



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

Tuesday, March 28, 2017

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

V. CEREMONIAL MATTERS

[17-052](#) Proclamation - AmeriCorps Day

Attachments: [AmeriCorps Day.pdf](#)

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

[17-053](#) Sea Lion Education - NOAA, Kim Raum Suryan

Attachments: [Sea Lion Education.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** [17-054](#) Approve the minutes of the March 9, 14, and 16 Assembly meetings

Attachments: [Minutes.pdf](#)

- B** [RES 17-06](#) Authorizing a grant application to the Rasmuson Foundation for Crescent Harbor Playground renovation

Attachments: [Memo Sitka Community Playground Committee.pdf](#)

[Memo Finance Dept.pdf](#)

[Res 2017-06.pdf](#)

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- C** [17-048](#) Appoint: 1) Sheila Finkenbinder to a term on the Gary Paxton Industrial Park Board, and, 2) George D. Bennett Jr. and Shannon Freitas to terms on the Local Emergency Planning Committee

Attachments: [Motion and Finkenbinder app.pdf](#)

[Bennett app.pdf](#)

[Freitas app.pdf](#)

XI. UNFINISHED BUSINESS:

- D** [17-056](#) Discussion/Direction regarding the Municipal Administrator selection process (possible executive session)

Attachments: [Discussion Direction Municipal Administrator selection.pdf](#)

- E** [ORD 17-05S](#) Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates"

Attachments: [Ord 2017-05S.pdf](#)

- F** [ORD 17-06S](#) Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates" to allow for a seasonal increase in electrical rates

Attachments: [Ord 2017-06S.pdf](#)

[Key Rate Issues FY18..pdf](#)



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-052 **Version:** 1 **Name:**
Type: Item **Status:** AGENDA READY
File created: 3/21/2017 **In control:** City and Borough Assembly
On agenda: 3/28/2017 **Final action:**
Title: Proclamation - AmeriCorps Day
Sponsors:
Indexes:
Code sections:
Attachments: [AmeriCorps Day.pdf](#)

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

Proclamation

AmeriCorps Day

- WHEREAS,** service to others is a hallmark of the American character, and throughout our history citizens have stepped up to meet our challenges by volunteering in their communities; and
- WHEREAS,** AmeriCorps programs, including AmeriCorps State & National, AmeriCorps VISTA, and Jesuit Volunteer Corps Northwest, have proven to be a highly effective in engaging Americans to meet national, state and community needs; and
- WHEREAS,** each year AmeriCorps programs provide opportunities for Alaskans to give back in an intensive way to our communities, our state and our country; and
- WHEREAS,** this year, through AmeriCorps programs, more than 630 Alaskans are devoting their talent and energy to meeting critical educational, environmental, public, and other human service needs through service to nonprofit, governmental, and community based organizations; and
- WHEREAS,** AmeriCorps members, after their terms of service end, remain engaged in our communities as volunteers, teachers, public servants, and nonprofit leaders in disproportionately high levels; and
- WHEREAS,** April 4th, as part of Mayors Day of Recognition for National Service, is an opportune time for the people of Alaska to salute AmeriCorps members and alumni for their service, thank AmeriCorps' community partners, and bring more Americans into service.

NOW, THEREFORE, BE IT RESOLVED, that the Assembly of the City and Borough of Sitka, does hereby proclaim April 4th as **AmeriCorps Day** in Sitka and urges all citizens to thank our local AmeriCorps members and alumni for their service.

Signed and sealed this 28th day of March, 2017.




Matthew Hunter, Mayor

ATTEST:


Sara Peterson, CMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-053 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 3/21/2017 In control: City and Borough Assembly
On agenda: 3/28/2017 Final action:
Title: Sea Lion Education - NOAA, Kim Raum Suryan
Sponsors:
Indexes:
Code sections:
Attachments: [Sea Lion Education.pdf](#)

Date	Ver.	Action By	Action	Result
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Special Report

Sea Lion Education - NOAA, Kim Raum Suryan



— Take the **LEAD** —

DO NOT FEED!

*Feeding sea lions causes
problems for us **ALL***



- ◆ Habituation
- ◆ Aggression
- ◆ Negative impacts to fisheries
- ◆ Entanglement
- ◆ Injury
- ◆ Death

HABITUATION AND AGGRESSION: Sea lions lose their natural wariness of humans and associate people with food. This often results in dangerous and unpredictable behavior towards people.

FISHERMEN LOSE GEAR, TIME, & MONEY: Feeding changes the natural behaviors of sea lions, decreasing their willingness to find their own food, and increasing chances they will steal fish (and gear) from fishermen. Fishermen have been injured.

SEA LION ENTANGLEMENT, INJURY, & DEATH: These changed behaviors may be passed to other sea lions which increases their risk of injury from boats, entanglement in fishing gear, and intentional harm by people frustrated with the behavioral changes.

**REMEMBER... It is ILLEGAL
to feed sea lions**



1-800-853-1964
PLEASE REPORT VIOLATIONS



NOAA
FISHERIES



IS YOUR PHOTO WORTH THIS RESULT?



How Can You Help?

- ◆ **DO NOT FEED SEA LIONS!**
- ◆ Educate others about the negative impacts of feeding sea lions and discourage the practice when possible.
- ◆ Encourage a “no feeding” policy in your community.
- ◆ Keep a clean dock and boat – do not leave whole fish or discarded fish pieces where sea lions can reach them.

The Benefit?

Sea lions remain wild...
People (and sea lions) remain safe



PLEASE REPORT VIOLATIONS: 1-800-853-1964



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-054 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 3/21/2017 In control: City and Borough Assembly
On agenda: 3/28/2017 Final action:
Title: Approve the minutes of the March 9, 14, and 16 Assembly meetings
Sponsors:
Indexes:
Code sections:
Attachments: [Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEMS A & B**

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 March 9, 14, and 16 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

Thursday, March 9, 2017

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Swanson, Eisenbeisz, Guevin, Hunter, Knox, and Bean

Telephonic: 1 - Potrzuski

IV. PERSONS TO BE HEARD

None.

V. NEW BUSINESS:

A 17-029

Executive Summary of the FY18 General Fund budget from Chief Finance and Administrative Officer including decrements

Jay Sweeney, Chief Finance and Administrative Officer, reviewed critical aspects of the FY18 budget, outlined uncertainties in the budget due to external decisions not yet made, and answered questions from Assembly members on individual items included in the decrement list: SEDA funding, Sitka Community Playground, Senior Center transportation, Police Officer position, and Electric Department subsidization.

Full Decrement List:

Administrator/Assembly/Clerk (\$6,474 - travel and training; \$35,000 - lobbying; \$2,000 - Administrator/Mayor contingencies; \$23,500 - other expenses)
Non-Profits (\$6,300 SEDA; \$10,800 Historical Society; \$40,000 Sitka Community Playground)
Senior Center (\$38,000 - transportation/vehicles)
Finance (\$16,200 - travel and training)

Assessing (\$63,000 - temp wages)
 Planning and Community Development (\$1,000 - travel and training;
 \$44,500 - contracted/purchased services; \$1,200 - other expenses)
 Police (\$75,000 - contracted/new building; \$93,743 - Police Officer position;
 \$10,000 - training and travel; \$12,816 - overtime)
 Fire (\$40,000 - overall reduction)
 Public Works (\$214,000 - overall reduction)
 Library (\$2,000 - travel and training; \$300 - cell phone stipend; \$300 - supplies,
 \$3,040 - repairs/maintenance; \$525 - contracted/purchased services; \$500 - tools/small
 equipment; \$500 - advertising; \$500 - rent equipment; \$10,000 - books and publications;
 \$3,000 - other expense)
 Harrigan Centennial Hall (\$3,000 - overall reduction)

B 17-030

Discussion/Direction of budget requests not included in the FY18 budget: 1) the RIDE, and 2) Others (*Assembly action may be taken*)

Guevin, disclosed he was employed by Sitka Tribe of Alaska, one of the three RIDE operational partners. While in support of public transportation, Guevin stated he did not feel pressure from his employer to vote in favor of the funding request, and had spoke with Municipal Attorney, Brian Hanson, about any possible conflict of interest. Hanson did not feel there was a conflict of interest. Mayor Hunter ruled Guevin did not have a conflict of interest and welcomed him to participate.

Connie Sipe, Executive Director of Center for Community, and Erin Walker-Tolles, Executive Director of Catholic Community Service spoke to the funding requests for the RIDE and Senior Center. Sipe and Walker-Tolles urged the Assembly to support the funding requests.

Bob Purvis and Sandy Koval, Senior Center Manager, voiced support for the RIDE and Senior Center funding requests.

Alene Henning, spoke to a concern outside of these two funding requests; cell phone use while driving. She reminded this use was against the law.

A motion was made by Guevin to reinstate the funding for the Senior Center Care-A-Van in the amount of \$38,000 for the FY18 budget. The motion PASSED by the following vote.

Yes: 6 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, and Knox

No: 1 - Bean

A motion was made by Guevin to include \$25,000 in the FY18 budget for the RIDE. The motion PASSED by the following vote.

Yes: 4 - Guevin, Potrzuski, Hunter, and Knox

No: 3 - Swanson, Eisenbeisz, and Bean

C 17-023

Discussion/Direction of the FY18 Municipal Budget and as it relates to the General Fund, other Funds, the School District and the Sitka Community Hospital (*Assembly action may be taken*)

Garry White, Sitka Economic Development Director, and Roger Hames urged the Assembly to reconsider the reduction of \$6,300 to SEDA. White reminded SEDA had previously taken a 10% cut resulting in a reduction of staff hours. He added the proposed reduction would result in a further reduction of staff hours. Hames reminded the Assembly of the importance of economic development in Sitka and the role that SEDA fills.

Fred Reeder, spoke to the possible removal of the senior sales tax exemption and urged the Assembly to consider eligibility requirements similar to that of the Alaska Permanent Fund Dividend rather than the proposed idea of means testing. He offered that while it was possible to determine an individual's income level, expenses varied from individual to individual.

Nancy Davis encouraged the Assembly to consider a year-round 6% sales tax.

Administrator, Mark Gorman, requested the Assembly provide direction on resources to be used for the \$63,000 added back into the budget (\$38,000 for the Senior Center and \$25,000 for the RIDE).

A motion was made by Guevin to reduce the Electric Subsidy earmark by \$63,000 in the FY18 budget. The motion PASSED by the following vote.

Yes: 6 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, and Knox

No: 1 - Bean

VI. PERSONS TO BE HEARD:

Hugh Bevan voiced support for a new Police Department facility, Sandy Koval spoke to ways in which the City might raise money for the General Fund - e.g. round up to nearest dollar at grocery stores, and Chief Finance and Administrative Officer, Jay Sweeney, reviewed the budget meeting schedule.

VII. EXECUTIVE SESSION

None.

VIII. ADJOURNMENT

A motion was made by Swanson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:55pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk



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ASSEMBLY CHAMBERS
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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*

Tuesday, March 14, 2017

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - Swanson, Guevin, Hunter, Knox, and Bean

Absent: 2 - Eisenbeisz, and Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

Mayor Hunter announced the agenda had been readvertised due to the addition of item D - update and discussion/direction on the Municipal Administrator selection process.

17-032 Reminders, Calendars and 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 announced he, along with the Administrator and Community Affairs Director, had met with representatives of Senator Murkowski's office. A topic of conversation was ways in which the Senator's office might be able to assist Sitka in finding funding sources for various projects.

Administrator - Gorman reported on the visit with Senator Murkowski's office, updated the Assembly on the FY18 budget planning process, and announced bilingual signage had been placed on the Harrigan Centennial Hall rooms.

Attorney - Hanson reported, in the near future, he would be distributing a six month activity report to the Assembly on the work of the Legal Department.

Liaisons - Assembly member Knox reported on the Parks and Recreation Committee meeting and Mayor Hunter provided an update on the recent Port and Harbors Commission meeting.

Clerk - Peterson reminded the Assembly of upcoming meetings.

IX. CONSENT AGENDA

A motion was made by Swanson that the Consent Agenda consisting of Items A & B be APPROVED. The motion PASSED by the following vote.

Yes: 5 - Swanson, Guevin, Hunter, Knox, and Bean

Absent: 2 - Eisenbeisz, and Potrzuski

- A 17-033** Approve the minutes of the February 28, March 2 and March 7 Assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

- B RES 17-05** Supporting legislation to facilitate implementation of an Alaska Ground Emergency Medical Transport supplemental reimbursement program in Alaska

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- C 17-034** Appoint Beth Smith to a three-year term on the Parks and Recreation Committee

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

Yes: 5 - Swanson, Guevin, Hunter, Knox, and Bean

Absent: 2 - Eisenbeisz, and Potrzuski

XI. UNFINISHED BUSINESS:

D 17-041 Update and Discussion/Direction on the Municipal Administrator selection process

Mark Danielson, Human Resources Director, reviewed the options: 1) proceed with current candidates, 2) advertise again, or, 3) utilize the services of a recruiting agency.

Consensus of the Assembly was to proceed with the list of current candidates.

E ORD 17-05S Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates"

Note - this ordinance replaced Ordinance 2017-05 that was heard on first reading February 28, 2017.

