



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
1332 Seward Ave.
Room 229
Sitka, AK
(907)747-1811

Meeting Agenda

City and Borough Assembly

Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Benjamin Miyasato
Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Bob Potrzuski

Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Sara Peterson, CMC

Tuesday, February 23, 2016

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

[16-036](#) Reminders, Calendars and General Correspondence

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

[SEDA letter to State of Alaska FEMA risk map.pdf](#)

[Financial Review.pdf](#)

V. CEREMONIAL MATTERS

[16-028](#) Service Award for Historic Preservation Commission Member Judy Ozment

Attachments: [Ozment Service Award.pdf](#)

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

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** [16-029](#) Approve the minutes of the February 9 Assembly meeting

Attachments: [Consent and Minutes.pdf](#)

- B** [16-035](#) Award a contract to Leverage Information Systems for completion of the Datacenter Centralization Project in an amount not to exceed \$175,000

Attachments: [Datacenter Centralization Project.pdf](#)

- C** [ORD 16-04](#) Adjusting the FY16 Budget (first reading)

Attachments: [Motion Ord 2016-04.pdf](#)

[Ord 2016-04.pdf](#)

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- D** [16-030](#) Reappoint: 1) Richard Doland to a term on the Building Department Appeals Board, and, 2) Ken Fate to a term on the Local Emergency Planning Committee

Attachments: [Motion reappointments.pdf](#)

[Doland Appeals Board.pdf](#)

[Fate LEPC.pdf](#)

XI. UNFINISHED BUSINESS:

None.

XII. NEW BUSINESS:**New Business First Reading**

- E [ORD 16-06](#) Renaming and amending Chapter 4.40 of the Sitka General Code, "Uncollectable Accounts and Bad Debt Write-Offs" and amending Sections 4.40.010 "Definitions", 4.40.020 "Policies", and 4.40.030 "Records and Reporting" and adding Sections 4.40.040 "Write-Off of Uncollectable Accounts", 4.40.050 "Utility Debts Remain with Real Property", and 4.40.060 "Authority to Offset"
- Attachments:** [Motion Ord 2016-06.pdf](#)
 [Memo Ord 2016-06.pdf](#)
 [Ord 2016-06.pdf](#)

Additional New Business Items

- F [16-032](#) Discussion/Direction on the February 10, 2016 letter from SEARHC to develop a proposal for management of hospital services
- Attachments:** [SEARHC proposal.pdf](#)
- G [16-034](#) Approve an amended final subdivision plat for a Planned Unit Development at 100 Indian River Road filed by Baranof Island Housing Authority
- Attachments:** [BIHA Planned Unit Development.pdf](#)
- H [16-031](#) Discussion/Direction on the development of the FY17 budget including extraordinary requests
- Attachments:** [FY17 budget.pdf](#)

XIII. PERSONS TO BE HEARD:

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

XIV. EXECUTIVE SESSION

XV. ADJOURNMENT

Sara Peterson, CMC
Municipal Clerk
Publish: February 19



Legislation Details

File #: 16-036 **Version:** 1 **Name:**
Type: Item **Status:** AGENDA READY
File created: 2/18/2016 **In control:** City and Borough Assembly
On agenda: 2/23/2016 **Final action:**
Title: Reminders, Calendars and General Correspondence
Sponsors:
Indexes:
Code sections:
Attachments: [Reminders and Calendars.pdf](#)
[SEDA letter to State of Alaska FEMA risk map.pdf](#)
[Financial Review.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

REMINDERS

DATE

EVENT

TIME

Tuesday, February 23

Regular Meeting

6:00 PM

Friday, February 26

Tour of Harrigan
Centennial Hall for
Assembly Members

1:30 PM

Tuesday, March 8

Regular Meeting

6:00 PM



Assembly Calendar

[2015](#)
[Jan](#)
[Feb](#)
[Mar](#)
[Apr](#)
[May](#)
[Jun](#)
[Jul](#)
[Aug](#)
[Sep](#)
[Oct](#)
[Nov](#)
[Dec](#)
[2017](#)

February 2016

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
31 Jan	1 Feb	2	3	4	5	6
	7:00pm Marijuana Advisory 6:00pm Citizens' Taskforce	McConnell 7:00pm Planning	7:00pm Library Board McConnell	12:00pm - 1:30pm SEDA Board Meeting 5:30pm Ribbon cutting ceremony at the Library		
7	8	9	10	11	12	13
	7:00pm Marijuana Advisory	12:00pm Health Needs & Human Services Commission 6:00pm <u>Regular Assembly Mtg</u>	6:00pm Port and Harbors 6:00pm Historic Preservation 6:00pm <u>Worksession with School Board - SHS Library</u>	12:00pm LEPC 12:00pm <u>Parks & Rec</u>		
14	15	16	17	18	19	20
McConnell	McConnell PRESIDENTS DAY	6:00pm Citizens' Taskforce McConnell 12:00pm <u>Tree/Landscape</u> 7:00pm <u>Planning</u>	Guevin McConnell	Guevin	Guevin	Guevin
21	22	23	24	25	26	27
Guevin	6:00pm Citizens' Taskforce 7:00pm Marijuana Advisory	6:00pm <u>Regular Assembly Mtg</u>	6:00pm Police and Fire Commission - Fire Hall		1:30pm <u>Tour of Harrigan Centennial Hall for Assembly Members</u>	
28	29	1 Mar	2	3	4	5
McConnell		McConnell		McConnell	McConnell	McConnell

Assembly Calendar

[2015](#)
[Jan](#)
[Feb](#)
[Mar](#)
[Apr](#)
[May](#)
[Jun](#)
[Jul](#)
[Aug](#)
[Sep](#)
[Oct](#)
[Nov](#)
[Dec](#)
[2017](#)

March 2016

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



SITKA ECONOMIC DEVELOPMENT ASSOCIATION

329 Harbor Drive, Suite 212 • Sitka, Alaska 99835 • (907) 747-2660 • fax (907) 747-7688 • www.sitka.net

February 16, 2016

Sally Russell Cox, State of Alaska Risk MAP Coordinator
Division of Community and Regional Affairs
Department of Commerce, Community, and Economic Development
550 West 7th Avenue, Suite 1640
Anchorage, AK 99501-3569

Dear Ms. Cox:

The Sitka Economic Development Association (SEDA), representing the community of Sitka, Alaska, requests a more detailed /integrated hazard assessment for Sitka for the following hazards: landslides, river flooding, avalanches, coastal flooding, tsunami, and volcanic eruption.

The landslide risk assessment is especially urgent, as three Sitka residents were killed in one of more than 45 landslides that occurred on the August 18, 2015. These slides also caused significant damage to community infrastructure and private property.

We understand that FEMA's Risk Map program is working on a coastal flooding hazard assessment for Sitka, and look forward to seeing the new map. A tsunami inundation study was published for Sitka. However, that study does not assess the potential inundations resulting from subaerial or submarine landslide which should have been included.

In addition, Sitka is just fifteen miles from Mount Edgecumbe, which had major eruptions 12,000 years ago, last erupted 5,000 years ago, and has no ground-based monitoring.

In conjunction with a new, more detailed hazard assessment for landslides, river flooding, avalanches, and volcanic eruption, it would be good to assess the relative risk of each hazard for specific areas of the existing community and its planned northward expansion toward Katlian Bay. Specifically, we understand that living at tide level is risky for storm surge and tsunami, and our hillsides are landslide risks.

