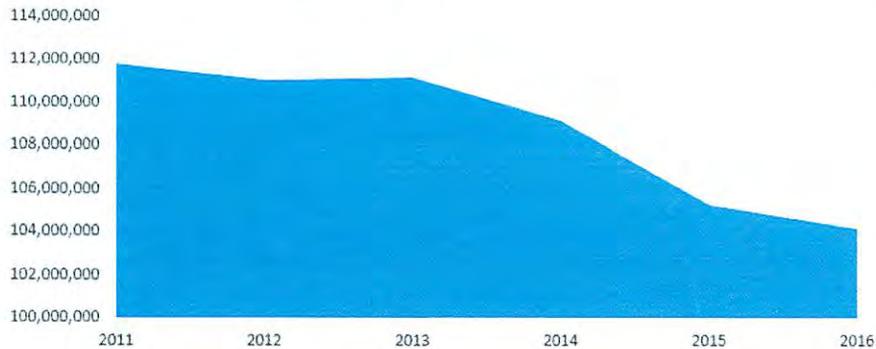
- Rate Increase
- 15% Rate Increase Proposed for FY18
  - ✓ Heat Pumps remain at ½ the cost of fuel oil to operate
  - ✓ Residential rate up from 13 cents to 15 cents
  - ✓ First Tier on General Service Commercial unchanged <500 kwhrs @ 18 cents
  - ✓ Monthly Fees unchanged
  - ✓ Boat Service Tier 2 matches Tier 2 Residential (11% not 15%)
- Early Rate Increase to help balance FY17
  - ✓ Mar 1 FY17 – \$700,000 estimated additional FY17 revenue
  - ✓ Apr 1 FY17 - \$500,000 estimated additional FY17 revenue



COMPARABLE FY17  
ALASKA ENERGY RATES



Sitka Historical Load



## ELECTRIC ENTERPRISE FUND **FY18** RATE CALCULATOR

### INPUTS YOU CAN CHANGE

% Change in FY18 Load (-5% to 5%)	-1%
% Change in FY18 Elect Rates	15.0%
Months of Changed Rate in FY18	100%
Funds from OTHER \$	0
Funds from Rate Stabilization Acct	0
% Reduction in non-labor expense	4%

### CALCULATIONS and FIXED #

Original Elect Rate \$/kwhr	0.1423
Adjusted Elect Rate \$/kwhr	0.1636
Original KWHrs Sold -	104,156,400
Adjusted KWHrs Sold -	103,114,836
Calculated Electric Revenue (Sales)	16,872,330
Other Revenue (fixed, Federal)	550,394
Funds from "Other" and Rate Stabiliz	0
Operations Costs Labor (fixed)	(4,200,000)
Adjusted Operations Costs, Non Labor	(4,119,400)
Interest and Principal on Loan (AEA)	(614,076)
Interest on Bonds(fixed)	(7,913,517)
Interest on Bonds net of Fed Revenue	(7,363,123)
Bond 25% adder	(1,840,781)
<b>OVERALL Revenue Requirement</b>	<b>(16,909,228)</b>

**REQUIRED TARGET IS ZERO** **(36,898)**  
**FOR BOND COVENANT AND CAPITAL PLAN**



# ELECTRIC DEPARTMENT

Operating a Heat Pump is  $\frac{1}{2}$  the Cost of Fuel oil

## HEAT PUMP versus FUEL OIL

<u>FUEL OIL</u>	Value	Units
Fuel Oil Heating Value	130,000	btu/gal
Modern Fuel Oil Stove Efficiency	85%	%
Price of Fuel #1 Delivered	2.7	\$/gal
CALCULATED	110,500	btu/gal
CALCULATED	40,926	btu/\$

<u>HEAT PUMP</u>	Value	Units
HSPF (typical Sitka, Fujitsu RLS3)	12.5	
Efficiency	12,500	btu/kw
Cost of Power	0.16	\$/kwhr
CACLULATED	78,125	btu/\$