Harriet Beall spoke in opposition to raising electric rates.

Bean encouraged the Assembly to explore the possibility of becoming regulated by the Regulatory Commission of Alaska and, in addition, suggested the Commission review rates and policies. Hunter thanked Bean for bringing this idea forward, however, noted the timing was off in order to meet July 1 budget requirements. He reminded that to become regulated it would take a vote of the people. Hunter said, while painful, he was satisfied with the rate proposals; hoping this was the final step to getting the rates where they needed to be to cover debt service. Guevin agreed and stated it was the responsible decision. Guevin clarified, however, that he was uncomfortable moving one or both of these ordinances forward without a needs based subsidy in place for citizens who may be financially challenged by the rate increase. Knox shared the same sentiment yet reminded delaying passage of the rate ordinance(s) would only exacerbate the financial problem of the Electric Fund. Gorman stated for every two weeks of delay, it would cost the City approximately \$75,000 in meeting the current debt service.

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

Yes: 4 - Swanson, Guevin, Hunter, and Knox

No: 1 - Bean

Absent: 2 - Eisenbeisz, and Potrzuski

F ORD 17-06S Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates" to allow for a seasonal increase in electrical rates

Note - this ordinance replaced Ordinance 2017-06 that was heard on first reading February 28, 2017.

Swanson and Knox expressed support of the ordinance, noting seasonal rates would flatten out monthly costs and eliminate major swings in utility bills.

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

Yes: 4 - Swanson, Guevin, Hunter, and Knox

No: 1 - Bean

Absent: 2 - Eisenbeisz, and Potrzuski

XII. NEW BUSINESS:

New Business First Reading

G ORD 17-08 Amending Sitka General Code Chapter 4.09 "Sales Tax" at 4.09.350 "Procedures on Delinquencies"

Mayor Hunter stated the Ordinance would offer relief, under certain circumstances, for businesses tardy in remitting sales tax returns.

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

Yes: 5 - Swanson, Guevin, Hunter, Knox, and Bean

Absent: 2 - Eisenbeisz, and Potrzuski

H ORD 17-07 Adjusting the FY17 Budget (grants, Greater Sitka Chamber of Commerce, Inc.)

Guevin recommended a process be implemented outlining how the remaining 8% of the Visitor Activities Enhancement Fund, that wasn't allocated for the Chamber of Commerce - visitor services, be used. Guevin suggested the money could be used for visitor enhancement. Gorman noted there was approximately \$160,000 in the Fund and anticipated growth of \$35-50,000 per year.

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

Yes: 5 - Swanson, Guevin, Hunter, Knox, and Bean

Absent: 2 - Eisenbeisz, and Potrzuski

Additional New Business Items

I 17-036 Approve a final plat for a major subdivision filed by Shee Atika for Lot 16 of Ethel Staton Subdivision

Mayor Hunter disclosed his parents owned property across the street from this subdivision and therefore was recusing himself as there could be a potential conflict of interest. Knox, liaison to the Planning Commission, indicated this subdivision had been before the Commission several times and Shee Atika Inc. staff had worked extensively with Planning Department staff to address questions and concerns.

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

Yes: 4 - Swanson, Guevin, Knox, and Bean

Absent: 2 - Eisenbeisz, and Potrzuski

Recused: 1 - Hunter

J 17-037 Approve a retail marijuana store license for Green Leaf, Inc. at 4612 Halibut Point Road

Bean, the applicant, recused himself.

A motion was made by Knox that this item be APPROVED. The motion PASSED by the following vote.

Yes: 4 - Swanson, Guevin, Hunter, and Knox

Absent: 2 - Eisenbeisz, and Potrzuski

Recused: 1 - Bean

K 17-039 Authorizing the application for new Passenger Facilities Charges to fund the Sitka Rocky Gutierrez Airport terminal improvements

Mayor Hunter explained the application was for the collection of passenger facility charges to help fund airport terminal improvements.

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

Yes: 5 - Swanson, Guevin, Hunter, Knox, and Bean

Absent: 2 - Eisenbeisz, and Potrzuski

L 17-038 Appeal of the denial of a public records request filed by Marko Dapceovich (possible executive session)

Municipal Attorney, Brian Hanson, offered procedural advice for the appeal. Hanson reminded the Assembly they were sitting as a quasi-judicial body. In addition, Hanson cautioned the Assembly, that the hearing comments must be directed to documents withheld pursuant to the attorney client privilege. Hanson outlined actions the Assembly could take: the decision whether or not to grant the appeal, review the privileged attorney-client communications in executive session, waive the privilege, postpone decision, or request outside counsel.

Hanson, reminded that if any Assembly member had contact with the appellant with regards to the public records request those contacts should be disclosed to the Assembly. Bean read an email dated March 14, 2017 to the Assembly stating he wished to waive his attorney client privilege in relation to Mr. Dapceovich's public records request and shared that he had released email communication between himself, Mr. Hanson and Mr. Gorman to Mr. Dapceovich. Bean commented that Dapceovich had raised the same concerns he did back in October and reiterated his thoughts on the mishandling of the bidding process for the Gary Paxton Industrial Park dock project. Mayor Hunter asked Assembly member Bean to recuse himself.

Dapceovich disagreed with the procedural advice given by Hanson and stated he had requested Hanson provide the privileged information to the Assembly prior to the Hearing.

Mayor Hunter outlined the Hearing process and reminded comments should be directed to documents withheld pursuant to the attorney client privilege and whether

those documents should be released.

Hearing

Applicant/Staff presentations: Dapcevich stated the information withheld did not fall under attorney client privilege. Hanson said he had withheld the documents to protect his client, the Assembly. Hanson reminded, the Assembly could release the communications; he, however, did not have the right to release them.

Applicant/Staff response or clarifying statements: Dapcevich explained privilege was protected communications between the attorney and the client. He stated the client had to be privileged to the communications and the Assembly hadn't been. Hanson replied he had a legal obligation not to release these documents. The purpose of the appeal was to decide whether or not to release them.

A motion was made by Swanson to GO INTO EXECUTIVE SESSION, and exclude all staff, to review the communications that are the subject of this appeal which by law are required to be confidential and/or concern legal matters affecting the Municipality or legal consequences of past, present or future Municipal actions, i.e., the Gary Paxton Industrial Park dock contract. The motion PASSED by the following vote.

Yes: 4 - Swanson, Guevin, Hunter, and Knox

Absent: 2 - Eisenbeisz, and Potrzuski

Recused: 1 - Bean

The Assembly was in executive session from 7:58pm to 8:32pm.

A motion was made by Swanson to RECONVENE as the Assembly in regular session. The motion PASSED by a unanimous voice vote.

Mayor Hunter announced the Assembly had read the documents. Swanson felt the information was privileged but wished to waive his right. Guevin and Hunter believed the Municipal Attorney was correct in his decision to withhold the documents. Knox agreed.

A motion was made by Knox TO DENY THE APPEAL. The motion PASSED by the following vote.

Yes: 4 - Swanson, Guevin, Hunter, and Knox

Absent: 2 - Eisenbeisz, and Potrzuski

Recused: 1 - Bean

Assembly members discussed waiving the attorney client privilege and releasing records, however, decided to wait until the Municipal Attorney, or outside legal counsel, reviewed and advised on the matter. Mayor Hunter stated if two Assembly members were interested in sponsoring a future agenda item to discuss the release of the documents to contact the Municipal Clerk.

XIII. PERSONS TO BE HEARD:

Bean requested that the privileged information shared with the Assembly in executive session be provided to him. Hanson invited Bean to stop by his office to review the documents in person.

XIV. EXECUTIVE SESSION

See Item L

XV. ADJOURNMENT

A motion was made by Swanson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:55pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk



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ASSEMBLY CHAMBERS
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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

Thursday, March 16, 2017

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Swanson, Guevin, Potrzuski, Hunter, Knox, and Bean

Absent: 1 - Eisenbeisz

IV. PERSONS TO BE HEARD

None.

V. NEW BUSINESS:

A 17-040

Administrative report containing overview of long term fiscal and capital improvement plans, proposed capital expenditures, and resulting proposed user fee increases and changes in working capital for each of the eight Enterprise Funds

Chief Finance and Administrative Officer, Jay Sweeney, stated the goal for the evening was to review the eight Enterprise Funds: Electric, Water, Wastewater, Solid Waste, Harbors, Airport Terminal Fund, Marine Service Center, and Gary Paxton Industrial Park.

Sweeney explained Enterprise Funds differed from the General Fund in several ways: 1) they were established to operate as a business; 2) they levied user fees for the provision of some service; and 3) user fees were established by the Assembly at rates necessary to generate cash flow sufficient to pay for ongoing operating expenses and to accomplish long-term fiscal and infrastructure plans.

Assembly members chose to review the following Enterprise Funds: Electric, Water, Wastewater, Solid Waster and Harbors. It was decided to postpone further discussion of the remaining Enterprise Funds (Airport Terminal Fund, Marine Service Center, and Gary Paxton Industrial Park) until the next budget meeting on April 6.

A motion was made by Potrzuski to POSTPONE continued discussion of item A and POSTPONE items B, C, & D to Unfinished Business at the April 6 Special Meeting. The motion PASSED by the following vote.

Yes: 6 - Swanson, Guevin, Potrzuski, Hunter, Knox, and Bean

Absent: 1 - Eisenbeisz

B 17-042 Discussion/Direction/Decision on proposed Enterprise Fund operating outlays

This Item was POSTPONED to April 6.

C 17-043 Discussion/Direction/Decision on proposed Enterprise Fund capital outlays

This Item was POSTPONED to April 6.

D 17-044 Discussion/Direction/Decision on proposed Enterprise Fund user fee increases

This Item was POSTPONED to April 6.

E 17-045 Discussion/Direction/Decision of the FY2018 Enterprise Funds or General Fund and as they relate to other Funds, the School District, and the Sitka Community Hospital

Municipal Administrator, Mark Gorman, provided an update on the FY18 budget deficit. He summarized the changes made at the March 9th budget meeting: adding an appropriation for the RIDE of \$25,000, restored funding of \$38,000 for Senior Center transportation/vehicle cost, and a reduction of \$63,000 in the electric subsidization fund. In addition, Gorman noted some other changes that had occurred: a decrease in revenue sharing of \$128,859 and an increase of \$111,451 in senior citizen property tax exemptions. Gorman shared he had received comments from SEDA Board members concerned about the proposed 10% reduction in funding. As a result of those conversations, Gorman offered to bring this concern to the Assembly and advocate for different avenues to restore some of the cuts for non-profits. Gorman suggested two possibilities: 1) use some of the money put aside for utility assistance, and, 2) use money from the Visitor Activities Enhancement Fund.

F 17-046 Update and Discussion/Direction on the Municipal Administrator selection process (*possible executive session*)

A motion was made by Swanson to go into executive session to discuss subjects that may tend to prejudice the reputation and character of Muncipal Administrator candidate, Patrick Jordan, and invite in Human Resources Director, Mark Danielson, and Patrick Jordan, if desired. The motion PASSED by the following vote.

Yes: 6 - Swanson, Guevin, Potrzuski, Hunter, Knox, and Bean

Absent: 1 - Eisenbeisz

The Assembly was in executive session from 8:28pm to 8:36pm.

A motion was made by Swanson to reconvene as the Assembly in regular session. The motion PASSED by a unanimous voice vote.

A motion was made by Potrzuski to remove Patrick Jordan from the Municipal Administrator candidate list. The motion PASSED by the following vote.

Yes: 6 - Swanson, Guevin, Potrzuski, Hunter, Knox, and Bean

Absent: 1 - Eisenbeisz

VI. PERSONS TO BE HEARD:

None.

VII. EXECUTIVE SESSION

See Item F.

VIII. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:38pm.

ATTEST:

**Sara Peterson, CMC
Municipal Clerk**



CITY AND BOROUGH OF SITKA

Legislation Details

File #: RES 17-06 Version: 1 Name:

Type: Resolution Status: AGENDA READY

File created: 3/21/2017 In control: City and Borough Assembly

On agenda: 3/28/2017 Final action:

Title: Authorizing a grant application to the Rasmuson Foundation for Crescent Harbor Playground renovation

Sponsors:

Indexes:

Code sections:

Attachments: [Memo Sitka Community Playground Committee.pdf](#)
[Memo Finance Dept.pdf](#)
[Res 2017-06.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 2017-06 on first and final reading.