Information from a detailed hazard assessment would be used in community planning and improving hazard response.

The SEDA Board of Directors met on February 16, 2016 to discuss this issue and unanimously passed a motion to send this letter making a formal request for action. SEDA Board members represent a broad spectrum of business sectors in Sitka and through a contract with the City and Borough of Sitka, SEDA manages the Gary Paxton Industrial Park. One of the August 18th landslides caused significant damage to Industrial Park property. Therefore, SEDA has a direct interest in having a more detailed/integrated hazard assessment done for Sitka.

For more information concerning the role of SEDA in the community please see SEDA most recent Strategic Plan for 2016.

Thank you,

A handwritten signature in black ink, appearing to read "Trevor Harang". The signature is fluid and cursive.

Trevor Harang, President

cc: Mark Gorman, Municipal Administrator, City & Borough of Sitka

City and Borough of Sitka

Financial Review
September 30, 2015

Results as of September 30, 2015 (All Funds)

City and Borough of Sitka
Financial Review
FY2016 General Fund Budget Execution
September 30, 2015

Original Planned Deficit Per Budget Ordinance:	(723,000)
Budget Adjustments	<u>(1,250,837)</u>
Budget Deficit As Of 9/30:	(1,973,837)
Actual Revenues Thru 9/30 (41%)	11,776,413
Actual Expenditures Thru 9/30 (22%)	6,596,875

Note: Budget adjustments in FY16 use of \$1,000,000 of contingency for disaster response and \$1,045,000 transfer to Public Infrastructure Sinking Fund

City and Borough of Sitka
Financial Review
FY2016 General Fund
Budget Adjustments

Contingency (Disaster Response)	1,000,000
Transfer From Permanent Fund	(302,218)
Transfer to Public Infrastructure Sinking Fund	1,045,000
Other Net Adjustments	<u>231,055</u>
Total Net Budget Adjustments	<u>1,973,837</u>

City and Borough of Sitka
 Financial Review
 General Fund Balance
 September 30, 2015 Versus 2014

	9/30/2014	9/30/2015	Difference
Net Available Cash	6,851,583	6,266,280	((585,258)
Working Capital	11,946,266	12,367,258	420,992
Unrestricted Fund Balance	14,801,218	18,519,134	3,717,916

Notes:

\$6,748,100 of cash and fund balance is designated for liquidity

*Emergency response fund balance designation at 9/30/2016 \$0
 (\$1,000,000 advanced to SCH and \$1,000,000 disaster response)*

Net Available Cash equals cash plus investments less liabilities less all designated fund balances

Working Capital is current assets less current liabilities less liquidity and emergency response reserves

**City and Borough of Sitka
Financial Review
Fund Net Income and Working Capital
FY2016 Results Through September 30, 2015**

<u>Fund</u>		<u>Income/(Loss)</u>	<u>WC Designated For Capex</u>	<u>Undesignated Working Capital</u>	<u>Total Working Capital</u>
Electric Fund		(52,403)	4,010,454	10,886,927	14,897,381
Water Fund		88,948	1,000,023	98,819	1,098,842
Wastewater Fund		(270)	2,375,790	2,544,586	4,920,376
Solid Waste Fund		(38,257)	-	881,603	881,603
Harbor Fund		514,629	3,075,736	6,113,347	9,189,083
Airport Terminal Fund	*	(52,406)	520,523	348,985	869,508
Marine Service Center Fund	*	(19,683)	-	1,500,372	1,500,372
SMC Industrial Park Fund	*	(97,057)	25,319	880,416	905,735
MIS Fund	*	61,467	572,000	(236,297)	335,703
Central Garage Fund	*	155,052	870,405	2,113,769	2,984,174
Building Maintenance Fund	*	(37,306)	-	1,897,599	1,897,599
CPET Fund	*	(28,797)	306,946	-	306,946
Permanent Fund		93,427	-	24,158,100	24,158,100

Comments on Net Losses and Working Capital

- Net losses signify that depreciation expense (the decline in value of infrastructure) exceeds revenue and may signify that infrastructure replacement may eventually need to be funded by bonding and higher user fees.
- Negative undesignated working capital signifies that we have more approved spending for infrastructure than we have fund balance to pay for.
- Net Income/and loss includes grant revenue.
- Long-term infrastructure plans have been developed for all major funds; these plans seek to identify long-term infrastructure needs and determine the correct level of user fees necessary to finance the plan.

Summary

- Results for the 1st Quarter of Fiscal year 2016 are generally in accordance with plan. Challenges are surfacing, however, requiring the attention of management.
- Sales tax receipts in the General Fund are showing modest year-over-year growth but are less than projected.
- Significant new infrastructure requirements have been identified in the Electric Fund in excess of \$30 million over the next 6 years. Electricity consumption is declining and either rates must be increase, the fund subsidized, or a combination of both in order to adhere to bond covenants.
- Core infrastructure (streets, sewers, water mains) continue to age and require systematic repair. Total annual core infrastructure spending needs to be maintained in order to avoid increasing the deferred maintenance backlog.
- User fee increases of at least the annual rate of inflation need to be implemented annually in order to generate cash flow from operations to fund infrastructure repairs. Annual increases in user fees should be considered and essential. Forgoing an annual increase in user fees, even in just one year, has a compounding negative effect of the sufficiency of working capital to pay for future infrastructure replacement. This, in tern, begets additional borrowing to pay for infrastructure which, in turn, results in higher user fees to pay for debt service. Several of our funds are highly leveraged (meaning that a significant amount of the current infrastructure has been financed through debt).

Summary (Continued)

- The transfer rate from the Permanent Fund, at 6% as specified in the Charter, is too high to maintain the Fund's value. Decreasing the transfer rate will compound fiscal pressures on the General Fund, however. The Investment Advisory Committee is devising a recommendation to the Assembly.
- Anticipated harbor matching grants have not been obtained due to fiscal pressures at the State level. Moorage rate increases necessary to finance all projected harbor system repairs at the local level are unsustainable. Either harbor moorage rates must be subsidized through general tax revenue, or, the harbor system must be redesigned and possibly downsized to a sustainable level.

Financial Statements

- You will find attached financial statements for the various significant funds of the City and Borough of Sitka. Information is presented through September 30, 2015.
- Financial reporting is shown in the custom reporting format designed by the Finance Department, which combines significant elements of the income statement, cash flow and working capital into one single page report. Traditional financial statements are produced monthly and are distributed to the Administrator and appropriate Department Heads.

Definitions of Key Terms

Working Capital - This is essentially what a Fund has to spend. It is defined as current assets less current liabilities, including the current portion of long term debt. Working capital already earmarked for capital expenditures or otherwise restricted is called Designated Working Capital; the remainder is Undesignated Working Capital. The calculation of General Fund working capital also excludes designated amounts for liquidity and emergency response.

Depreciation Expense - This an estimation of the decline in value of a long lived asset, which is an expense. When a long lived asset is purchased, cash is paid but expense is not recorded; instead, expense is recorded gradually, over the life of the asset, to match its use against revenues earned in the same period. Most importantly, Depreciation Expense **IS NOT** the accumulation of cash to replace an asset; that is called a sinking fund and is part of Working Capital.

Fund Balance – This is the net assets of a fund. It is equal to total assets less liabilities. It is important to note that a Fund Balance is usually only partially in cash; the remainder may be made up of long lived assets, receivables, and other assets.