HEAT PUMP IS 0.523852  
THE COST OF FUEL OIL



# ELECTRIC DEPARTMENT

## RESIDENTIAL CUSTOMERS

<u>RESIDENTIAL</u>	Before Oct-2016	After Oct-2016	Proposed Apr-2017
First 200 kWhrs	0.0858	0.1203	0.1383
Next 800 kWhrs	0.1145	0.1203	0.1383
Over 1000 kWhrs	0.1305	0.137	0.1576
Customer Charge	19.5	20.48	20.48

Typical Residential Monthly kWhrs	\$/mo	\$/mo	\$/mo
1500	193.51	209.28	237.58
2000	258.76	277.78	316.38
<b>Incremental %</b>		7.4%	13.9%
<b>Total % Net Increase from 10/2016</b>			<b>22.3%</b>

	\$/yr	\$/yr	\$/yr
1500	2322.12	2511.36	2850.96
2000	3105.12	3333.36	3796.56



# ELECTRIC DEPARTMENT

## SMALL COMMERCIAL CUSTOMERS

<u>SMALL COMMERCIAL</u>	Before Oct-2016	After Oct-2016	Proposed Apr-2017
First 500 kWhrs	0.1771	0.186	0.186
Next 500-10000 kWhrs	0.1246	0.1308	0.1504
10,000-100,000	0.1218	0.1279	0.1471
Over 100,000 kWhrs	0.119	0.125	0.1438
Customer Charge	39	40.95	40.95

Typical Commercial Monthly kWhrs	\$/mo	\$/mo	\$/mo
5000	688.25	722.55	810.75
20000	2529.25	2655.55	3033.75
<b>Incremental %</b>		5.0%	14.2%
<b>Total % Net Increase from 10/2016</b>			<b>19.9%</b>

	\$/yr	\$/yr	\$/yr
1500	8259	8670.6	9729
2000	30351	31866.6	36405



# ELECTRIC DEPARTMENT

## LARGE COMMERCIAL CUSTOMERS

### LARGE COMMERCIAL

	<b>Before Oct-2016</b>	<b>After Oct-2016</b>	<b>Proposed Apr-2017</b>
First 500 kWhrs	0.1771	0.186	0.186
Next 500-10000 kWhrs	0.1241	0.1303	0.1498
10,000-100,000	0.1213	0.1274	0.1465
Over 100,000 kWhrs	0.1184	0.1244	0.1431
Customer Charge	60	63	63

<b>Typical Commercial Monthly kWhrs</b>	<b>\$/mo</b>	<b>\$/mo</b>	<b>\$/mo</b>
100000	12244.5	12859.85	14764.1
150000	18164.5	19079.85	21919.1
<b>Incremental %</b>		5.0%	14.9%
<b>Total % Net Increase from 10/2016</b>			<b>20.7%</b>

	<b>\$/yr</b>	<b>\$/yr</b>	<b>\$/yr</b>
1500	146934	154318.2	177169.2
2000	217974	228958.2	263029.2



# ELECTRIC DEPARTMENT

## BOAT SERVICE

<u>BOAT SLIP</u>	Before Oct-2016	After Oct-2016	Proposed Apr-2017
First 150 kWhrs	0.1353	0.142	0.142
All Remaining	0.1353	0.142	0.1576
Customer Charge	8.75	20.48	20.48

Typical Residential Monthly kWhrs	\$/mo	\$/mo	\$/mo
150	29.045	41.78	41.78
300	49.34	63.08	65.42
Incremental %		27.8%	3.7%
<b>Total % Net Increase from 10/2016</b>			<b>32.6%</b>

	\$/yr	\$/yr	\$/yr
1500	348.54	501.36	501.36
2000	592.08	756.96	785.04



# **ELECTRIC DEPARTMENT**

# **QUESTIONS**

2/8/2017

City and Borough of Sitka



# ELECTRIC DEPARTMENT – RATES

## Key Rate Issues FY18

- Approximate **2.2M/Year NEEDED** for FY18 and Forward
- Rate Increase on Residential of **13 cents/kwhr to 15 cents/kwhr needed**
- Load is the **VARIABLE** - has leveled to 103-105 million kwhr/yr
- Range of current revenue \$13.9-14.2 m