Date: 3/21/2017

To: Mayor Matthew Hunter and Assembly Members
Mark Gorman, Municipal Administrator

From: Lynne Brandon, Grants Coordinator and Sitka Community Playground Committee

Subject: Tier 2 Rasmuson Grant for Crescent Harbor Playground Renovation

Background:

- Crescent Harbor Park and Playground were created with a Land and Water Conservation Grant in 1972
- CBS Deferred Maintenance Priority since 2007
 - Last upgrade in 2000, scheduled replacement 2007
- First Tier Goal 2011 Sustainable Outdoor Recreation Plan
- Sitka Parks and Recreation Committee (SPRC) Goal
- Goal Sitka Health Summit 2011 and 2015; third place goal in 2014
- Assembly Legislative Priority for three years
- Community led effort revived in 2014
- Volunteer Steering Committee formed in June 2014
- Site Analysis with SPRC and CBS Division of Parks and Recreation
- Steering Committee activities June 2014 through January 2017
 - Neighbors of Crescent playground contacted with no opposition
 - Signatures and letters of support gathered; Facebook page created
 - Potential project partners contacted; Rotary, Southeast Alaska Independent Living, Community Hospital Foundation, US Coast Guard, local businesses
 - 2 Public Meetings held with unanimous support for Crescent site
 - Approval from Planning Commission, Historical Commission and SPRC for Crescent
 - Assembly Resolution of Support for the use of one tennis court to expand playground to allow for required ADA accessibility and spacing.
 - Project was awarded \$2,000 by the Health Summit, \$10,000 by MAPP, the South East Regional Health Consortium (SEARHC) and \$20,000 by the Crossett Fund for the playground design and construction documents.
 - SAIL offers to be the non-profit umbrella for the playground renovation.
 - Anderson Land Planning hired by Request For Proposals process to complete a kid-led design process and develop construction documents in coordination with CBS.
 - In July 2016 the design concept and preliminary construction estimate were completed and currently the fundraising for the project has begun.
- At their November 2016 meeting, the SPRC members passed a motion supporting the City's Rasmuson grant application.

Analysis:

SAIL is the nonprofit umbrella for the project. Most of the grants and fundraising is being administered through SAIL. However, CBS will fully administer the Land and Water Conservation Grant previously obtained for the project. This Rasmuson grant will be applied for through the City since the municipality is the best conduit for this grant according to Rasmuson staff since CBS is the land owner. SAIL is in the process of applying their own separate Tier 2 grant for a Juneau project. Rasmuson allows only one grant per organization at a time. CBS and SAIL have agreed to pursue a pass-through grant where the grant funds would pass through CBS to SAIL via a subgrantee agreement. This will simplify procurement, and allow for grant administration and accounting by SAIL.

The Rasmuson Tier 2 Grant will be for at least \$250,000 with the understanding that the City has \$40,000 set aside for the project. Additionally, another \$50,000 CBS in-kind support is proposed in FY18. The Rasmuson Senior Program Officer is excited about the level of community support and buy-in to the project and that the project will result in the only ADA accessible playground in Sitka.

Fiscal Note:

The design consultant, Anderson Land Planning, developed a cost estimate to renovate Crescent Playground. The project will have in-kind contractor and City site preparation and volunteer equipment installation led by the equipment manufacturer. Funding is a combination of grants, City funding, donations from organizations, businesses and individual's cash donations and volunteer time.

Volunteer Grant Coordinator, Lynne Brandon, will complete the grant inquiry and application. The grant may be passed-through to SAIL for grant administration via agreement so that the City incurs no cost for administration and to simplify procurement of playground equipment.

COST ESTIMATE AND FUNDING PLAN

Phase	Cost Estimate	Funding Source:	Grants	In-Kind Labor	Local Businesses-Organizations grants; Individual donors;	Total
PHASE II - Design -Award Budget	\$32,000					
		Crossett Fund*	\$20,000			Design 100% Funds dedicated
		Sitka Health Summit*	\$2,000			
		MAPP*	\$10,000			
Subtotal:			\$32,000			\$32,000
PHASE III Construction – Site Prep & Safety Surfacing	\$279,350					
		In-Kind Contractor Labor*		\$75,000		
		Land & Water grant*	\$108,456			
		City of Sitka* **	\$40,000	\$30,000		
		Rasmuson	\$55,894			
Subtotal:			\$204,350	\$75,000		\$279,350
PHASE III Construction – Equipment + Contracted Installation Labor	\$370,841					
		Rasmuson	\$223,341			
		Crossett**	\$20,000			
		Local Fundraising Cash** (\$72,677.84 secured)			\$125,000	
		City of Sitka**		\$20,000		
		Douglas Doran*	\$2,500			
Subtotal:			\$245,841		\$125,000	\$370,841
PHASE III Construction – Equipment Shipping	\$48,008					
		Marine Lines**			\$24,004	
		Other Small Grants**	\$24,004			
Subtotal:			\$24,004		\$24,004	\$48,008
TOTAL			\$474,195	\$75,000	\$149,004	\$698,199

*secured

**pending

Sitka Community Playground Fundraising 3-13-17

DONATION	Date	Amount	Pending
GRANTS		\$142,926.00	Pending Total: \$270,516
MAPP	12/8/2016	\$10,000.00	
Crossett	2/9/2016	\$20,000.00	
Health Summit	6/17/2016	\$2,000.00	
Douglas-Dornan	9/13/2016	\$2,500.00	
Land & Water	1/15/2017	\$108,426.00	
Rasmuson			\$250,516
Crossett	2/15/2017		\$20,000
ORGANIZATIONS		\$20,429.00	Pending Total: \$24,471
Womens Club	5/16/2016	\$300.00	
Rotary	6/28/2016	\$2,000.00	\$2,000
ASEA- Alaska State Employees Association, Local			
52- City Of Sitka Chapter	2/23/2017	\$1,000.00	
White Elephant	2/22/2017	\$3,000.00	
SEARHC	1/23/2017	\$4,527.00	
Mt. Verstovia Masonic Lodge	2/4/2017	\$5,000.00	
Sitka Tribe of Alaska Social Services		\$2,500.00	
Sitka Emblem Club	1/15/2017	\$2,102.00	
Coast Guard Spouses			\$700
Sitka Charitable Trust			\$6,000
Awesome Foundation			\$1,000
SEARHC			\$5,000
CHARR			\$5,000
SCHospital Foundation			\$2,471
Assembly of God			\$5,000
EVENTS		\$13,109.50	Pending Total: \$23,500
Raffle (AK Air/HAL cruise)	By SCH Foundation		\$20,000
Friend's Prom	3/25/2017		\$1,000
Children's Concert	4/1/2017		\$2,500
Pie Fundraiser	11/23/2016	\$1,955.00	
Shirt Sales Bazaar	12/10/2016	\$660.00	
Cash Donations	12/16/2016	\$113.00	
Lois Verbaan (SCHF)	1/12/2017	\$1,100.00	
Elks Dinner	1/29/2017	\$5,048.00	
Garage Sale	2/24/2017	\$1,233.50	
Turkey Trot (SCHF)	11/24/2016	\$3,000	
LOCAL FUNDRAISING		\$71,372.99	Pending Local Fundraising Business applications: \$21,000
Local Events		\$13,109.50	
Business (19)		\$14,485.50	\$21,000.00
Organizations		\$20,429.00	
Individual (90)		\$23,348.99	
TOTAL CASH		\$214,298.99	
OTHER COMMITTED FUNDS		\$115,000.00	Shipping Pending: \$24,004
City of Sitka		\$40,000.00	\$50,000.00
In-kind Site Prep & Tile			
Installation contractors		\$75,000.00	
Shipping In-Kind			\$24,004.00
TOTAL INCOME		\$329,298.99	TOTAL PENDING: \$363,491
\$692,789.99			

MEMORANDUM

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

From: Jay Sweeney, Chief Financial and Administrative Officer

Date: March 22, 2017

Subject: Tier 2 Rasmuson Grant for Crescent Harbor Playground Renovation

Mayor Hunter and Members of the Assembly,

In conjunction with the accompanying Resolution and memorandum from Ms. Brandon, I wanted to provide some additional background information surrounding this agenda item.

As a surrogate for the various groups involved in the construction of the proposed Community Playground, the Municipality is proposing to apply for a Tier 2 Rasmuson Grant to provide resources for some of the costs of the project. It is important to point out that the Municipality, at this time, is not managing this project in its entirety, nor is it to be considered a comprehensive Municipal project. The involvement of the Municipality will be to administer the grants received in conjunction with the project; however, ultimate oversight of the project in its entirety will rest with 3rd parties until the time that legal ownership of the improvements is transferred to the Municipality. This should not be construed, however, to indicate that the Municipality will have no involvement with other aspects of the project; such involvement will be in accordance with a Memorandum of Agreement which defines responsibilities which will be developed once all grant conditions are understood.

The general concept for the grant for the Tier 2 Rasmuson grant being applied for is that the Municipality will either pass through to, or reimburse a 3rd party from, the proceeds of the grant. The specific relationship between the Municipality and 3rd party, in terms of processes and procedures, will be spelled out in either a sub-grant agreement or a Memorandum of Agreement (MOA), or possibly both.

If a tier 2 Rasmuson Grant is awarded to the City and Borough of Sitka in conjunction with the Community Playground project, the Municipality will be the official and legal grantee. This will require the Municipality to be the entity bearing the responsibility for complying with grant requirements, as set forth in the formal grant agreement. The Municipality may, subsequently, choose to enter into a sub-grant agreement and/or MOA with 3rd party and, in doing so, further bind that entity to compliance with grant requirements, but primary grant compliance will ultimately rest with the Municipality.

I have reviewed a Rasmuson grant agreement for another award (the William Stortz Gallery) and do not find its grant requirements to be onerous, but as the proposed grant has not been approved, we do not have a definitive agreement for the grant being applied for. Hence, there is a possibility that grant requirements may vary from the example I have reviewed.

If the grant being applied for is awarded with some matching requirement, the Municipality will need to expend its own funds first, then apply for reimbursement from the Rasmuson Foundation. On occasion, funds may be expended for which reimbursement is subsequently disallowed; this is a potential risk. In grants wherein a matching component is required and a 3rd party is expending the resources necessary to qualify for the match, reimbursement requests may possibly be disallowed for unallowable or improperly documented match by the 3rd party. It is not possible to tell how stringent the match requirements will be until an actual grant agreement is received.

As this grant is being received from a private source, there should not be any specific review under the Federal/State Single Audit. The accompanying sub-grant agreement and/or MOA, however, should clearly delineate how internal controls and procedures of the Municipality are applicable to the grant.

Once the project is completed, the Municipality will accept ownership of the improvements to Municipal real property and ongoing insurance, maintenance, and organizational responsibility for the improvements will pass to the Municipality.

**CITY AND BOROUGH OF SITKA
RESOLUTION NO. 2017-06**

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA
AUTHORIZING A GRANT APPLICATION TO THE
RASMUSON FOUNDATION FOR CRESCENT HARBOR PLAYGROUND RENOVATION**

WHEREAS, the City and Borough of Sitka Assembly approved “Comprehensive Plan” and “Sitka Sustainable Outdoor Recreation Plan” goals support projects that provide healthy activities that benefit citizens of all ages;

WHEREAS, the Crescent Harbor Playground renovation was a goal of the Sitka Health Summit in 2011 and in 2015;

WHEREAS, the City and Borough of Sitka Assembly listed the project as a State Legislative priority for three years;

WHEREAS, the City and Borough of Sitka Public Works Department, Parks Division and Sitka Parks and Recreation Committee have listed the upgrade of playgrounds as a deferred maintenance priority since 2007;

WHEREAS, the Sitka Parks and Recreation Committee passed a motion of support at their November 2016 meeting for a City Rasmuson grant application for the Crescent Playground renovation;

WHEREAS, all children need access to safe playgrounds regardless of their abilities and currently Sitka is lacking a playground that is classified as fully ADA accessible and inclusive to children of all abilities;

WHEREAS, the Crescent Harbor Playground renovation project when completed will stimulate active and imaginative play, attract more youth to participate in healthy activity;

WHEREAS, the new playground will be built from sustainable and safe materials that will require minimal maintenance in the years to come; and

WHEREAS, Crescent Harbor Playground renovation project is a collaborative, partnership project between the City Public Works Department, the citizen volunteer Community Playground group, Rotary and Southeast Alaska Independent Living (SAIL), Southeast Alaska Regional Health Consortium, Sitka Community Hospital Foundation and Mt. Verstovia Masonic Lodge, organizations which recognize the importance of a playground that engages Sitka's 1669 children under 13 years old in active and imaginative play.

NOW, THEREFORE, BE IT RESOLVED that the Municipal Administrator of the City and Borough of Sitka, Alaska is hereby authorized to negotiate, execute and administer any and all documents and contracts required for the application and acceptance of a Rasmuson grant to the City and Borough of Sitka and to manage those funds on behalf of the entity.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, on this 28th day of March, 2017.

Matthew Hunter, Mayor

ATTEST:

Sara Peterson,
Municipal Clerk



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-048 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/16/2017 In control: City and Borough Assembly

On agenda: 3/28/2017 Final action:

Title: Appoint: 1) Sheila Finkenbinder to a term on the Gary Paxton Industrial Park Board, and, 2) George D. Bennett Jr. and Shannon Freitas to terms on the Local Emergency Planning Committee

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Finkenbinder app.pdf](#)
[Bennett app.pdf](#)
[Freitas app.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO appoint 1) Sheila Finkenbinder to a term on the Gary Paxton Industrial Park Board, and, 2) George D. Bennett Jr. and Shannon Freitas to terms on the Local Emergency Planning Committee under category 2*.