Definitions of Key Terms

Net Available Cash – This is equal to cash and investments, less liabilities and restricted or designated fund balances. This is similar to “cash on the barrelhead”.

EBI/EBID – These are accounting terms which measure earnings before certain expenses. EBI is Earnings Before Interest and measures earnings before interest expense. EBID is Earnings Before Interest and Depreciation, and is a rough measure of cash flow from operations.

Enterprise Fund – A fund which is run, and accounted for, similar to a private business. In such a fund, profit is measured and operations are accounted for on a full accrual basis.

Internal Service Fund - A fund which provides services to other funds. Such funds usually have no external source of revenue. Similar to an enterprise fund, profit is measured and operations are accounted for on a full accrual basis.

**General Fund
Financial Analysis
As Of, And For The Three-Month Period Ending September 30, 2015**

The financial performance and position of the General Fund through the first three months of FY2015 are more or less in line with planned expectations. One disappointing exception, however, are sales tax collections which, while greater than FY2015, are significantly below planned levels. A bright spot which offsets disappointing sales tax collections are the controllable cost portion of outlays, which are 12.2% under plan for the year-to-date.

The General Fund generated a surplus of revenues over expenditures of \$4,930.3K for the first three months of FY2016, compared to \$3,713.2K for the comparable period in FY2015. Transfers from the General Fund to capital project funds and the Public Infrastructure Sinking Fund have a \$1,607.1K variance from year to year due to timing, however. Adjusting for this difference, FY2016 has a surplus of revenues (\$390.0K) lower than the comparable period in FY2015.

Revenue in the General Fund for the period was \$11,776.4K, compared to \$11,435.3K in FY2015, an increase of \$341.0K. Of concern is sales tax revenues; sales tax revenues were forecasted to trend by 4% above FY15 actuals, and for the first three months, total sales taxes collected are (\$66.9K), or (2.1%). Certainly, timing differences account for some of this decrease. 2nd calendar quarter 2015 taxes remitted on a quarterly basis in the 3rd calendar quarter (1st fiscal quarter of FY2016) declined by (\$211.3K) year-over-year. Some of these taxes were remitted on a monthly basis instead in FY2015, taking advantage of the monthly remitter discount. The most insightful quarter, in which there are no timing differences and there is a pure apples-to-apples basis is the 3rd calendar quarter of 2015/1st fiscal quarter of FY2016. These taxes have come in 2% greater than the comparable FY2015 period, but, still 2% less than planned.

General Fund outlays for the period were \$6,846.1K, compared to \$7,722.2 in FY2015; however, as already discussed, timing difference in transfers account for \$1.607K of this difference. Factoring this difference out, overall outlays have risen by \$731.0K. Controllable costs (which exclude school district support, hospital support, debt service and transfers) have risen by \$185.2K year over year, an increase of 5.07%.

City and Borough of Sitka
General Fund
Income Statement
For The Twelve-Month Period From July 1, 2015 to June 30, 2016
(Unaudited)

	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015	January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (5/L - 25.00%)	Variance To FY2016 Plan	
Revenue:																		
Property Taxes	6,196,276	(88,461)	5,381	-	-	-	-	-	-	-	-	-	6,113,196	6,217,029	(103,833)	6,386,100	(272,904)	
Sales Taxes	1,550,222	1,017,345	563,963	-	-	-	-	-	-	-	-	-	3,131,530	3,198,470	(66,940)	2,666,350	465,180	
Bed Taxes	278,069	6	35,677	-	-	-	-	-	-	-	-	-	313,752	148,597	165,155	-	313,752	
State Assistance	869,454	-	3,000	-	-	-	-	-	-	-	-	-	872,454	919,598	(47,144)	230,650	641,804	
Federal Assistance	9,000	-	-	-	-	-	-	-	-	-	-	-	9,000	30,135	(21,135)	367,000	(358,000)	
Transfer From Permanent Fund, Etc.	2,205	2,626	2,619	-	-	-	-	-	-	-	-	-	7,450	287,923	(280,473)	724,980	(717,530)	
Interfund Billings	219,812	219,812	219,812	-	-	-	-	-	-	-	-	-	659,436	-	659,436	709,532	(50,096)	
Other Operating Revenue	209,112	53,122	407,361	-	-	-	-	-	-	-	-	-	669,595	633,637	35,958	814,271	(144,676)	
Total Revenue:	9,334,150	1,204,450	1,237,813	-	-	-	-	-	-	-	-	-	11,776,413	11,435,369	341,024	11,658,883	(122,470)	
Outlays:																		
Administrator	46,642	45,205	50,087	-	-	-	-	-	-	-	-	-	141,934	187,658	45,724	216,282	74,348	
Attorney	20,402	21,455	31,403	-	-	-	-	-	-	-	-	-	73,260	60,498	12,762	79,723	6,463	
Clerk	16,796	26,272	30,320	-	-	-	-	-	-	-	-	-	73,388	76,496	3,108	104,168	30,780	
Finance	106,501	136,191	121,232	-	-	-	-	-	-	-	-	-	363,924	396,090	(7,834)	432,619	68,695	
Assessing	18,996	25,954	25,060	-	-	-	-	-	-	-	-	-	70,010	65,068	4,942	82,983	12,973	
Planning	17,476	22,184	23,270	-	-	-	-	-	-	-	-	-	62,930	52,343	10,587	71,227	8,297	
General/Shared Expenses	213,841	35,946	73,581	-	-	-	-	-	-	-	-	-	323,368	416,566	93,198	226,097	(97,711)	
Police	414,159	338,835	364,772	-	-	-	-	-	-	-	-	-	1,117,766	912,855	204,911	1,155,793	38,027	
Fire	148,503	144,465	170,338	-	-	-	-	-	-	-	-	-	463,306	410,137	53,169	519,145	55,839	
Public Works	226,933	272,654	316,689	-	-	-	-	-	-	-	-	-	816,276	775,617	40,659	1,120,593	304,317	
Library	58,056	65,954	66,704	-	-	-	-	-	-	-	-	-	190,714	157,930	32,784	220,667	29,953	
Centennial Building	48,926	35,821	39,204	-	-	-	-	-	-	-	-	-	123,951	87,614	36,337	121,858	(2,098)	
Visitors Bureau/SR Citizen Center	5,157	4,575	6,348	-	-	-	-	-	-	-	-	-	16,080	92,834	76,754	22,251	6,171	
Contingency	-	183,222	213,633	-	-	-	-	-	-	-	-	-	316,855	-	316,855	316,855	-	
Debt Service	-	12,961	-	-	-	-	-	-	-	-	-	-	12,961	11,944	1,017	16,453	3,492	
School Support	559,793	559,793	559,794	-	-	-	-	-	-	-	-	-	1,679,380	1,429,380	250,000	1,811,880	132,500	
Hospital Support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38,662	38,662
Fixed Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	22,045	22,045	-	-	
Transfers To Other Funds	-	-	1,000,000	-	-	-	-	-	-	-	-	-	1,000,000	2,607,114	1,607,114	1,000,000	-	
Total Cost of Sales:	1,902,181	1,851,487	3,092,435	-	-	-	-	-	-	-	-	-	6,846,103	7,722,189	876,086	7,557,249	711,146	
Surplus/(Shortfall) of Revenues Over Outlays	7,431,969	(647,037)	(1,854,622)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	4,930,310	3,713,200	1,217,110	4,341,634	588,677	
	79.62%	-53.72%	-149.83%										41.67%	32.47%	9.39%	36.49%	5.38%	
													5,833,142					
Unrestricted Fund Liquidity																		
Beginning Unrestricted Liquidity:	6,108,156	12,866,210	13,219,173	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	6,108,156	5,964,073	144,083			
Surplus/(Shortfall) of Revenues Over Outlays:	7,431,969	(647,037)	(1,854,622)	-	-	-	-	-	-	-	-	-	4,930,310	3,713,200	1,217,110			
Transfer To Sinking Fund / Permanent Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	0				
Other balance sheet changes:	(673,915)	1,000,000	1	-	-	-	-	-	-	-	-	-	326,086	442,689	(116,603)			
Ending Unrestricted Liquidity:	12,866,210	13,219,173	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	10,119,962	1,244,590			
Total Assets:	22,956,401	22,310,077	20,422,173	20,422,173	20,422,173	20,422,173	20,422,173	20,422,173	20,422,173	20,422,173	20,422,173	20,422,173	20,422,173	22,088,359	21,441,322	19,586,701	19,586,701	
Less Advances to Other Funds:	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)					
Less Liabilities	(514,700)	(515,413)	(482,130)	(482,130)	(482,130)	(482,130)	(482,130)	(482,130)	(482,130)	(482,130)	(482,130)	(482,130)	(482,130)					
Less CPLTD (Unreimbursed)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)	(53,342)					
Subtotal:	22,088,359	21,441,322	19,586,701	19,586,701	19,586,701	19,586,701	19,586,701	19,586,701	19,586,701	19,586,701	19,586,701	19,586,701	19,586,701	22,088,359	21,441,322	19,586,701	19,586,701	
Less Reserved Amounts:																		
Advances other Funds:	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)	(832,413)					
Tie III Funds:	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)	(520,742)					
ES11 Surcharge:	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)	(316,981)					
Liquidity Restriction	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)	(6,422,013)					
Emergency Restriction	(1,000,000)	-	-	-	-	-	-	-	-	-	-	-	-					
Encumbrances:	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)	(130,000)					
Unrestricted Working Capital:	12,866,210	13,219,173	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	11,364,552	10,119,962	1,244,590			