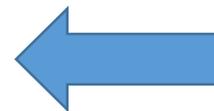
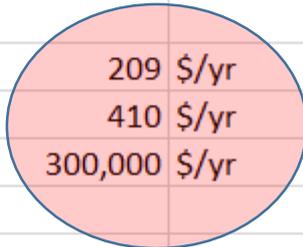
## Options to Balance the Enterprise Fund

- Property Tax** Ballot Initiative REV 2 – Specifically Targeted, 1 mil = \$1 m
  - ✓ \$1 m revenue cuts the rate increase by 50%
- Increase **Summer Sales Tax** from 6% to 7% - approx. \$1 m
- Continue **subsidization** by General Fund, Permanent Fund, or other.
- Severance Tax** – Fish and Gravel, \$1 m
- Rate Increase 15%**
  - ✓ Residential rate up from 13 cents to 15 cents
  - ✓ First Tier on General Service Commercial unchanged < 500 kWhrs @ 18 cents
  - ✓ Monthly Fees unchanged
  - ✓ Boat Service Tier 2 matches Tier 2 Residential (11% not 15%)
  - ✓ Heat Pumps remain at ½ the cost of fuel oil to operate
- Early rate increase to help balance FY17**
  - ✓ Apr 1 FY17 - \$500,000 estimated additional FY17 revenue
  - ✓ Early Guess of approx. \$589,000 needed
  - ✓ Range of \$200,000 to \$1.2 m



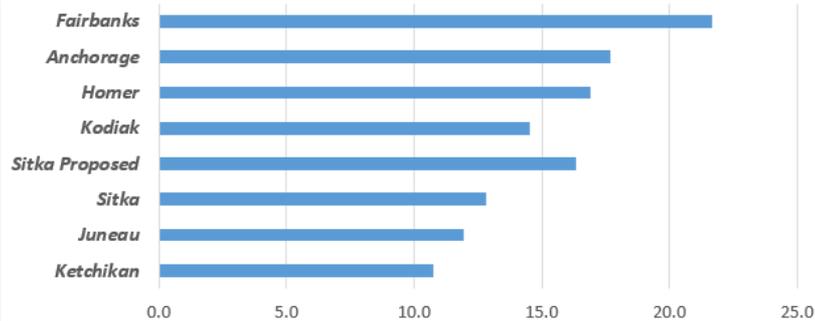
# ELECTRIC DEPARTMENT

<u>60,000 FT VIEW of ELECTRIC RATES</u>		
Current Elect Rate (Approx)	14	cents
Proposed Elect Rate (Approx, 15%)	16	cents
Approximate Total Annual Revenue	14.7	million \$
Shortfall \$/yr	2.2	million \$
15% Rate Increase Generates \$	2.2	million \$
Fish Processing accounts for \$/yr	2.0	million \$
Total Citizens	8929	
Total Households	4566	
Need to collect per Citizen	209	\$/yr
or Need to collect per Household	410	\$/yr
or Need to collect from Fish Processing	300,000	\$/yr
<u>If you do not raise large Commercial</u>		
Need to collect per Citizen	246	\$/yr
or Need to collect per Household	482	\$/yr
or Need to collect from Fish Processing	0	\$/yr
<u>Seasonal Rates</u>		
Proposed w/o seasonal	16	cents
Summer	21	cents
Winter	11	cents