*Note: Category 2 = Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Environmental/Hospital, and Transportation Personnel



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

Board/Commission/Committee: Gary Paxton Industrial Park Board
 Name: Sheila Finkenshinder Daytime Phone: 738-3098
 Address: 415 DeArmond St. Evening Phone: "
 Email Address: sitka_sheila@gmail.com Fax Number: -
 Length of Residence in Sitka: 26 years Registered to vote in Sitka? Yes No
 Employer: Retired

Organizations you belong to or participate in: Sitka Chamber, Sitka Historical Society, Alaska Native Sisterhood, Sitka Republicans

Explain your main reason for applying: My desire to contribute to the development of our economy in a healthy and positive way. (See Cover Letter)

What background, experience or credentials will you bring to the board, commission, or committee membership?
I've been an active participant, and frequently a leader, in many organizations over the years

Please disclose any potential conflicts of interest that may arise from your appointment. These may include but are not limited to: None

- 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.

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

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

Date: March 9, 2017 Signature: Sheila Finkenshinder

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. Applications received after the deadline will be considered but will not be included in the Assembly packets for review prior to appointment.

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:
 Sara Peterson, Deputy Clerk
 100 Lincoln Street
 Fax: 907-747-7403
 Email: sara@cityofsitka.com

Sheila Finkenbinder

415 DeArmond Street, Sitka, AK 99835
907.738.3098 ~ sitkashela@gmail.com

Mayor Matt Hunter
City & Borough of Sitka Assembly
100 Lincoln Street
Sitka, AK 99835

March 9, 2017

Re: GPIIP Board position

Dear Mayor and Assembly Members,

With this letter, I am applying for a position on the Gary Paxton Industrial Park Board. I appreciate the importance of this board in helping the City of Sitka to move into the future in a thoughtful, well planned and even, imaginative way. The opening that is now available presents an opportunity for me to give back to the community.

Having worked in the areas of job training and economic development for twenty years or so in Sitka, my interest in helping to grow the economy has never wavered. I believe that my experience at Sitka Works, the Chamber of Commerce and the Alaska Legislature will prove useful in fulfilling the duties of this board. I'm a good listener, a critical thinker, and a thoughtful and vocal participant in all organizations of which I am a part.

Having worked alongside Garry White, while executive director of the Chamber of Commerce, I have a fairly good understanding of the opportunities available at the Industrial Park, as well as the struggles involved with managing the growth of the park. I would enjoy being a part of the effort to move the GPIIP forward in a way that will most effectively benefit the entire community.

Thank you for your consideration of my application.

Respectfully,



Sheila Finkenbinder

Sheila Finkenbinder

415 DeArmond Street, Sitka, AK 99835 ~ 907.738.3098 ~ sitkasheila@gmail.com

SUMMARY OF QUALIFICATIONS

- Creative and experienced at developing, administering and evaluating grants and programs
- Skilled at preparing accurate and thoughtful written materials and public presentations
- Excellent people skills with wide network of local and statewide contacts
- Skilled at Mac or PC use; Word, Excel, PowerPoint, WordPress
- Organized, thorough, analytical, productive and positive

EMPLOYMENT ACCOMPLISHMENTS

Retirement Jobs, Alaska Raptor Center, 2016; Russian American Co. 2015; Spenard Builders Supply, 2014

Legislative Aide, Representative Peggy Wilson (907) 465-3824 Jan. 2011 - Dec. 2012

- Assisted the representative in Juneau during two legislative sessions: writing/editing letters, newsletters, proposed bills, citations, website, etc.; researching; preparing the representative for committee meetings; assisting with constituent issues/questions; 'pushing' two bills through the legislature. Maintained Rep. Wilson's Sitka office during interim months.

Executive Director, Greater Sitka Chamber of Commerce (907) 747-8604 August 2008 - Dec. 2010

- Successfully implemented all aspects of a business/trade organization: membership, weekly luncheons, events organization, policy etc., reporting to a 12-member board of directors.
- Prepared and managed the budget and maintained impeccable financial records.
- Upgraded Chamber's website. Weekly informative newsletters. Grew the annual events calendar.

Founding Director, Sitka Works! (No longer in business) October 1997 – July 2008

- Founded and successfully led a non-profit agency, providing workforce and business development services.
- Hired, trained and supervised staff; reporting to 6-member board of directors.
- Developed and managed the agency's policies and procedures, as well as all program goals and objectives.
- Planned, wrote proposals, and administered over \$2 million in grants, from state, federal and city sources.
- Initiated and managed the Sitka Business Resource Center project: providing entrepreneurial counseling, training, and technical assistance. Developed and oversaw the Sitka Artisans Market, 2001-2007.
- Promoted the agency through extensive media marketing, public presentations and website.

Employment Program Director, Sitka Tribe of Alaska (907) 747-3207 Jan. 1996 - July 1997

- Implemented employment and training programs for Alaska Native youths and adults.

Employment Specialist, Sitka Teen Resource Center, Jeff Budd, ED Oct. 1991 - Nov. 1995

- Coached 'at-risk' teenagers in job search and work maturity skills through Youth Employment Program.

EDUCATION

Bachelor of Arts in Drama and Certificate of Education, K-12 University of Washington, Seattle, WA

RELATED ACTIVITIES / EXPERIENCE

Candidate for Alaska State House	2016
Alaska Native Sisterhood	2016-present
Sitka Historical Society, Board Treasurer	2013-present
Alaska Business Week, Company Advisor to high school students	2010-2013
Sitka Woman's Club, President, V-P, Secretary, Treasurer	2006-2015
Sitka Republican Women, President 2010-2013	2006-present
Cape Decision Lighthouse Society, Secretary	1998-2009
Alaska InvestNet, Governing Board member	2004-2006
Fortress of the Bear, Secretary	2007-2010
Hunter Education Instructor, Idaho and Alaska	1985-2005



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 charles@horanappraisals.com	3/24/15	7/9/15 7/9/17	
PTARMICA MCCONNELL 2575 Sawmill Creek Rd	738-8941 c ptarmica@sheeasitka.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: February 15, 2017

State of Alaska
LOCAL EMERGENCY PLANNING COMMITTEE
INDIVIDUAL APPLICATION FORM FOR MEMBERSHIP ON LEPC

LEPC name: Sitka Local Emergency Planning Committee

Applicant name: George D. Bennett Jr

Mailing address: 225 Tongass Dr. Sitka, AK 99835

Residence address: 216 Viiskari #9 Sitka, Ak 99835

Day phone: 907-966-8916

Home Phone (optional): _____

Where employed: SEARHC Mt. Edcumbe Hospital Job title: Assistant Safety Manager

LEPC category/seat that applicant seeks: Local Evnt/Hospital

Categories: 1) Elected local officials, 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Env/Hospital, and Transportation Personnel, 3) Media/Broadcast, 4) Community Groups, 5) Owners/Operators of Facilities, 6) Members of the Public, 7) LEPC Information Coordinator/SERC Liaison

New applicant

Renewal _____

Regular member _____

Alternate member _____

Qualifications for this category: As the Assistant Safety Manager Southeast Regional Health Consortium I am

part of the SEARHC Incident Command Staff, involved with all drills and events for the past 4 years.

Organizations in which applicant participates (that are pertinent to the application): _____

Please provide enough information to demonstrate an applicant's eligibility or suitability for a particular seat on the LEPC. For the Public At Large position, please state whether an applicant qualifies for any other category on the LEPC.

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

I hereby certify that the above information is correct and that I have not misrepresented myself.


Signature

3/16/2017
Date

→ To be considered, your application must be complete AND be accompanied by either a letter of interest or resume. Return to:

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



LOCAL EMERGENCY PLANNING COMMITTEE

NAME	CONTACT NUMBERS		TERM STARTS	EXPIRES	CATEGORY
DAVE MILLER, CHAIR	747-1860	dave.miller@cityofsitka.org	Permanent	Fire Chief*	2
KEN FATE 115 Somer Drive	747-5877 w 747-7410 h	ken@kcaw.org	2/13/07 2/9/10 2/12/13 2/23/16	2/13/10 2/9/13 2/12/16 2/23/19	3
DONNA CALLISTINI 106 Naomi Kanosh Lane	747-7107 w 747-5494	donna.callistini@yahoo.com	10/26/10 11/12/13	10/26/13 11/12/16	3
GAYLE HAMMONS 210 Kruzof Street	738-3028 c	kghammons@gmail.com	7/28/15	7/28/18	3
ANNABEL LUND PO Box 1616	623-0996 h	alund1123@yahoo.com	4/13/10 4/23/13 4/12/16	4/13/13 4/23/16 4/12/19	4
CAROL BERGE 315 Wachusetts Street	747-3636 w 738-3433	clundy@scpsak.org	8/14/12 8/11/15	8/14/15 8/11/18	4
TRISH WHITE 117 Granite Creek Road	747-8006X202 w; 747-5976 h	trish@whitesalaska.com	3/10/09 3/13/12 3/24/15	3/10/12 3/15/15 3/24/18	5
CHARLES HOWLETT 209 Moller Ave.	747-0303 w 738-4440 c	bmet@sitkahospital.org	3/9/10 6/11/13 6/28/16	3/9/13 6/11/16 6/28/19	5
SCOTT WAGNER 304 Nicole Drive	747-3791 h 738-2729 c	scott_wagner@nsraa.org	11/12/13 12/27/16	11/12/16 12/27/19	5
MARY ANN HALL 2037 Halibut Point Road	747-7265	ob1jry@gmail.com	8/23/11 8/12/14	8/23/14 8/12/17	6
AUBREY VAUGHAN 315 Seward Street	361-774-1234	ellenvaughan68@gmail.com	10/11/16	10/11/19	6
JEFF ANKERFELT	747-3245	jeffa@sitkapd.com	Permanent	Acting Police Chief*	2
LANCE EWERS	747-3245	lance@sitkapd.com	Permanent	Law Enforcement*	2
CRAIG WARREN	747-3233	craig.warren@cityofsitka.org	Permanent	LEPC Coordinator*	7
Bob Potrzuski	747-3260	assemblypotrzuski@cityofsitka.org	Non-Voting	Assembly Liaison	1
Gail Johansen Peterson 3511 Halibut Point Road	747-7646	scribeinkservices@gmail.com		Secretary	

*The police and fire chiefs and the LEPC Coordinator are permanent appointments; whoever is serving in that capacity will be appointed to the commission.

Minimum of seven members, 3-year terms; Established by Resolution 89-406; Amended by Resolution 89-441; Further amended by Resolution 99-727

Meeting: Second Thursday, noon – Fire Hall

Categories as follows: 1) Elected local officials 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Environmental/Hospital, and Transportation Personnel
3) Media/ Broadcast 4) Community Groups 5) Owners/Operators of Facilities 6) Members of the Public 7) LEPC Information Coordinator/ SERC liaison

Quorum Requirement: At least one member from four different categories must be present.

Revised: December 29, 2016

State of Alaska
LOCAL EMERGENCY PLANNING COMMITTEE
INDIVIDUAL APPLICATION FORM FOR MEMBERSHIP ON LEPC

LEPC name: Sitka Local Emergency Planning Committee

Applicant name: Shannon Freitas

Mailing address: 222 Tongass Dr. Sitka AK 99835

Residence address: 1941 B Dodge Cir.

Day phone: 907-944-8511 Home Phone (optional): 907-738-9935

Where employed: SEARCHC Job title: Smp manager

LEPC category/seat that applicant seeks: 2

Categories: 1) Elected local officials, 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Env/Hospital, and Transportation Personnel, 3) Media/Broadcast, 4) Community Groups, 5) Owners/Operators of Facilities, 6) Members of the Public, 7) LEPC Information Coordinator/SERC liaison

New applicant Renewal Regular member Alternate member

Qualifications for this category: I have oversight and plan development responsibilities for the Southeast Regional Health Consortium's Sitka Campus and Mt. Edgecumbe Hospital's Emergency Management operations.

Organizations in which applicant participates (that are pertinent to the application): _____

Please provide enough information to demonstrate an applicant's eligibility or suitability for a particular seat on the LEPC. For the Public At Large position, please state whether an applicant qualifies for any other category on the LEPC.

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

I hereby certify that the above information is correct and that I have not misrepresented myself.