City and Borough of Sitka
General Fund
Income Statement
For The Twelve-Month Trailing Period Ending September 30, 2015
(Unaudited)

	October 2014	November 2014	December 2014	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	TTM
Revenue:													
Property Taxes	16,845	8,853	(59,487)	(1,804)	11,845	7,387	6,514	10,989	26,975	6,196,276	(88,461)	5,381	6,141,313
Sales Taxes	1,849,955	958,605	247,471	757,033	735,324	230,105	820,862	635,157	245,620	1,550,222	1,017,345	563,963	9,611,662
Bed Taxes	159,505	7,351	1,783	9,108	24,253	1,979	24,716	5,492	29,132	278,069	6	35,677	577,071
State Assistance	9,225	13,914	5,805	250	17,050	-	46,968	-	3,069,792	869,454	-	3,000	4,035,458
Federal Assistance	-	5,079	(310)	56,668	-	-	30,112	22,010	1,354,469	9,000	-	-	1,477,028
Transfer From Permanent Fund, Etc.	282,738	1,884	3,584	282,717	2,420	2,764	297,839	2,398	3,100	2,205	2,626	2,619	886,894
Interfund Billings	-	1,174,822	249,823	228,964	228,964	246,199	198,965	228,964	251,048	219,812	219,812	219,812	3,467,185
Other Operating Revenue	409,349	214,871	383,436	305,754	104,380	85,122	421,073	117,137	583,167	209,112	53,122	407,361	3,293,884
Total Revenue:	2,727,617	2,385,379	832,105	1,638,690	1,124,236	573,556	1,847,049	1,022,147	5,563,303	9,334,150	1,204,450	1,237,813	29,490,495
Outlays:													
Administrator	97,046	68,694	72,352	94,287	95,509	72,154	66,149	97,979	254,858	46,642	45,205	50,087	1,060,962
Attorney	21,969	25,667	22,482	22,943	17,444	16,825	23,510	33,847	113,460	20,402	21,455	31,403	371,407
Clerk	40,191	29,189	31,414	30,897	25,354	28,088	28,466	41,142	114,052	16,796	26,272	30,320	442,181
Finance	167,998	161,901	197,706	127,258	138,404	120,460	134,381	197,113	566,144	106,501	136,191	121,232	2,175,289
Assessing	31,247	28,197	33,948	26,488	22,668	26,979	25,672	50,329	118,995	18,996	25,954	25,060	434,533
Planning	32,180	40,227	19,797	16,101	20,497	19,822	18,249	28,683	79,695	17,476	22,184	23,270	338,181
General/Shared Expenses	111,976	32,027	62,359	76,575	37,730	17,008	98,638	52,900	23,991	213,841	35,946	73,581	836,572
Police	450,706	377,710	339,089	336,889	328,340	358,267	345,395	479,085	1,407,129	414,159	338,835	364,772	5,540,376
Fire	189,308	158,413	138,504	138,851	130,456	149,516	142,878	189,242	563,964	148,503	144,465	170,338	2,264,438
Public Works	351,536	278,669	270,632	267,155	256,142	263,484	269,397	397,497	1,056,653	226,933	272,654	316,689	4,227,441
Library	83,919	86,333	59,380	71,573	59,814	60,003	63,579	76,142	245,388	58,056	65,954	66,704	996,845
Centennial Building	45,388	32,198	38,033	32,315	31,021	30,996	33,261	43,401	148,922	48,926	35,821	39,204	559,486
Visitors Bureau/SR Citizen Center	86,234	4,125	10,941	83,094	4,498	2,531	88,835	8,910	12,739	5,157	4,575	6,348	317,987
Contingency	-	-	-	-	-	-	-	-	-	-	103,222	213,633	316,855
Debt Service	-	7,000	-	9,745	2,104	6,453	1,380	-	9,627	-	12,961	-	49,270
School Support	476,460	522,467	476,460	476,460	476,460	476,460	510,123	952,920	446,372	559,793	559,793	559,794	6,493,562
Hospital Support	15,399	-	1,091,604	-	-	-	-	-	(1,091,604)	-	-	-	15,399
Fixed Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers To Other Funds	-	1,433,520	-	-	-	-	80,106	-	790,599	-	-	1,000,000	3,304,225
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Cost of Sales:	2,201,557	3,286,337	2,864,701	1,810,631	1,646,441	1,649,046	1,930,019	2,649,190	4,860,984	1,902,181	1,851,487	3,092,435	29,745,009
Surplus/(Shortfall) of Revenues Over Outlays	526,060	(900,958)	(2,032,596)	(171,941)	(522,205)	(1,075,490)	(82,970)	(1,627,043)	702,319	7,431,969	(647,037)	(1,854,622)	(254,514)
	19.29%	-37.77%	-244.27%	-10.49%	-46.45%	-187.51%	-4.49%	-159.18%	12.62%	79.62%	-53.72%	-149.83%	-0.86%
Unrestricted Fund Liquidity													
Beginning Unrestricted Liquidity:	10,119,962	10,686,899	9,128,060	8,744,721	8,610,533	8,091,194	7,015,710	7,053,643	5,431,724	6,108,156	12,866,210	13,219,173	10,119,962
Surplus/(Shortfall) of Revenues Over Outlays:	526,060	(900,958)	(2,032,596)	(171,941)	(522,205)	(1,075,490)	(82,970)	(1,627,043)	702,319	7,431,969	(647,037)	(1,854,622)	(254,514)
	-	-	-	-	-	-	-	-	-	-	-	-	-
Other balance sheet changes:	40,877	(657,881)	1,649,256	37,753	2,866	6	120,903	5,124	(25,887)	(673,915)	1,000,000	1	1,499,103
Ending Unrestricted liquidity:	10,686,899	9,128,060	8,744,721	8,610,533	8,091,194	7,015,710	7,053,643	5,431,724	6,108,156	12,866,210	13,219,173	11,364,552	11,364,552

Electric Utility

Financial Analysis

As Of, And For the Three-Month Period Ending September, 2015

The Electric Fund experienced moderate top line growth in revenue for the three-month period ending September 30, 2015, but earnings before interest (EBI), Earnings before interest and depreciation (EBID), and net income all declined during the same period. Electricity consumption has continued to decrease in year-over-year comparisons. As anticipated, increased debt service in conjunction with the Blue Lake Hydroelectric project has caused the debt coverage ratio to fall below the minimum target threshold (the coverage ratio is measured for reporting purposes as of June 30); the ratio has improved slightly from September 30, 2014.