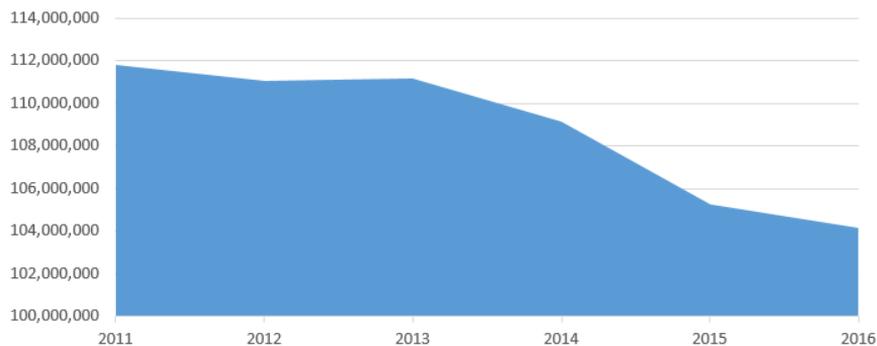




COMPARABLE FY17  
ALASKA ENERGY RATES



Sitka Historical Load



## ELECTRIC ENTERPRISE FUND FY18

### RATE CALCULATOR

#### INPUTS YOU CAN CHANGE

% Change in FY18 Load (-5% to 5%)	-1%
% Change in FY18 Elect Rates	15.0%
Months of Changed Rate in FY18	100%
Funds from OTHER \$	0
Funds from Rate Stabilization Acct	0
% Reduction in non-labor expense	4%

#### CALCULATIONS and FIXED #

Original Elect Rate \$/kwhr	0.1423
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Adjusted Operations Costs, Non Labor	(4,119,400)
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Interest on Bonds(fixed)	(7,913,517)
Interest on Bonds net of Fed Revenue	(7,363,123)
Bond 25% adder	(1,840,781)
<b>OVERALL Revenue Requirement</b>	<b>(16,909,228)</b>

**REQUIRED TARGET IS ZERO**

**(36,898)**

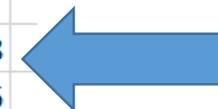
**FOR BOND COVENANT AND CAPITAL PLAN**



# ELECTRIC DEPARTMENT

## RESIDENTIAL CUSTOMERS

<b>RESIDENTIAL</b>	<b>Before</b>	<b>After</b>	<b>Proposed</b>
	<b>Oct-2016</b>	<b>Oct-2016</b>	<b>Apr-2017</b>
First 200 kWhrs	0.0858	0.1203	0.1383
Next 800 kWhrs	0.1145	0.1203	0.1383
Over 1000 kWhrs	0.1305	0.137	0.1576
Customer Charge	19.5	20.48	20.48
<b>Typical Residential Monthly kWhrs</b>	<b>\$/mo</b>	<b>\$/mo</b>	<b>\$/mo</b>
1500	\$194	\$209	\$238
2000	\$259	\$278	\$316
<b>Incremental %</b>		7.4%	13.9%
<b>Total % Net Increase from 10/2016</b>			<b>22.3%</b>
	<b>\$/yr</b>	<b>\$/yr</b>	<b>\$/yr</b>
1500	\$2,322	\$2,511	\$2,851
2000	\$3,105	\$3,333	\$3,797





# ELECTRIC DEPARTMENT

## SMALL COMMERCIAL CUSTOMERS

<b>SMALL COMMERCIAL</b>	<b>Before Oct-2016</b>	<b>After Oct-2016</b>	<b>Proposed Apr-2017</b>
First 500 kWhrs	0.1771	0.186	0.186
Next 500-10000 kWhrs	0.1246	0.1308	0.1504
10,000-100,000	0.1218	0.1279	0.1471
Over 100,000 kWhrs	0.119	0.125	0.1438
Customer Charge	39	40.95	40.95
<b>Typical Commercial Monthly kWhrs</b>	<b>\$/mo</b>	<b>\$/mo</b>	<b>\$/mo</b>
5000	\$688	\$723	\$811
20000	\$2,529	\$2,656	\$3,034
<b>Incremental %</b>		5.0%	14.2%
<b>Total % Net Increase from 10/2016</b>			<b>19.9%</b>
	<b>\$/yr</b>	<b>\$/yr</b>	<b>\$/yr</b>
5000	\$8,259	\$8,671	\$9,729
20000	\$30,351	\$31,867	\$36,405