Shannon Freitas
Signature

3/14/2017
Date

→ To be considered, your application must be complete AND be accompanied by either a letter of interest or resume. Return to:

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



LOCAL EMERGENCY PLANNING COMMITTEE

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY	
DAVE MILLER, CHAIR	747-1860	dave.miller@cityofsitka.org	Permanent	Fire Chief*	2
KEN FATE 115 Somer Drive	747-5877 w 747-7410 h	ken@kcaw.org	2/13/07 2/9/10 2/12/13 2/23/16	2/13/10 2/9/13 2/12/16 2/23/19	3
DONNA CALLISTINI 106 Naomi Kanosh Lane	747-7107 w 747-5494	donna.callistini@yahoo.com	10/26/10 11/12/13	10/26/13 11/12/16	3
GAYLE HAMMONS 210 Kruzof Street	738-3028 c	kghammons@gmail.com	7/28/15	7/28/18	3
ANNABEL LUND PO Box 1616	623-0996 h	alund1123@yahoo.com	4/13/10 4/23/13 4/12/16	4/13/13 4/23/16 4/12/19	4
CAROL BERGE 315 Wachusetts Street	747-3636 w 738-3433	clundy@scpsak.org	8/14/12 8/11/15	8/14/15 8/11/18	4
TRISH WHITE 117 Granite Creek Road	747-8006X202 w; 747-5976 h	trish@whitesalaska.com	3/10/09 3/13/12 3/24/15	3/10/12 3/15/15 3/24/18	5
CHARLES HOWLETT 209 Moller Ave.	747-0303 w 738-4440 c	bmet@sitkahospital.org	3/9/10 6/11/13 6/28/16	3/9/13 6/11/16 6/28/19	5
SCOTT WAGNER 304 Nicole Drive	747-3791 h 738-2729 c	scott_wagner@nsraa.org	11/12/13 12/27/16	11/12/16 12/27/19	5
MARY ANN HALL 2037 Halibut Point Road	747-7265	ob1jry@gmail.com	8/23/11 8/12/14	8/23/14 8/12/17	6
AUBREY VAUGHAN 315 Seward Street	361-774-1234	ellenvaughan68@gmail.com	10/11/16	10/11/19	6
JEFF ANKERFELT	747-3245	jeffa@sitkapd.com	Permanent	Acting Police Chief*	2
LANCE EWERS	747-3245	lance@sitkapd.com	Permanent	Law Enforcement*	2
CRAIG WARREN	747-3233	craig.warren@cityofsitka.org	Permanent	LEPC Coordinator*	7
Bob Potrzuski	747-3260	assemblypotrzuski@cityofsitka.org	Non-Voting	Assembly Liaison	1
Gail Johansen Peterson 3511 Halibut Point Road	747-7646	scribeinkservices@gmail.com		Secretary	

*The police and fire chiefs and the LEPC Coordinator are permanent appointments; whoever is serving in that capacity will be appointed to the commission.

Minimum of seven members, 3-year terms; Established by Resolution 89-406; Amended by Resolution 89-441; Further amended by Resolution 99-727

Meeting: Second Thursday, noon – Fire Hall

Categories as follows: 1) Elected local officials 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Environmental/Hospital, and Transportation Personnel

3) Media/ Broadcast 4) Community Groups 5) Owners/Operators of Facilities 6) Members of the Public 7) LEPC Information Coordinator/ SERC liaison

Quorum Requirement: At least one member from four different categories must be present.

Revised: December 29, 2016



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-056 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 3/22/2017 In control: City and Borough Assembly

On agenda: 3/28/2017 Final action:

Title: Discussion/Direction regarding the Municipal Administrator selection process (possible executive session)

Sponsors:

Indexes:

Code sections:

Attachments: [Discussion Direction Municipal Administrator selection.pdf](#)

Date	Ver.	Action By	Action	Result
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**Continued Discussion/Direction from March 22nd regarding
the Municipal Administrator selection process**

Municipal Administrator Candidates Bryan Bertacchi, Carey Meyer, and David Miller have been notified that in conjunction with their Skype interviews, the Assembly may convene in executive session to discuss matters involving character and reputation. Each candidate has been informed he may request Assembly discussion of his application be held in public or authorize the Assembly to discuss his application in executive session.

The desire of each candidate is indicated below:

- Bryan Bertacchi (public)
- Carey Meyer (executive session)
- David Miller (public)

POSSIBLE MOTIONS – *if desired*

EXECUTIVE SESSION

I MOVE to go into Executive Session to discuss subjects that may tend to prejudice the reputation and character of Municipal Administrator Candidate, Carey Meyer, and invite in Human Resources Director, Mark Danielson.

I MOVE to reconvene as the Assembly in regular session.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-05S Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 2/22/2017 In control: City and Borough Assembly
On agenda: 3/28/2017 Final action:
Title: Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates"
Sponsors:
Indexes:
Code sections:
Attachments: [Ord 2017-05S.pdf](#)

Date	Ver.	Action By	Action	Result
3/14/2017	1	City and Borough Assembly		
2/28/2017	1	City and Borough Assembly	AMENDED	Pass
2/28/2017	1	City and Borough Assembly	POSTPONED	Pass

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-05S on second and final reading.

CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2017-05S

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL
CODE CHAPTER 15.01 ENTITLED "ELECTRIC UTILITY POLICIES" BY AMENDING
SECTION 15.01.020 ENTITLED "ELECTRICAL RATES"

- 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 rates section of the electric utility policies. In addition, this ordinance provides for a discretionary annual adjustment to the electric rates by ordinance of the assembly based on the Consumer Price Index for Anchorage.
- 4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Chapter 15.01 "Electric Utility Policies" section 15.01.020 "Electrical rates" is amended as follows (new language underlined; deleted language stricken):

**Chapter 15.01
ELECTRIC UTILITY POLICIES**

* * *

- Sections:
- 15.01.020 Electrical rates.

* * *

15.01.020 Electrical rates.

A. All ~~billings~~ electrical rates are subject to sales tax if applicable. These rates are effective for all electricity billed after April 1, 2017, regardless of when electricity was consumed.

The assembly shall consider annually an adjustment to the electric rates, based on the Consumer Price Index, at a time when any adjustment could be made effective July 1st of the year applied. An adjustment, if any, shall be based on the prior year annual report for the municipality of Anchorage, Alaska, from the United States Department of Labor and Workforce Development, Consumer Price Index, and determined to be the percent change to the current year from the percent change of the prior year, and will be effective July 1st of any year applied. The first such adjustment date may be July 1, 2018.

B. Residential Services.

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1. Applicable to all residential customers for all uses in the home or residence, subject to the rules and regulations and customer services policies of the city and utility.

2. Energy Charges.

First 1,000 <u>All</u> kWh	\$0.1203 <u>0.150</u> per kWh
Over 1,000 kWh	\$0.1370 per kWh
Customer charge is \$20.48 per month	

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C. General Service—Small.

1. Applicable to all nonresidential customers for all uses, including lighting, heating and power, when the electricity consumed in the preceding twelve months is less than one hundred thousand kWh and has a measured demand of less than fifty kW, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: restaurants, retail vendors, churches, fueling stations, and service industries.

2. Energy Charges.

First 500 <u>All</u> kWh	\$0.1860 0.147 per kWh
501 kWh to 10,000 kWh	\$0.1308 <u>0.1504</u> per kWh
10,001 kWh to 100,000 kWh	\$0.1279 0.1471 per kWh
Over 100,001 kWh	\$0.1250 0.1438 per kWh
Customer charge is \$40.95 per month	

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3. Demand Charges.

First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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D. General Service—Large.

1. Applicable to all nonresidential customers for all uses, including lighting, heating and power, when the electricity consumed in the preceding twelve months is equal to or greater than one hundred thousand kWh or has a measured demand equal to or greater

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than fifty kW, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: grocery stores, industrial users, and seafood processing facilities.

2. Energy Charges.

First 500 <u>All</u> kWh	\$0.1860 0.1450 per kWh
501 kWh to 10,000 kWh	\$0.1303 <u>0.1498</u> per kWh
10,001 kWh to 100,000 kWh	\$0.1274 <u>0.1465</u> per kWh
Over 100,001 kWh	\$0.1244 0.1431 per kWh
Customer charge is \$63.00 per month	

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3. Demand Charges.

First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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E. General Service—Public Authority.

1. Applicable to all noncommercial and nonresidential customers for all uses, including lighting, heating and power, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: schools, tribal governments, and other public government buildings.

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2. Energy Charges.

First 500 <u>All</u> kWh	\$0.1860 0.1470 per kWh
501 kWh to 10,000 kWh	\$0.1300 <u>0.1504</u> per kWh
10,001 kWh to 100,000 kWh	\$0.1279 <u>0.1471</u> per kWh
Over 100,001 kWh	\$0.1250 <u>0.1438</u> per kWh
Customer charge is \$47.25 per month	

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3. Demand Charges.

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First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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F. Boat Service.

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1. Applicable to separately metered boats, lights, heaters, pumps or other uses.

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2. Energy Charges.

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First 150 All kWh	\$0.1420 0.150 per kWh
All additional kWh	\$0.1420 0.1576 per kWh
Customer charge is \$20.48 per month	

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5. **EFFECTIVE DATE.** Ordinance 2017-05S shall become effective on the first billing cycle after April 1, 2017.

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PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 28th day of March, 2017.

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Matthew Hunter, Mayor

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ATTEST:

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Sara Peterson, CMC
Municipal Clerk

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CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-06S Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 2/22/2017 In control: City and Borough Assembly
On agenda: 3/28/2017 Final action:
Title: Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates" to allow for a seasonal increase in electrical rates
Sponsors:
Indexes:
Code sections:
Attachments: [Ord 2017-06S.pdf](#)
[Key Rate Issues FY18..pdf](#)

Date	Ver.	Action By	Action	Result
3/14/2017	1	City and Borough Assembly		
2/28/2017	1	City and Borough Assembly	POSTPONED	Pass

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-06S on second and final reading.

CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2017-06S

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL
CODE CHAPTER 15.01 ENTITLED "ELECTRIC UTILITY POLICIES" BY AMENDING
SECTION 15.01.020 ENTITLED "ELECTRICAL RATES" TO ALLOW FOR A SEASONAL
INCREASE IN ELECTRICAL RATES

- 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 rates section of the electric utility policies to allow for a seasonal increase in electrical rates. In addition, this ordinance provides for a discretionary annual adjustment to the electric rates by ordinance of the assembly based on the Consumer Price Index for Anchorage.
- 4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Chapter 15.01 "Electric Utility Policies" is amended by amending section 15.01.020 "Electrical rates" (new language underlined; deleted language stricken):

**Chapter 15.01
ELECTRIC UTILITY POLICIES**

* * *

Sections:

15.01.020 Electrical rates.

* * *

15.01.020 Electrical rates.

A. All billings electric rates are subject to sales tax if applicable. These rates are effective for all electricity billed after October 1, 2017, regardless of when electricity was consumed.

The assembly shall consider annually an adjustment to the electric rates, based on the Consumer Price Index, at a time when any adjustment could be made effective July 1st of the year applied. An adjustment, if any, shall be based on the prior year annual report for the municipality of Anchorage, Alaska, from the United States Department of Labor and Workforce Development, Consumer Price Index, and determined to be the percent change to the current year from the percent change of the prior year, and will be effective July 1st of any year applied. The first such adjustment date may be July 1, 2018.

B. Residential Services.

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1. Applicable to all residential customers for all uses in the home or residence, subject to the rules and regulations and customer services policies of the city and utility.
2. Energy Charges.

<u>First 1,000 All kWh from the first billing cycle in October through the last billing cycle in March</u>	\$0.1203 0.120 per kWh
<u>Over 1,000 kWh All kWh from the first billing cycle in April through the last billing cycle in September</u>	\$0.1370 0.192 per kWh
Customer charge is \$20.48 per month	

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C. General Service—Small.

1. Applicable to all nonresidential customers for all uses, including lighting, heating and power, when the electricity consumed in the preceding twelve months is less than one hundred thousand kWh and has a measured demand of less than fifty kW, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: restaurants, retail vendors, churches, fueling stations, and service industries.
2. Energy Charges.

<u>First 500 kWh from the first billing cycle in October through the last billing cycle in March</u>	\$0.1860 0.1180 per kWh
<u>All kWh from the first billing cycle in April through the last billing cycle in September-501 kWh to 10,000 kWh</u>	\$0.1880 0.1504 per kWh
10,001 kWh to 100,000 kWh	\$0.1279 0.1471 per kWh
Over 100,001 kWh	\$0.1250 0.1438 per kWh
Customer charge is \$40.95 per month	

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3. Demand Charges.

First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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D. General Service—Large.

1. Applicable to all nonresidential customers for all uses, including lighting, heating and power, when the electricity consumed in the preceding twelve months is equal to or greater than one hundred thousand kWh or has a measured demand equal to or greater than fifty kW, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: grocery stores, industrial users, and seafood processing facilities.

2. Energy Charges.

First 500 <u>All</u> kWh	\$0.1860 0.1450 per kWh
501 kWh to 10,000 kWh	\$0.1303 <u>0.1498</u> per kWh
10,001 kWh to 100,000 kWh	\$0.1274 <u>0.1465</u> per kWh
Over 100,001 kWh	\$0.1244 <u>0.1431</u> per kWh
Customer charge is \$63.00 per month	

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3. Demand Charges.

First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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E. General Service—Public Authority.

1. Applicable to all noncommercial and nonresidential customers for all uses, including lighting, heating and power, subject to the rules, regulations and customer service policies of the utility and the city. Typical customers in this class could include: schools, tribal governments, and other public government buildings.

2. Energy Charges.

First 500 <u>All</u> kWh	\$0.1860 0.1470 per kWh
501 kWh to 10,000 kWh	\$0.1309 <u>0.1504</u> per kWh

10,001 kWh to 100,000 kWh	\$0.1270 <u>0.1471</u> per kWh
Over 100,001 kWh	\$0.1250 <u>0.1438</u> per kWh
Customer charge is \$47.25 per month	

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3. Demand Charges.

First 25 kW	No charge
Over 25 kW	\$5.88 per kW

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F. Boat Service.