Revenue exceeded that for the comparable period in FY15 by \$183.6K, a 5.5% increase. Electricity sales, however, increased by \$157.6K, or 4.8%. Electricity consumption decreased over FY15 for the comparable three-month period, declining by 741.000 kWh, or (2.9)%.

EBI was \$1,289.0 K for the three-month comparable period, compared to \$1,414.3K a year earlier, a decrease of (\$125.3K), or (8.9%). Cost of sales declined but overall operating expenses rose for the 3-month period, increasing \$308.9K, or 16.2%. Expense timing differences are responsible for this decline, however, and it is anticipated that overall costs of operations will climb by 3% during the year. EBIDA also decreased on a year-over-basis by (\$131.7K), or (7.1%).

The debt coverage ratio increased, however, to 0.94 times, compared to 0.90 times a year ago. Timing in the recording of bond fund interest is the reason for the difference.

Operating results are essentially moving sideways, and, they have not been sufficient to supply the extra cash flow required to meet the debt coverage ratio. As a result, management will consider a combination of three correctional steps. First, management will look to make withdrawals, as planned for and anticipated, from the Rate Stabilization Fund to mitigate the ratio deficit. As of June 30, 2014, the rate Stabilization Fund stood at \$3,001.3K. Secondly, management will consider adopting an electric rate increase, and, look to implement the rate increase earlier than July 1, 2016. Finally, management will consider options for a long-term subsidization of the electric fund from general governmental revenues until electricity consumption increases.

Working Capital Designated for Capex, June 30, 2014		6/30/2015	
63003	Blue Lake Power Plant Improv	57,424	-
63008	Electric Heat Conversions	86,207	151.00
63010	Green Lake FERC Completion	251,474	141,499.00
80003	Feeder Improvements	121,526	(10,249.00)
80040	A.M.R.	92,571	22,086.00
80281	Island Improvements	184,499	174,911.00
80410	SCADA System Enhancement	99,669	97,368.49
80484	Automated SCADA Dist	-	-
80612	SNC Rd Upgrade Feeder Express	144,575	144,575.00
80662	Green Lake Power Plant Improv	157,186	123,094.89
80663	Jeff Davis Line Upgrade	-	-
80894	Blue Lake Third Turbine/Dam	5,729,392	-
80897	Thimbleberry - Blue Lk Tie Line 69kv	-	-
80810	Blue Lake FERC Envir Mitigation	98,790	98,790.00
80811	Microwave or Optic Fiber	193,459	139,106.00
80814	Takatz Lake Hydro	-	-
80826	Blue Lk 69 kv Ring Bus	-	-
80827	Marine St Sub-Voltage Regulator	9,150	9,150.00
80828	Demand Side Load Management	61,938	28,938.00
80645	HPR to Kramer Line Rise	806,827	63,710.00
80646	Jarvis St Diesel Capacity Incr.	-	(447,076.00)
80647	Jarvis Tank Inspection	-	-
80648	Transmission & 1220 upgrade	95,020	(128,165.00)
80672	Medveje Transformer Replacement	67,095	(8,227.00)
80716	Blue Lake Sub-Paint & Maintenance	50,000	-
80717	Jarvis Street Improvements	116,650	10,612.00
80718	Marine Street Sub-Paint & Maintenance	51,225	171,122.00
80719	Warehouse Paving	33,000	28,600.00
80776	Electric Storage and Shop Building	200,000	124,452.00
80777	Meter Replacements	-	100,000.00
80811	Microwave or Optic Fiber	193,459	139,106.00
		<u>8,601,136</u>	<u>1,023,554</u>

Working Capital Designated for Capex, June 30, 2014		1,023,554	
New CapEx designations of Working Capital in FY16 Budget			
80003	Feeder Improvements	200,000	
80040	Automated Meter Reading	50,000	
80410	Scada System Enhancements	50,000	
80562	Green Lake Power Plant Improvements	150,000	
80610	Blue Lake FERC License Mitigation	325,000	
80611	Microwave or Fiber Optic	100,000	
80645	HPR - Kramer - Cascade Creek Line Riser	100,000	
80646	Jarvis Street Diesel Capacity Increase	750,000	
80672	Medveje Hatchery Transformer Replacement	75,000	
80717	Jarvis Street Improvements	50,000	
80718	Marine Street Substation Maintenance	60,000	
80719	Warehouse Paving	25,000	
80776	Electric Storage & Shop Building	800,000	
80777	Meter Replacement	150,000	
	Old Blue Lake Powerhouse Conversion	150,000	
	Sitka Transient Float Electrical Conversion	500,000	
		<u>3,535,000</u>	
Plus New Bond Issuance Proceeds:			
		-	
Plus Bond Fund Interest			
		50,827	
Less FY15 working capital outlays for CapEx			
		<u>(606,827)</u>	
Working Capital Designated for Capex, June 30, 2015			
		<u>4,010,454</u>	

City and Borough of Sitka
Electric Utility
Income Statement
For The Trailing Twelve-Month Trailing Period Ending September 30, 2015

(Unaudited)