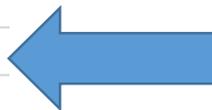




# ELECTRIC DEPARTMENT

## LARGE COMMERCIAL CUSTOMERS

<b><u>LARGE COMMERCIAL</u></b>	<b>Before</b>	<b>After</b>	<b>Proposed</b>
	<b>Oct-2016</b>	<b>Oct-2016</b>	<b>Apr-2017</b>
First 500 kWhrs	0.1771	0.186	0.186
Next 500-10000 kWhrs	0.1241	0.1303	0.1498
10,000-100,000	0.1213	0.1274	0.1465
Over 100,000 kWhrs	0.1184	0.1244	0.1431
Customer Charge	60	63	63
<b>Typical Commercial Monthly kWhrs</b>	<b>\$/mo</b>	<b>\$/mo</b>	<b>\$/mo</b>
100000	\$12,245	\$12,860	\$14,764
150000	\$18,165	\$19,080	\$21,919
<b>Incremental %</b>		5.0%	14.9%
<b>Total % Net Increase from 10/2016</b>			<b>20.7%</b>
	<b>\$/yr</b>	<b>\$/yr</b>	<b>\$/yr</b>
100000	\$146,934	\$154,318	\$177,169
150000	\$217,974	\$228,958	\$263,029





# ELECTRIC DEPARTMENT

**BOAT SERVICE** — Note monthly charge increased to repair harbor meters\_\$8.75 to \$20.48

<b>BOAT SLIP</b>	<b>Before</b>	<b>After</b>	<b>Proposed</b>
	<b>Oct-2016</b>	<b>Oct-2016</b>	<b>Apr-2017</b>
First 150 kWhrs	0.1353	0.142	0.142
All Remaining	0.1353	0.142	0.1576
Customer Charge	8.75	20.48	20.48
<b>Typical Residential Monthly kWhrs</b>	<b>\$/mo</b>	<b>\$/mo</b>	<b>\$/mo</b>
150	\$29	\$42	\$42
300	\$49	\$63	\$65
<b>Incremental %</b>		27.8%	3.7%
<b>Total % Net Increase from 10/2016</b>			<b>32.6%</b>
	<b>\$/yr</b>	<b>\$/yr</b>	<b>\$/yr</b>
150	\$349	\$501	\$501
300	\$592	\$757	\$785





# ELECTRIC DEPARTMENT

## QUESTIONS



# ELECTRIC DEPARTMENT

Operating a Heat Pump is  $\frac{1}{2}$  the Cost of Fuel oil @ 16 cent Electricity

<b>HEAT PUMP versus FUEL OIL</b>		
<b>FUEL OIL</b>	Value	Units
Fuel Oil Heating Value	130,000	btu/gal
Modern Fuel Oil Stove Efficiency	85%	%
Price of Fuel #1 Delivered	2.7	\$/gal
CALCULATED	110,500	btu/gal
CALCULATED	40,926	btu/\$
<b>HEAT PUMP</b>		
	Value	Units
HSPF (typical Sitka, Fujitsu RLS3)	12.5	
Efficiency	12,500	btu/kw
Cost of Power	0.16	\$/kwhr
CALCULATED	78,125	btu/\$
HEAT PUMP IS	0.523852	
THE COST OF FUEL OIL		



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 17-018      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 2/8/2017      In control: City and Borough Assembly

On agenda: 2/14/2017      Final action:

Title: Discussion/Direction/Decision on extending an invitation to President Donald Trump to the Sesquicentennial Commemoration in October 2017

Sponsors:

Indexes:

Code sections:

Attachments: [Invitation to President Donald Trump.pdf](#)

Date	Ver.	Action By	Action	Result
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## **DISCUSSION ~ DIRECTION ~ DECISION**

on extending an invitation to  
President Donald Trump to the Sesquicentennial  
Commemoration in October 2017.