1. Applicable to separately metered boats, lights, heaters, pumps or other uses.
2. Energy Charges.

<u>First 150 All kWh from the first billing cycle in October through the last billing cycle in March</u>	\$0.1420 <u>0.120</u> per kWh
<u>All additional kWh All kWh from the first billing cycle in April through the last billing cycle in September</u>	\$0.1420 <u>0.1576</u> per kWh \$.1920 per kWh
Customer charge is \$20.48 per month	

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5. **EFFECTIVE DATE.** Ordinance 2017-06S shall become effective on the first billing cycle after October 1, 2017.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 28th day of March, 2017.

Matthew Hunter, Mayor

ATTEST:

Sara Peterson, CMC
Municipal Clerk



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

Two Ordinances:

- Rate Increase of approximately 15%**
 - ✓ Residential rate up from 13 cents to 15 cents
 - ✓ Effective April 2017
 - ✓ Tiers Removed
 - ✓ Monthly Fees unchanged
 - ✓ Demand Charges unchanged
 - ✓ Heat Pumps remain at ½ the cost of fuel oil to operate
- Seasonal Rate**
 - ✓ Applies only to: Residential, Commercial, and Boat Slips
 - ✓ Exempted: Large Commercial & Public Authority (Government)
 - ✓ Winter Rates apply from Oct-Mar (residential rate of 12 cents)
 - ✓ Summer Rates apply from Apr-Sept (residential rate of 19.2 cents)



ELECTRIC DEPARTMENT

RESIDENTIAL CUSTOMERS – Not Heat Pump

ACTUAL BILLED AMOUNT \$

Name	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	\$/YR	\$/Mo
Typical Trailer	\$196	\$168	\$72	\$72	\$96	\$96	\$96	\$141	\$141	\$278	\$305	\$387	2,049	\$171
Typical NON Heat Pump Home	\$182	\$182	\$161	\$154	\$108	\$96	\$102	\$200	\$255	\$278	\$319	\$305	2,343	\$195

ACTUAL BILLED KWHRs

Typical Trailer	1,400	1,200	600	600	800	800	800	1,000	1,000	2,000	2,200	2,800	15,200
Typical NON Heat Pump Home	1,300	1,300	1,150	1,100	900	800	850	1,430	1,833	2,000	2,300	2,200	17,163

PROPOSED NEW - FIXED @ 15cent

Typical Trailer \$	\$230	\$200	\$110	\$110	\$140	\$140	\$140	\$170	\$170	\$320	\$350	\$440	2,526	\$210
Typical NON Heat Pump Home	\$215	\$215	\$193	\$185	\$155	\$140	\$148	\$235	\$295	\$320	\$365	\$350	2,820	\$235

PROPOSED NEW - SEASONAL @ 12c/19c

	Winter	Summer	Winter	Winter	Winter	Winter	Winter								
Typical Trailer \$	\$188	\$251	\$136	\$136	\$174	\$174	\$174	\$174	\$140	\$140	\$260	\$284	\$356	2,415	\$201
Typical NON Heat Pump Home	\$176	\$270	\$241	\$232	\$193	\$174	\$184	\$192	\$192	\$240	\$260	\$296	\$284	2,745	\$229



ELECTRIC DEPARTMENT

RESIDENTIAL CUSTOMERS – Heat Pump

ACTUAL BILLED AMOUNT \$

Name	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	\$/YR	\$/Mo
Typical Trailer	\$196	\$168	\$72	\$72	\$96	\$96	\$96	\$141	\$141	\$278	\$305	\$387	2,049	\$171
Typical Heat Pump Home	\$223	\$196	\$196	\$154	\$141	\$96	\$84	\$108	\$154	\$305	\$305	\$305	2,268	\$189

ACTUAL BILLED KWHRS

Typical Trailer	1,400	1,200	600	600	800	800	800	1,000	1,000	2,000	2,200	2,800	15,200	
Typical Heat Pump Home	1,600	1,400	1,400	1,100	1,000	800	700	900	1,100	2,200	2,200	2,200	16,600	

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PROPOSED NEW - FIXED @ 15cent

Typical Trailer \$	\$230	\$200	\$110	\$110	\$140	\$140	\$140	\$170	\$170	\$320	\$350	\$440	2,526	\$210
Typical Heat Pump Home	\$260	\$230	\$230	\$185	\$170	\$140	\$125	\$155	\$185	\$350	\$350	\$350	2,736	\$228

PROPOSED NEW - SEASONAL @ 12c/19c

	Winter	Summer	Winter	Winter	Winter	Winter	Winter								
Typical Trailer \$	\$188	\$251	\$136	\$136	\$174	\$174	\$174	\$174	\$140	\$140	\$260	\$284	\$356	2,415	\$201
Typical Heat Pump Home	\$212	\$289	\$289	\$232	\$212	\$174	\$155	\$128	\$152	\$284	\$284	\$284	\$284	2,699	\$225



ELECTRIC DEPARTMENT

RESIDENTIAL CUSTOMERS

<u>RESIDENTIAL</u>	Before Oct-2016	After Oct-2016	Proposed Apr-2017
First 200 kWhrs	0.0858	0.1203	0.15
Next 800 kWhrs	0.1145	0.1203	0.15
Over 1000 kWhrs	0.1305	0.137	0.15
Customer Charge	19.5	20.48	20.48

Typical Residential Monthly kWhrs	\$/mo	\$/mo	\$/mo
1500	\$194	\$209	\$245
2000	\$259	\$278	\$320
Incremental %		7.4%	15.4%
Total % Net Increase from 10/2016			23.9%



	\$/yr	\$/yr	\$/yr
1500	\$2,322	\$2,511	\$2,946
2000	\$3,105	\$3,333	\$3,846



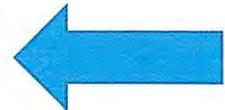
ELECTRIC DEPARTMENT

SMALL COMMERCIAL CUSTOMERS

SMALL COMMERCIAL

	Before Oct-2016	After Oct-2016	Proposed Apr-2017
First 500 kWhrs	0.1771	0.186	0.147
Next 500-10000 kWhrs	0.1246	0.1308	0.147
10,000-100,000	0.1218	0.1279	0.147
Over 100,000 kWhrs	0.119	0.125	0.147
Customer Charge	39	40.95	40.95

Typical Commercial Monthly kWhrs	\$/mo	\$/mo	\$/mo
5000	\$688	\$723	\$776
20000	\$2,529	\$2,656	\$2,981
Incremental %		5.0%	12.3%
Total % Net Increase from 10/2016			17.9%



	\$/yr	\$/yr	\$/yr
5000	\$8,259	\$8,671	\$9,311
20000	\$30,351	\$31,867	\$35,771



ELECTRIC DEPARTMENT

LARGE COMMERCIAL CUSTOMERS

LARGE COMMERCIAL

	Before Oct-2016	After Oct-2016	Proposed Apr-2017
First 500 kWhrs	0.1771	0.186	0.145
Next 500-10000 kWhrs	0.1241	0.1303	0.145
10,000-100,000	0.1213	0.1274	0.145
Over 100,000 kWhrs	0.1184	0.1244	0.145
Customer Charge	60	63	63

Typical Commercial Monthly kWhrs	\$/mo	\$/mo	\$/mo
100000	\$12,245	\$12,860	\$14,563
150000	\$18,165	\$19,080	\$21,813
Incremental %		5.0%	14.3%
Total % Net Increase from 10/2016			20.1%



	\$/yr	\$/yr	\$/yr
100000	\$146,934	\$154,318	\$174,756
150000	\$217,974	\$228,958	\$261,756

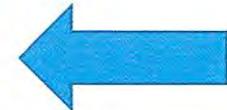


ELECTRIC DEPARTMENT

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

<u>BOAT SLIP</u>	Before Oct-2016	After Oct-2016	Proposed Apr-2017
First 150 kWhrs	0.1353	0.142	0.15
All Remaining	0.1353	0.142	0.15
Customer Charge	8.75	20.48	20.48

Typical Residential Monthly kWhrs	\$/mo	\$/mo	\$/mo
150	\$29	\$42	\$43
300	\$49	\$63	\$65
Incremental %		27.8%	3.8%
Total % Net Increase from 10/2016			32.7%



	\$/yr	\$/yr	\$/yr
150	\$349	\$501	\$516
300	\$592	\$757	\$786



ELECTRIC DEPARTMENT

QUESTIONS



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-07 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 3/7/2017 In control: City and Borough Assembly
On agenda: 3/28/2017 Final action:
Title: Adjusting the FY17 Budget (grants, Greater Sitka Chamber of Commerce, Inc.)
Sponsors:
Indexes:
Code sections:
Attachments: [Ord 2017-07.pdf](#)

Date	Ver.	Action By	Action	Result
3/14/2017	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-07 on second and final reading.

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CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2017-07
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY17 BUDGET

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

3. **PURPOSE.** The purpose of this ordinance is to adjust the 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:

<u>FISCAL YEAR 2017 EXPENDITURE BUDGETS</u>
GENERAL FUND
Other Expenditures – Operations: This is to recognize a pass thru grant from the State of Alaska Historic Preservation Fund in the amount of \$25,000. These funds will be assigned to the Whitmore Hall Facade 2016 Project #80330.
Other Expenditures – Operations: This is to recognize a pass thru grant from the State of Alaska Historic Preservation Fund in the amount of \$24,804. These funds will be assigned to the Fraser Hall Façade, Sheldon Jackson Project #80352.
SPECIAL REVENUE FUNDS
Fund 156 - LEPC Renewable Annual Grant Program Project #90001: This is to recognize a State of Alaska Division of Homeland Security and Emergency Management Grant in the amount of \$13,755.67.
Fund 159 – Homeland Security 14SHSP Project #90788: This is to recognize a State of Alaska Division of Homeland Security and Emergency Grant Amendment adding to the equipment category in the amount of \$16,608.
Fund 195 – Visitor Enhancement Fund – Operations: The Finance Director has requested to increase the appropriations in the amount of \$20,757 for the 92% true up in the Greater Sitka Chamber of Commerce, Inc., compensation.

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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 March, 2017.

Matthew Hunter, Mayor

ATTEST:

Sara Peterson, CMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-08 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 3/8/2017 In control: City and Borough Assembly
On agenda: 3/28/2017 Final action:
Title: Amending Sitka General Code Chapter 4.09 "Sales Tax" at 4.09.350 "Procedures on Delinquencies"
Sponsors:
Indexes:
Code sections:
Attachments: [Ord 2017-08.pdf](#)

Date	Ver.	Action By	Action	Result
3/14/2017	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-08 on
second and final reading.

Memo

Thru: Mark Gorman, Municipal Administrator
To: City and Borough of Sitka Assembly Administrator
From: Jay Sweeney, Chief Finance and Administrative Officer
Date: March 8, 2017
Re: Sales Tax Penalty Abatement Ordinance 2017-08

Mayor Hunter and Assembly Members,

The Sitka General Code does not currently have any provision for abatement of penalties for late filing of sales tax returns. The penalties in place, while not out of line with other communities in Alaska, are nonetheless quite severe.

If a business files its sales tax return just one day late, the business is subject to a late fee of fifteen dollars and a penalty equal to five percent of the delinquent tax. If the return is filed more than a month late, the late fee and penalties grow larger, with an ultimate penalty of twenty five percent of the tax due. On top of the penalties and late fees, interest at 12% is charged.

The purpose of the stiff fees, penalties and interest is to provide a strong deterrent to casual disregard of sales tax law and to encourage compliance by businesses in Sitka. At the same time, however, situations occur in which fully compliant businesses make mistakes which result in taxes being remitted just a day or two late, yet a large penalty being levied.

Staff has seen multiple examples wherein fully compliant businesses have brought in sales tax returns and payment in full just one day late, due to human error or coordination issues. When the tardy businesses subsequently discover that there are no rules or guidelines for abatement of a penalty due to error and that the penalty is severe, they become quite upset and feel that the Municipality is not fostering a business-friendly atmosphere.

Accordingly, staff is recommending the following ordinance which, under certain circumstances, would afford a business with a solid record of full compliance with sales tax code an abatement of penalty if tardy filing of its sales tax return is based on human error. The abatement is based on having achieved a satisfactory period of full compliance and a rational explanation; thus, the potential for repeated abuse of the provision is muted.

The City and Borough of Juneau currently has such a policy in place and Sitka's policy was modeled after the Juneau policy. Juneau's policy has been successful and has provided a much-needed method of resolving the occasional mistake fostered by human error.

CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2017-08

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL
CODE CHAPTER 4.09 "SALES TAX" AT 4.09.350 "PROCEDURES ON DELINQUENCIES"

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 SGC 4.09.350 so that there is a means by which an entity can request abatement of delinquent sales tax penalties when certain criteria are met.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Chapter 4.09.350 "Procedures on delinquencies" (new language underlined; deleted language stricken):

Chapter 4.09
SALES TAX

Sections:

* * *

4.09.350 Procedures on delinquencies.

* * *

4.09.350 Procedures on delinquencies.

A. Late Fee, Penalty and Interest. Late fee, penalty and interest will be assessed as follows:

1. A late fee will be charged if the seller does not file the proper form(s) in a timely manner for the tax due dates listed in Section 4.09.270. A fee of fifteen dollars will be charged the first month or any part of that month, with an additional twenty-five dollars added for each additional month or portion of a month, up to a maximum of one hundred dollars.