	October 2014	November 2014	December 2014	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	12-Month Trailing
Revenue:													
Electricity Sales	1,006,866	1,109,342	1,245,349	1,221,907	826,272	1,639,676	1,253,926	1,019,444	1,005,116	1,052,246	1,236,631	1,159,140	13,775,915
Jobbing	22,963	232,290	209,495	31,088	13,550	186	141,055	140	186,939	480	200	51,318	889,704
Other Operating Revenue	5,402	3,363	4,972	10,368	6,628	911	5,170	4,624	1,134,721	5,501	4,825	4,133	1,190,618
Total Revenue:	1,035,231	1,344,995	1,459,816	1,263,363	846,450	1,640,773	1,400,151	1,024,208	2,326,776	1,058,227	1,241,656	1,214,591	15,856,237
Cost of Sales:													
Green Lake	30,008	20,955	47,980	30,241	46,992	112,130	42,186	41,508	134,425	53,038	30,860	32,632	622,955
Blue Lake	136,445	118,481	147,059	139,237	123,650	152,941	128,869	185,688	534,470	110,372	163,986	152,199	2,093,397
Diesels	38,877	23,352	73,574	17,362	22,629	20,268	20,634	44,821	209,299	12,217	47,319	63,657	594,009
Switchyard	1,714	2,553	-	1,148	60	-	910	771	236	2,204	4,429	832	14,857
Line Maintenance	6,331	(6,059)	(797)	67	8,084	(249)	16,629	3,864	759	2,598	2,755	2,062	36,044
Substation Maintenance	-	(5,969)	4,522	180	1,663	(249)	-	-	13,999	3,522	-	2,172	19,840
Distribution	238,939	113,173	107,267	132,144	101,275	128,797	104,684	126,747	495,121	89,842	162,657	137,882	1,938,528
Metering	39,481	30,982	28,576	29,506	27,851	32,456	29,421	40,382	136,125	20,492	42,271	42,271	486,563
Jobbing	134,578	42,575	43,468	44,543	35,443	23,883	39,150	60,278	138,056	14,078	22,576	18,417	617,045
Stores	16,238	10,048	10,804	12,418	13,620	13,353	13,829	24,758	50,139	8,744	13,799	12,662	200,412
Depreciation	151,824	151,824	151,824	151,824	151,824	151,824	151,824	151,824	151,824	149,683	149,683	149,683	1,808,284
Total Cost of Sales:	794,435	501,915	614,277	558,670	533,091	635,154	548,136	680,639	1,857,274	466,790	627,084	614,469	8,431,934
Gross Margin:	240,796	843,080	845,539	704,693	313,359	1,005,619	852,015	343,569	469,502	591,437	614,572	600,122	7,424,303
	23.26%	62.66%	57.92%	55.78%	37.02%	61.29%	60.85%	33.54%	20.18%	55.89%	49.50%	49.41%	46.82%
Selling and Administrative Expenses	84,986	509,337	220,917	235,005	179,767	190,359	183,054	232,585	365,407	161,764	175,712	179,658	2,718,551
Earnings Before Interest (EBI):	155,810	333,743	624,622	469,688	133,592	815,260	668,961	110,984	104,095	429,673	438,860	420,464	4,705,752
	15.05%	24.81%	42.79%	37.18%	15.78%	49.69%	47.78%	10.84%	4.47%	40.60%	35.34%	34.62%	29.68%
Non-operating Revenue and Expense:													
Non-Operating Revenue:	59,454	56,747	54,221	49,176	51,996	58,408	54,983	82,356	2,353,362	8,950	54,446	54,392	2,938,491
Bond Fund Interest	8,246	33,259	28,382	22,727	19,881	27,743	20,643	27,425	17,120	17,701	20,589	20,537	508,263
Grant Revenue	(13)	45,344	3,027,760	1,202,037	42,954	2,480,333	198,768	(519)	1,815,422	(1,673)	1,601	-	8,812,014
Bonded Interest Expense:	(484,616)	(484,616)	(484,616)	(484,616)	(484,616)	(484,616)	(484,616)	(484,616)	(484,616)	(496,527)	(496,527)	(496,527)	(5,851,125)
Subordinated Interest Expense	(26,333)	(26,333)	(26,333)	(26,333)	(26,333)	(26,333)	(26,333)	(26,333)	(26,540)	(25,329)	(25,329)	(25,329)	(313,191)
Total Non-operating Revenue & Expense:	(443,262)	(375,599)	2,599,414	767,991	(396,118)	2,050,535	(236,555)	(411,677)	3,933,748	(496,878)	(445,220)	(446,927)	6,094,452
Net Income:	(287,452)	(41,856)	3,224,036	1,232,679	(262,526)	2,865,795	432,406	(300,693)	4,037,843	(67,205)	(6,360)	(26,463)	10,800,204
	-27.77%	-3.11%	220.85%	97.57%	-31.01%	174.66%	30.88%	-29.36%	173.54%	-6.35%	-0.51%	-2.18%	68.11%
EBIDA	307,634	485,567	776,446	621,512	285,416	967,084	820,785	262,806	248,740	579,356	588,543	570,147	6,514,036
	29.72%	36.10%	53.19%	49.20%	33.72%	58.94%	58.62%	25.66%	10.69%	54.75%	47.40%	46.94%	41.08%
Bond Coverage Ratio (> 1.25 for fiscal year)	0.51	0.82	1.26	1.00	0.48	1.55	1.32	0.49	4.40	0.85	0.94	0.91	1.28
Total kWh Sold	8,440,750	9,448,700	9,878,100	9,823,950	9,044,000	10,474,700	8,859,700	7,248,500	6,834,300	8,151,950	8,478,750	7,868,850	104,552,250
Electricity Sales Revenue per Kwh Sold	0.1193	0.1174	0.1261	0.1244	0.0914	0.1565	0.1415	0.1406	0.1471	0.1291	0.1459	0.1473	0.1318
Cost of Sales per Kwh Sold	0.0941	0.0531	0.0622	0.0569	0.0589	0.0606	0.0619	0.0939	0.2718	0.0573	0.0740	0.0781	0.0806
									#DIV/0!				
Debt Principal Coverage													
Simple Cash Flow (Net Income Plus Depreciation)	(135,628)	109,968	3,375,860	1,384,503	(110,702)	3,017,619	584,230	(148,871)	4,182,488	82,478	143,323	123,220	12,608,488
Bonded Debt Principal	159,583	159,583	159,583	159,583	159,583	159,583	159,583	159,583	159,583	162,917	162,917	162,917	1,924,998
Subordinated Debt Principal	24,840	24,840	24,840	24,840	24,840	24,840	24,840	24,840	24,840	25,844	25,844	25,844	301,092
Debt Principal Coverage Surplus/Deficit	(320,051)	(74,455)	3,191,437	1,200,080	(295,125)	2,833,196	399,807	(333,294)	3,998,065	(106,283)	(45,438)	(65,541)	10,382,398
Debt Principal Coverage Percentage	-74%	60%	1830%	751%	-60%	1636%	317%	-81%	2268%	44%	76%	65%	566%
Simple Asset Replacement Coverage													
Debt Principal Coverage Surplus/Deficit (From Above)	(320,051)	(74,455)	3,191,437	1,200,080	(295,125)	2,833,196	399,807	(333,294)	3,998,065	(106,283)	(45,438)	(65,541)	10,382,398
Depreciation	151,824	151,824	151,824	151,824	151,824	151,824	151,824	151,824	149,645	149,683	149,683	149,683	1,808,284
Cash Accumulated For/(Taken From) Asset Replacement	(471,875)	(226,279)	3,039,613	1,048,256	(446,949)	2,681,372	247,983	(485,116)	3,853,420	(255,966)	(195,121)	(215,224)	8,574,114
Undesignated Working Capital													
Beginning Undesignated Working Capital	6,557,571	6,886,585	7,381,937	7,915,167	5,829,775	5,800,674	9,409,227	5,394,434	5,544,589	9,748,094	10,607,241	10,756,122	6,557,571
Net Income Plus Depreciation Less Principal	(320,051)	(74,455)	3,191,437	1,200,080	(295,125)	2,833,196	399,807	(333,294)	3,998,065	(106,283)	(45,438)	(65,541)	10,382,398
CapEx, Accruals, and other Balance Sheet Changes	649,065	569,807	(2,658,207)	(3,285,472)	266,024	775,357	(4,414,600)	483,449	205,440	965,430	194,319	196,345	(6,053,043)
Ending Undesignated Working Capital	6,886,585	7,381,937	7,915,167	5,829,775	5,800,674	9,409,227	5,394,434	5,544,589	9,748,094	10,607,241	10,756,122	10,886,926	10,886,926

**Water Utility
Financial Analysis
As Of, And For the Three-Month Period Ending September, 2015**

Financial operations for the Water Fund showed marked improvement over FY15 for the comparative 3-month period. Water sales revenue increased \$76.0K, or 15.0% compared to FY2014. Compared to plan for FY16, water sales revenue exceeded plan by \$51.1K, or 9.6% for the 3-month period ending September 30, 2015.

In addition to increasing top line revenue, the Water Fund was successful in controlling operating costs. Costs of sales increased by \$11.2K, or 3.1% for the comparative three-month period in FY15. Compared to plan, cost of sales remain well under projections, posting a positive variance (costs below plan) of \$57.4K, or 14.2%. There are some differences in the timing of expense reporting, however, and it is anticipated that the large positive variances in costs will decrease as the year progresses.

Undesignated working capital grew to \$98.8K in September; overall working capital was \$1,098.8K as of September 30, 2014.

In the summer of 2014, we had reported that the Water Fund had bottomed out financially, and, that user fee increases were causing the Water Fund's financial position to slowly improve. That trend has continued over the last quarter, as all metrics show positive variances and improvement. Continuing increases in user fees are required in the Water Fund, but these fees are now driven by future capital expenditure requirements..

City and Borough of Sitka
Water Utility
Income Statement
For The Trailing Twelve-Month Period Ending June 30, 2016
(Unaudited)

	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015	January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (\$/L - 25.00%)	Variance To FY2016 Plan
Revenue:																	
Water Sales	183,279	196,144	202,838	-	-	-	-	-	-	-	-	-	582,261	506,236	76,025	531,179	51,082
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-	5,235	(5,235)	15,000	(15,000)
Other Operating Revenue	725	1,415	2,175	-	-	-	-	-	-	-	-	-	4,315	6,447	(2,132)	2,395	1,920
Total Revenue:	184,004	197,559	205,013	-	-	-	-	-	-	-	-	-	586,576	517,918	68,658	548,574	38,002
Cost of Sales:																	
Distribution	22,670	28,261	25,622	-	-	-	-	-	-	-	-	-	76,553	103,795	27,242	149,844	73,291
Treatment	13,292	20,034	24,528	-	-	-	-	-	-	-	-	-	57,854	40,574	(17,280)	41,975	(15,879)
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-	114	(114)	-	-
Depreciation	70,573	70,573	70,573	-	-	-	-	-	-	-	-	-	211,719	212,844	(1,125)	211,719	-
Total Cost of Sales:	106,535	118,868	120,723	-	-	-	-	-	-	-	-	-	346,126	357,327	11,201	403,538	57,412
Gross Margin:	77,469	78,691	84,290	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	240,450	160,591	79,859	145,036	95,414
	42.10%	39.83%	41.11%										40.99%	31.01%	9.99%	26.44%	14.55%
Selling and Administrative Expenses	31,966	32,141	67,258	-	-	-	-	-	-	-	-	-	131,367	27,462	(103,905)	166,754	35,387
Earnings Before Interest (EBI):	45,501	46,550	17,032	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	109,083	133,129	(24,046)	(21,718)	130,801
	24.73%	23.56%	8.31%										18.60%	25.70%	-7.11%	-3.96%	22.56%
Non-operating Revenue and Expense:																	
Non-operating revenue:	(1,568)	(1,869)	159	-	-	-	-	-	-	-	-	-	(3,278)	(881)	(2,397)	1,975	(5,253)
Grant Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	161,000	(161,000)
Interest Expense:	(5,619)	(5,619)	(5,619)	-	-	-	-	-	-	-	-	-	(16,857)	(20,871)	4,014	(17,450)	593
Total Non-operating Revenue & Expense:	(7,187)	(7,488)	(5,460)	-	-	-	-	-	-	-	-	-	(20,133)	(21,752)	1,617	145,525	(165,660)
Net Income:	38,314	39,062	11,572	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	88,948	111,377	(22,429)	123,808	(34,860)
	20.82%	19.77%	5.64%										15.16%	21.50%	-32.67%	22.57%	-7.41%
Earnings Before Interest and Depreciation (EBIDA):	116,074	117,123	87,605	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	320,802	345,973	(25,171)	190,002	130,801
	63.08%	59.29%	42.73%										54.69%	66.80%	-12.11%	34.64%	20.06%
Debt Principal Coverage																	
Simple Cash Flow (Net Income Plus Depreciation)	108,887	109,635	82,145	-	-	-	-	-	-	-	-	-	300,667	324,221	(23,554)	335,527	(34,860)
Debt Principal	28,372	28,372	28,372	-	-	-	-	-	-	-	-	-	85,116	74,400	(10,716)	85,116	-
Debt Principal Coverage Surplus/Deficit	80,515	81,263	53,773	-	-	-	-	-	-	-	-	-	215,551	249,821	(34,270)	250,411	(34,860)
Debt Principal Coverage Percentage	58%	58%	29%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	353.24%	435.78%	-82.54%	594.20%	-40.96%
Simple Asset Replacement Coverage																	
Debt Principal Coverage Surplus/Deficit (From Above)	80,515	81,263	53,773	-	-	-	-	-	-	-	-	-	215,551	249,821	(34,270)	250,411	(34,860)
Depreciation	70,573	70,573	70,573	-	-	-	-	-	-	-	-	-	211,719	212,844	(1,125)	211,719	-
Cash Accumulated For/(Taken From) Asset Replacement	9,942	10,690	(16,800)	-	-	-	-	-	-	-	-	-	3,832	36,977	(33,145)	38,692	(34,860)
Working Capital																	
Beginning Undesignated Working Capital	280	(60,704)	37,145	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	280	(638,023)	638,303	280	-
Net Income Plus Depreciation Less Principal	80,515	81,263	53,773	-	-	-	-	-	-	-	-	-	215,551	249,821	(34,270)	250,411	(34,860)
CapEx, Accruals, and other Balance Sheet Changes	(141,499)	16,586	7,901	-	-	-	-	-	-	-	-	-	(117,012)	305,881	(422,859)	(117,012)	-
Ending Undesignated Working Capital:	(60,704)	37,145	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	(82,521)	181,140	133,679	(54,860)
Working Capital Designated for CapEx	1,063,082	1,054,816	1,000,023	1,000,023	1,000,023	1,000,023	1,000,023	1,000,023	1,000,023	1,000,023	1,000,023	1,000,023	1,000,023	883,418	116,605	1,000,023	-
Current Assets	1,365,744	1,455,379	1,451,831	1,451,831	1,451,831	1,451,831	1,451,831	1,451,831	1,451,831	1,451,831	1,451,831	1,451,831	1,451,831	1,398,801	53,030		
Current Liabilities	(51,274)	(51,528)	(40,897)	(40,897)	(40,897)	(40,897)	(40,897)	(40,897)	(40,897)	(40,897)	(40,897)	(40,897)	(40,897)	(900,104)	250,207		
CP/LTD	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(312,092)	(297,600)	(14,492)		
WCDF/Capex	(1,063,082)	(1,054,816)	(1,000,023)	(1,000,023)	(1,000,023)	(1,000,023)	(1,000,023)	(1,000,023)	(1,000,023)	(1,000,023)	(1,000,023)	(1,000,023)	(1,000,023)	(883,418)	(116,605)		
Undesignated Working Capital	(60,704)	37,145	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	98,819	(82,521)	181,140	98,819	-
Total Working Capital	1,002,378	1,091,961	1,098,842	1,098,842	1,098,842	1,098,842	1,098,842	1,098,842	1,098,842	1,098,842	1,098,842	1,098,842	1,098,842	801,097	297,745	1,098,842	-
	0.00	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Working Capital designated for Capex, June 30, 2015