2. If the seller does not remit the sales tax then due on the dates listed in Section 4.09.270, and an abatement has not been granted under subsection (C) of this section, a penalty equal to five percent of the delinquent tax shall be added to the tax for the first month or any part of that month, an additional five percent shall be added to the tax due for each month or part of a month for delinquency, with a total penalty of twenty-five percent. It shall be assessed and collected in the same manner as the tax is assessed and collected.

3. In addition to the late fee and penalty provided in subsections (A)(1) and (2) of this section, interest at the rate of twelve percent per year on the delinquent tax from the date

47 of delinquency until paid shall accrue and be collected in the same manner as the
48 delinquent tax is collected.

49 * * *

50 C. Waiver of Penalties. ~~The administrator shall waive the penalties on failure to submit tax~~
51 ~~returns if:~~ Penalties from a delinquent tax remission shall be waived if:

52 1. The seller submits a ~~written request to the administrator~~ penalty abatement request
53 form to the finance department within seven calendar days of the due date and has paid
54 the delinquent tax in full.

55 2. ~~The submitted returns have no taxable sales and no taxable events under the bed tax~~
56 ~~set out in Chapter 4.24. The seller has no past due balances with any department of the~~
57 ~~city and borough of Sitka;~~ and

58 3. The finance ~~department~~ director verifies that the seller has ~~never filed a tax return~~
59 ~~regarding sales tax or bed tax with the city and borough of Sitka.~~ not filed a late sales tax
60 return or been granted an abatement within three years of the request for abatement.

61 * * *

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63 5. **EFFECTIVE DATE.** Ordinance 2017-08 shall become effective the day after the date of
64 its passage.

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66 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka,
67 Alaska this 28th day of March, 2017.

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71 _____
72 Matthew Hunter, Mayor

73 ATTEST:
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75 _____
76 Sara Peterson, CMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-09 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 3/22/2017 In control: City and Borough Assembly

On agenda: 3/28/2017 Final action:

Title: Expanding the authorized uses of the Gary Paxton Industrial Park Contingency Fund and adjusting the FY17 Budget for appropriations from the Contingency Fund

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2017-09.pdf](#)
[GPIP memo.pdf](#)
[Ord 2017-09.pdf](#)
[MOU Management Plan for Sawmill Cove Property.pdf](#)
[Res 99-730 accepting APC mill property.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-09 on
first reading.



Wednesday, March 22, 2017

MEMORANDUM

To: Mark Gorman, CBS Administrator
From: Garry White, Director
Subject: GPIIP Shoreline Stabilization Project

Introduction

Portions of the shoreline of the Gary Paxton Industrial Park (GPIIP) are eroding due to wave action. The GPIIP Board of Directors has requested support in funding from the State of Alaska in its FY2014 - FY2016 Legislative Priorities to fix the situation. The shoreline in front of Lot 4 and portions of Lot 9a are now eroding to the point of endangering the upland infrastructure.

Currently, the shoreline along Lot 4 (Building 4690 or Boat Company Building) has been undercut to the point where the foundation of the building may be in jeopardy. A recent sink hole justifies that concern (see photo below). The shoreline seaward of the bus shelter on Lot 9A has also eroded to within a foot of the asphalt.



The GPIIP Board of Directors met on February 21 at the GPIIP to investigate the shoreline erosion firsthand. The Board unanimously approved the following motion during the meeting:

MOTION: M/S Jones/Bevan moved to immediately remedy the shoreline erosion issues at GPIIP using the Environmental Contingency Funds #173.

Analysis

In 1999, the CBS Assembly approved Resolution 99-730, the overall resolution in which the CBS accepted the Alaska Pulp Corporation mill property. The Resolution established the Sawmill Cove Memorandum of Understanding (MOU) Contingency Fund or Environmental

Contingency Fund #173. Per the Resolution, the contingency fund was a separate fund reserved for unforeseen expenses that may be incurred by the municipality in implementing the Sawmill Cove Management Plan/MOU between the CBS and State. The fund was to maintain a balance of not less than \$200,000 until the last monitoring event prior to final site closure under the Sawmill Cove Management Plan/MOU. The long-term benthic monitoring programs were concluded in 2014 as the Alaska Department of Conservation deemed that it was no longer required. Per the 2014 Revised MOU, the Department of Environmental Conservation Solid Waste Program now oversees the landfill post closure monitoring requirements and other remaining obligations. The general industrial waste landfill monitoring and reporting is ongoing and required until December 31, 2022. Annual survey requirements will extend beyond that date. CBS is also responsible to address any issues that may arise with the landfill in perpetuity. CBS currently expends ~\$6,000 annually on landfill monitoring, reporting, and surveying. The GPIIP Board and CBS Staff feel that Fund #173 is an appropriate source to fund this critical project. It is the intent of the GPIIP Board to have the CBS Public Works Department manage the project.

Fiscal Note

Contingency Fund #173 has a balance of \$863,804 per the Finance Director. The Public Works Department ROM cost estimate for the GPIIP Shoreline Stabilization 2017 project is \$250,000 which would leave \$613,804 in Fund #173 for any unforeseen expenses that may arise.

Action

Approve Ordinance 2017-09 expanding upon the allowable use of Fund #173 and appropriating \$250,000 from Fund #173 to a new capital project to stabilize the eroding shoreline at the GPIIP.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2017-09

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA EXPANDING THE AUTHORIZED USES OF THE GARY PAXTON INDUSTRIAL PARK CONTINGENCY FUND AND ADJUSTING THE FY17 BUDGET FOR APPROPRIATIONS FROM THE CONTINGENCY FUND

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 expand the authorized uses of Fund 173, the Gary Paxton Industrial Park Contingency Fund to allow for the transfer of funds to Fund 270, the Gary Paxton Industrial Park Fund, for purposes of reimbursing that fund for capital outlays made to stabilize or improve the shoreline of the Park; and, to enact necessary appropriations to transfer funds from the Gary Paxton Industrial Park Contingency Fund, and, to expend funds from the Gary Paxton Industrial Park Fund for shoreline stabilization purposes.

4. ENACTMENT.

A. The Assembly of the City and Borough of Sitka hereby expands the authorized uses of the resources in Fund 173, the Gary Paxton Industrial park Contingency Fund, to include reimbursement of the Fund 270, the Gary Paxton Industrial Park Fund, for capital outlays made to stabilize or improve the shoreline of the Park.

B. The Assembly of the City and Borough of Sitka hereby enacts supplemental appropriations in accordance with Section 11.10(a) of the Charter of the City and Borough of Sitka, Alaska, the for the Budget for the fiscal period beginning July 1, 2016 and ending June 30, 2017, as follows:

FISCAL YEAR 2017 EXPENDITURE BUDGETS
CAPITAL FUNDS
Fund 270 -Gary Paxton Industrial Park Fund: A capital appropriation of \$250,000 from fund balance is requested for the purpose of funding the GPIP FY2017 Shoreline Stabilization Project.
Fund 173- GPIP Contingency Fund: An operating appropriation of \$250,000 from fund balance is requested for the purpose of reimbursing Fund 270, the Gary Paxton Industrial Park Fund, for the purpose of funding the GPIP FY2017 Shoreline Stabilization Project. This appropriation is contingent upon the Assembly expanding the allowable uses, previously established by Resolution, for the proceeds within the GPIP Contingency Fund.

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EXPLANATION

Significant shoreline erosion issues have been identified within the confines of the Gary Paxton Industrial Park. Administration believe that addressing the erosion issues through an appropriation of the fund balance of Fund 270, the Gary Paxton Industrial Park Fund, will leave that Fund in a weakened financial position. Sufficient funds to pay for the costs of shoreline stabilization exist in Fund 173, the Gary Paxton Industrial park Contingency Fund; however, the current authorizing Resolution for the Contingency Fund precludes the use of fund resources for such a purpose. Authority to expand the authorized uses of Contingency Fund resources rests with the Assembly, however, and Administration recommend that the Assembly expand permitted uses for the purpose at hand. Failure to address the shoreline erosion problem could result in damage to GPIP assets through undercutting and collapse.

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 11th Day of April, 2017.

ATTEST:

Matthew Hunter, Mayor

**Sara Peterson, CMC
Municipal Clerk**

**1st reading 3/28/17
2nd reading 4/11/17**



THE STATE
of ALASKA
GOVERNOR SEAN PARNELL

Department of Environmental
Conservation

OFFICE OF THE COMMISSIONER

Post Office Box 111800
410 Willoughby Avenue, Suite 303
Juneau, Alaska 99811-1800
Main: 907.465.5066
Fax: 907.465.5070
14.086

May 28, 2014

Mim McConnell
Mayor
City and Borough of Sitka
100 Lincoln St.
Sitka, AK 99835

Re: Memorandum of Understanding (MOU) between the State of Alaska and the City and Borough of Sitka - Management Plan for Sawmill Cove Property (Former APC Property)

Dear Mayor McConnell:

In 1999, Department of Environmental Conservation (DEC) Commissioner Michele Brown and Sitka Mayor Stan Filler signed a Memorandum of Understanding between the State of Alaska and the City and Borough of Sitka - Management Plan for Sawmill Cove Industrial Park (Former APC Property), outlining the City and Borough's responsibilities for ongoing management associated with contamination occurring prior to CBS ownership of the property. In concert with the final amended Record of Decision for the cleanup activities, DEC proposes to revise and streamline the MOU to account for the following:

1. As of 2005 the former developed mill site is no longer restricted to commercial/industrial use. At the direction of the City and Borough of Sitka and with DEC approval, the risk assessment was updated in 2005 to determine if the site was safe for unrestricted use. A 14-day public comment period was held on the revised risk assessment report. This land use change was memorialized in an amendment to the Record of Decision and 2 of 4 restrictive covenants were rescinded in 2005. Housing for seasonal seafood plant workers has since been constructed.
2. Petroleum contaminated soil cleanup was completed in 2000. This requirement in the 1999 MOU has therefore been fulfilled and is not included in the revised MOU.
3. Landfill post closure monitoring requirements and other remaining obligations associated with the Herring Cove Landfill and the former APC Industrial Waste Disposal Site have been overseen directly by DEC's Solid Waste Program (Juneau office) since the Record of Decision was issued in 1999. Solid Waste staff will continue to work with CBS to administer landfill management requirements. Landfill requirements are not included in the revised MOU.
4. Ecological recovery in Sawmill Cove is proceeding at a faster rate than predicted. Some of the management requirements have been modified as a result, and the long-term monitoring program has been terminated.
5. Industrial waste water generated by Silver Bay Seafoods is discharged through an outfall to deeper water in Silver Bay, well beyond the Area of Concern boundary. Silver Bay was moved out of the Division of Water's impaired waterbody category in the early 2000s.

Please sign the enclosed MOU and return a copy to:

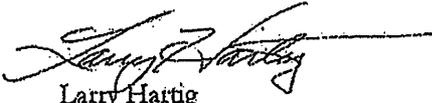
Department of Environmental Conservation
Contaminated Sites Program – Attention Evonne Reese
410 Willoughby Avenue, Suite 303
Juneau, AK 99811-1800

The City and Borough of Sitka will also need to file an amended *Notice of Restricted Area in Sawmill Cove* at the Sitka Recorder's Office, including an updated GIS figure depicting the No Disturbance Zone and "no anchoring" corridor, upon implementation of this revised MOU. The amended Notice (template enclosed) supersedes the Notice filed by Mayor Filler on May 14, 1999. Please furnish a copy to Evonne Reese at the above address once the notarized copy has been filed.

The redevelopment of the former Alaska Pulp Corporation mill site has been a true Alaskan economic success story. DEC looks forward to working closely with you on other projects designed to enhance the community and provide economic opportunities to Sitka's residents.

Please let me know if I can be of further assistance.

Sincerely,



Larry Hartig
Commissioner

Enclosures:

Revised MOU Between the State of Alaska and City and Borough of Sitka – Management Plan for Sawmill Cove Industrial Park
Revised Notice of Restricted Area in Sawmill Cove

cc: Mark Gorman, City Administrator, City and Borough of Sitka
Sandi Woods, DEC Solid Waste Program

REVISED Memorandum of Understanding
Between the State of Alaska and the City and Borough of Sitka
Management Plan for Sawmill Cove Industrial Park
(Former APC Mill Site)
May 28, 2014

This revised Memorandum of Understanding (MOU) "Management Plan" is made between the State of Alaska (State) and the City and Borough of Sitka (CBS) to set forth measures for implementing recorded institutional controls and other long-term responsibilities for management of the former Alaska Pulp Corporation property located at what is now known as the Sawmill Cove Industrial Park. This revised MOU supersedes the April 28, 1999 MOU signed by Commissioner Michele Brown and Sitka Mayor Stan Filler.

This Management Plan describes how CBS and the State will work together to implement the recorded institutional controls and site management activities for the uplands area and navigation and dredging.

Introduction

From approximately 1995-1999, the State required intensive studies of the environmental conditions of the property and the larger areas affected by the operation of the former APC pulp mill (the Upland and Bay Operable Unit study areas) in consultation with the Sitka Tribe of Alaska, other agencies, and the public. This revised Management Plan specifies the remaining work to be done under a 1999 prospective purchaser agreement between the State and CBS for the former APC pulp mill property. The PPA limits CBS liability for existing contamination associated with the property in exchange for this work.

Uplands – Land Use, Future Construction Activities, and Management of Contaminated Soils or Other Contaminated Media

Restrictive Covenants – Two of the four restrictive covenants recorded by APC in 1997 were rescinded in 2005 to allow for unrestricted land use at the former developed mill site (AK Tidelands Patent No. 20 and U.S. Survey No. 2797). Two covenants remain in effect. Restrictive Covenant Sitka Plat 81-40 comprises 12.522 acres at Herring Cove. Restrictive Covenant U.S. Patent No. 1213671 comprises 143.87 acres adjacent to the former developed mill site. The remaining two restrictive covenants are effective until July 11, 2097, or until dioxins and furans are shown not to be present in concentrations exceeding site-specific, risk-based residential cleanup levels. The restrictive covenants disallow human habitation, schooling of children, hospital care, child care or any purpose necessitating around-the-clock residency by humans. Of its own accord or if requested by CBS, DEC will review information showing that these restrictions may be modified or lifted.

Reporting – If contaminated soils or other media that require special handling are encountered during construction activities, CBS or its tenants or contractors working on the Sawmill Cove Industrial Park property will promptly notify DEC's Contaminated Sites Program, Juneau office, and the CBS Public Works Director. These obligations exist in addition to any other notifications required by law. The Public Works Director or designee, who may be a qualified contractor, shall serve as the project manager for managing the material or taking any remedial actions.

REVISED Memorandum of Understanding
Between the State of Alaska and the City and Borough of Sitka
Management Plan for Sawmill Cove Industrial Park
(Former APC Mill Site)

May 28, 2014

Site Management – The Public Works Director or designee will require the testing and proper treatment or disposal in accordance with applicable law and DEC regulations and guidance on the management of contaminated soils or other contaminated media. The Public Works Director or designee will promptly report the actions to be taken to DEC as required by applicable law.

DEC Approvals – DEC will process any approvals necessary for addressing existing contamination as part of the implementation of the amended Record of Decision and its institutional controls under applicable regulations and not as enforcement actions.

Sawmill Cove – Future Construction Activities and Vessel Management

Definitions:

1. Area of Concern – The Area of Concern (AOC) is an area in west Sawmill Cove approximately 100 acres in size. The boundary of the AOC begins approximately 2000 lineal feet southwest of outfall 001, extends 500 feet offshore along a southeast line, and follows a rough arc through western Sawmill Cove back to the shoreline approximately 1200 lineal feet north of outfall 001.
2. No Disturbance Zone – A No Disturbance Zone (NDZ) has been established within the AOC. The purposes of the NDZ are to minimize re-suspension of pulp residue and to ensure that no activity occurs that may compromise the ability of the area to achieve the natural recovery ecological management goals within the stated time frame. The NDZ is an area of tidal and submerged lands and overlying seas within the Area of Concern where toxicity is greatest and pulp residue thickest. The area encompasses approximately 6 acres of tidal and submerged lands extending to the southwest immediately offshore of outfall 001. The area is bounded by a perimeter that begins at a shoreward point 50' from the south end of the former pulp dock; extends approximately 425' into Sawmill Cove along a southeast line to the intersection of the – 100 foot contour; turns southwest for approximately 375' to the intersection of the – 120 foot contour; and turns due west for approximately 375' to a point shoreward.
3. Navigational Corridor – The Navigational Corridor is an area of tidal and submerged lands and overlying seas in the AOC bounded by a perimeter that begins at a shoreward point fifty feet (50') from the south end of the former pulp dock; parallels the end of the dock out to the minus sixty foot (–60') contour interval; follows the minus sixty foot (–60') contour to the north end of the Area of Concern boundary, and swings shoreward along the AOC boundary line.

Navigational Dredging - Navigational dredging on the west side of Sawmill Cove in the AOC should be limited to the Navigational Corridor unless extenuating circumstances prevail. Navigational dredging within the AOC does not include blasting of the outcrop of native rocky material in front of the former pulp dock that follows the depth contours to the southeast.

REVISED Memorandum of Understanding
Between the State of Alaska and the City and Borough of Sitka
Management Plan for Sawmill Cove Industrial Park
(Former APC Mill Site)

May 28, 2014

Dredging actions that occur outside of the Navigation Corridor should be limited in scope and ancillary to in-water construction.

Dock Use and Future Expansion – Existing docks can be used as-is without any further regulatory action, subject only to berthing and dock expansion alternatives identified in the *Decision Framework for Managing Navigation in Sawmill Cove* (Exhibit 7, 1999 MOU). These alternatives are consistent with the remedy (natural recovery) and may be implemented through the normal permit process. Other berthing options are not necessarily precluded, but if proposed, they would have to be evaluated in the future for consistency with the remedy.

In-Water Construction – In-water construction in the AOC is allowed with appropriate precautions and best management practices, incorporated through the permitting process, to minimize disturbance or re-suspension of sediments. In-water construction in the AOC may include pilings, dolphins, docks, bulkheads, moorage and navigation aids, and other structures.

Vessel Management – Vessels are permitted to drop anchor in the AOC, excluding the NDZ and a 100' corridor designed to protect the wastewater discharge pipe that extends beyond the AOC. New single point mooring systems and navigation aids may be established, as needed. The NDZ boundaries and the pipeline corridor are depicted on the CBS Geographic Information System, viewable on-line at <http://www.cityofsitka.com/government/departments/planning/index.html>, and on NOAA charts.

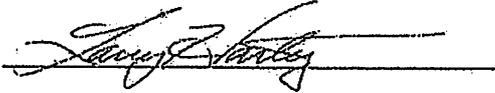
Approaching or departing vessels may traverse the NDZ as long as precautionary measures are taken to minimize disturbance of bottom sediments. To the extent that it is safe and practicable, the following standard operating procedures should be followed by personnel maneuvering approaching or departing vessels in the vicinity of the No Disturbance Zone:

- Approach the dock at as high an angle as possible.
- Minimize the use of the main propulsion system, thrusters, and tugs when over or near the NDZ or buffer zone.
- Use as low a “bell” (such as “dead slow” or the slowest revolutions per minute ordered) when berthing.

Dredging, expansion of moorage, and in-water construction are prohibited in the NDZ, except that CBS may repair, maintain, or remove existing facilities using best management practices to minimize disturbances with approval by DEC prior to the work.

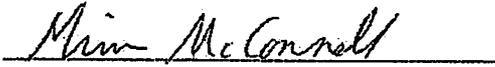
The Sawmill Cove Industrial Park manager will provide each landowner and tenant with a signed copy of the revised Management Plan. The plan must be filed with the Sitka Recorder's Office for each affected parcel. DEC's Institutional Controls Unit, at DEC.ICUNIT@alaska.gov must be notified of each filing and furnished with a copy of the Notice of Restricted Area in Sawmill Cove.

REVISED Memorandum of Understanding
Between the State of Alaska and the City and Borough of Sitka
Management Plan for Sawmill Cove Industrial Park
(Former APC Mill Site)
May 28, 2014



Larry Hartig, Commissioner
Department of Environmental Conservation

Date May 28, 2014



Mim McConnell, Mayor
City and Borough of Sitka

6/4/14
Date

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 99-730

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF SITKA, ACCEPTING THE ALASKA PULP CORPORATION MILL PROPERTY

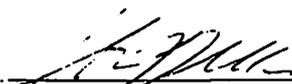
- WHEREAS,** Alaska Pulp Corporation (APC) is the landowner of certain property in and around Silver Bay in Sitka, Alaska (Property), concerning which the Alaska Department of Environmental Conservation (DEC) is completing the site clean-up investigation and remediation process (remedial studies) pursuant to a September 1995 Commitment Agreement between APC and the State of Alaska (the State); and
- WHEREAS,** APC desires to convey the property, along with certain buildings, docks, equipment, permits, water, and other real property rights to the City and Borough of Sitka (Sitka); and
- WHEREAS,** in April, 1998, the Assembly of Sitka voted in concept to accept the property subject to staff working out the details of the transaction, assuring the ability to redevelop and use the site, and protecting Sitka from potential liability; and
- WHEREAS,** Sitka recognizes the opportunities and feasibility of using the property as a site for economic development, public facilities, and public benefit; and
- WHEREAS,** it would be in the public interest to convey the site to the Sitka community to put it to productive use for jobs, tax, recreation, and other benefits, as soon as possible; and
- WHEREAS,** the Assembly has directed staff to initiate a process for the planning, management, and redevelopment of the Property; and
- WHEREAS,** Sitka is reasonably aware of the potential operating and maintenance costs associated with the property based upon its own investigation and analysis; and
- WHEREAS,** Sitka is reasonably aware of the status of environmental and other issues concerning the property, having conducted its own due diligence review and all reasonable inquiry into existing contamination, which has been ongoing since April 1998, based on DEC's remedial studies; and
- WHEREAS,** APC represents that it has disclosed to Sitka all the information which in its opinion is material to the obligations and risk which Sitka is undertaking by this Agreement; and
- WHEREAS,** Sitka currently assesses the value of the property for purposes of property taxes at \$18.83 million; and

- WHEREAS,** DEC has assured Sitka in a letter from the Commissioner dated March 5, 1999 that Sitka will not be liable under state law for past or continuing releases from existing contamination and for natural resource damages and that the institutional controls to be imposed will not preclude reasonable use of the property; and
- WHEREAS,** the State and Sitka have developed a draft prospective purchase agreement and related exhibits which incorporate these assurances and define Sitka's future site management responsibilities in a legally binding agreement; and
- WHEREAS,** the prospective purchaser's agreement will assure the municipality that among other assurances:
1. The State recognizes that Sitka has not previously been an owner, operator, generator, or transporter of any existing contamination, and has not been named as a potentially responsible party at the Property; and to the best of its knowledge and belief, Sitka has not, prior to taking title to the property, caused or contributed to a release or threat of release of hazardous substances or contaminants of concern on the property.
 2. The State will not sue or take any other civil or other administrative action against Sitka or other Approved Beneficiaries (including naming them potentially responsible parties) for any claim, including claims for equitable relief or damages under A.S. Title 46 and Title 18 of the Alaska Administrative Code, (including natural resource damages) directly or indirectly arising from releases of, or the existence of, existing contamination.
 3. The State agrees not to require Sitka to undertake remedial actions with respect to Existing Contamination except as expressly agreed therein.
- WHEREAS,** the Assembly has considered public comment and the public review drafts of the conveyance agreement, the prospective purchaser agreement, and draft Sawmill Cove management plan, and finds that they will promote restoration of the mill property for the productive use and benefit of the public and are in the public interest; and
- WHEREAS,** at a special session of the Assembly on April 6, 1999, Sitka has determined that conveyance of the property under the terms of this conveyance agreement and the prospective purchaser agreement, and their related exhibits, would reasonably protect the community from liability and future adverse environmental impacts that pulp mill operations may have caused; and
- WHEREAS,** Redevelopment and public use of the property, and Sitka performance of the long-term monitoring and institutional controls, provide a substantial direct and indirect benefit to the public welfare and is in the public interest.

NOW THEREFORE BE IT RESOLVED by the Assembly of the City and Borough of Sitka, Alaska that:

- A. The City & Borough of Sitka accepts the Alaska Pulp Corporation mill property from Alaska Pulp Corporation subject to the provisions of the conveyance agreement and closing documents.
- B. The mayor is authorized to sign the documents necessary to complete the conveyance of the property from Alaska Pulp Corporation to Sitka.
- C. Sitka shall establish a contingency fund as follows:
 1. The City & Borough of Sitka shall establish a Sawmill Cove Memorandum of Understanding (MOU) Contingency Fund and shall, immediately upon receipt, place in the fund the property remaining in the Trust identified in paragraph 4 of the Conveyance Agreement. Not later than such time, Sitka shall also place \$500,000 from the Southeast Alaska Economic Development Fund in the fund.
 2. The fund shall be invested and shall remain segregated from the general fund and other municipal funds and accounts. The fund shall be reserved for unforeseen expenses that may be incurred by the municipality in implementing the Sawmill Cove Management Plan/MOU between the State and Sitka.
 3. Sitka may add such sums to the fund from time to time as it deems advisable. Funds may come from public or private sources, grants funds, lease revenues, or other public or private sources. The fund shall maintain a balance of not less than \$200,000 until the last monitoring event prior to final site closure under the Sawmill Cove Management Plan/MOU (depending on the duration of the long-term monitoring programs, the final site closure may be for either the area of concern or the general industrial waste landfill). Any funds remaining after site closure shall be expended by the municipality for environmental or community improvements.

PASSED AND APPROVED by the Assembly of the City and Borough of Sitka, Alaska on this 6th day of April, 1999.



Stan J. Filler, Mayor

ATTEST:


Kathy Hope Erickson
Municipal Clerk