Working Capital designated for Capex, June 30, 2015

902,096

		New CapEx designations of Working Capital in FY16 Budget	
Japanski Is. Channel Water Line	80041	\$ 12,704	
Japanski Island Water Design	80338	\$ 70,000	
IRWTP Filterbed Rehab	90612	\$ 24,225	
Blue Lake Dam Project	90624	\$ 35,000	90796
O'CaIn Street Main Replacement	90651	\$ 88,340	Brady Street, HPR to Gavin
UV Disinfection Feasibility Study	90652	\$ 152,759	5,000
HPR Water Improvements	90673	\$ 34,384	Convert Whitcomb Heights Tank PRV to RC
SMC Water Improvements	90675	\$ 150,000	11,000
Monastery Street Water mains	90698	\$ 120,400	DeGross Street Utilities & Street Improvements
Design Baranoff water main	90710	\$ 94,545	25,000
			90772
			Gavan Street Utilities and Street Improvements
			5,000
			90803
			Marine Street Utilities & Street Improvements
			50,000
			Erler to Osprey
			90651
			O'CaIn Street Main Replacement
			65,000
			161,000

City and Borough of Sitka
Water Utility
Income Statement
For The Trailing Twelve-Month Period Ending June 30, 2016
(Unaudited)

2 Dist. System meters	90711	\$ 50,000
Airport Water Main (USCG housing)	90731	\$ 8,904
Repair Coating Harbor Mountain Storage Tank	90752	\$ 10,835
Design DeArmond Water Main replacements	90754	\$ 50,000
Adjustment		\$ -
		\$902,096

Less FY16 working capital outlays for CapEx	<u>(63,073)</u>
Working Capital designated for Capex, June 30, 2016	<u>1,000,023</u>

City and Borough of Sitka
Water Utility
Income Statement
For The Trailing Twelve-Month Period Ending September 30, 2015
(Unaudited)

	October 2013	November 2014	December 2014	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	12-Month Trailing
Revenue:													
Water Sales	168,384	129,937	190,631	158,489	141,268	181,435	131,268	195,276	164,627	183,279	196,144	202,838	2,043,576
Jobbing	3,147	54,983	32,352	(3,176)	787	-	2,898	10,294	3,351	-	-	-	104,636
Other Operating Revenue	1,644	1,387	1,513	15,910	435	690	1,939	3,490	101,568	725	1,415	2,175	132,891
Total Revenue:	173,175	186,307	224,496	171,223	142,490	182,125	136,105	209,060	269,546	184,004	197,559	205,013	2,281,103
Cost of Sales:													
Distribution	57,441	29,820	65,382	22,186	22,562	26,816	25,571	39,362	149,834	22,670	28,261	25,622	515,527
Treatment	8,482	12,809	29,833	19,871	24,085	18,525	43,746	23,782	35,502	13,292	20,034	24,528	274,489
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	70,948	70,948	70,948	70,948	70,948	70,948	70,948	70,948	75,452	70,573	70,573	70,573	854,755
Total Cost of Sales:	136,871	113,577	166,163	113,005	117,595	116,289	140,265	134,092	260,788	106,535	118,868	120,723	1,644,771
Gross Margin:	36,304 20.96%	72,730 39.04%	58,333 25.98%	58,218 34.00%	24,895 17.47%	65,836 36.15%	(4,160) -3.06%	74,968 35.86%	8,758 3.25%	77,469 42.10%	78,691 39.83%	84,290 41.11%	636,332 27.90%
Selling and Administrative Expenses	41,031	130,632	73,953	51,113	33,318	32,319	60,107	38,004	89,473	31,968	32,141	67,258	681,317
Earnings Before Interest (EBI):	(4,727) -2.73%	(57,902) -31.08%	(15,620) -6.96%	7,105 4.15%	(8,423) -5.91%	33,517 18.40%	(64,267) -47.22%	36,964 17.68%	(80,715) -29.94%	45,501 24.73%	46,550 23.56%	17,032 8.31%	(44,985) -1.97%
Non-operating Revenue and Expense:													
Non-operating revenue:	508	467	(3,125)	(1,955)	(3,104)	(4,559)	(5,066)	(2,970)	(4,993)	(1,568)	(1,869)	159	(28,075)
Grant Revenue	-	531	71,256	494,694	-	16,599	2,136	1,552,200	2,099,925	-	-	-	4,237,341
Interest Expense:	(6,957)	(6,957)	(6,957)	(6,957)	(6,957)	(6,957)	(6,957)	(6,957)	9,104	(5,619)	(5,619)	(5,619)	(63,409)
Total Non-operating Revenue & Expense:	(6,449)	(5,959)	61,174	485,782	(10,061)	5,083	(9,887)	1,542,273	2,104,036	(7,187)	(7,488)	(5,460)	4,145,857
Net Income:	(11,176) -6.45%	(63,861) -34.28%	45,554 20.29%	492,887 287.86%	(18,484) -12.97%	38,600 21.19%	(74,154) -54.48%	1,579,237 755.40%	2,023,321 750.64%	38,314 20.82%	39,062 19.77%	11,572 5.64%	4,100,872 179.78%
Earnings Before Interest and Depreciation (EBIDA):	66,221 38.24%	13,046 7.00%	55,328 24.65%	78,053 45.59%	62,525 43.88%	104,465 57.36%	6,681 4.91%	107,912 51.62%	(5,263) -1.95%	116,074 63.08%	117,123 59.29%	87,605 42.73%	809,770 35.50%
													379638
Debt Principal Coverage													
Simple Cash Flow (Net Income Plus Depreciation)	59,772	7,087	116,502	563,835	52,464	109,548	(3,206)	1,650,185	2,098,773	108,887	109,635	82,145	4,955,627
Debt Principal	24,800	24,800	24,800	24,800	24,800	24,800	24,800	24,800	25,799	28,372	28,372	28,372	309,315
Debt Principal Coverage Surplus/Deficit	34,972	(17,713)	91,702	539,035	27,664	84,748	(28,006)	1,625,385	2,072,974	80,515	81,263	53,773	4,646,312
Debt Principal Coverage Percentage	241%	29%	470%	2274%	212%	442%	-13%	6654%	8135%	384%	386%	290%	1602%
Simple Asset Replacement Coverage													
Debt Principal Coverage Surplus/Deficit (From Above)	34,972	(17,713)	91,702	539,035	27,664	84,748	(28,006)	1,625,385	2,072,974	80,515	81,263	53,773	4,646,312
Depreciation	70,948	70,948	70,948	70,948	70,948	70,948	70,948	70,948	75,452	70,573	70,573	70,573	854,755
Cash Accumulated For/(Taken From) Asset Replacement	(35,976)	(88,661)	20,754	468,087	(43,284)	13,800	(88,954)	1,554,437	1,997,522	9,942	10,690	(16,800)	3,791,557
Working Capital													
Beginning Undesignated Working Capital	(82,321)	(15,591)	128,273	216,809	319,401	394,700	854,226	(959,990)	(3,951)	280	(60,704)	37,145	(82,321)
Net Income Plus Depreciation Less Principal	34,972	(17,713)	91,702	539,035	27,664	84,748	(28,006)	1,625,385	2,072,974	80,515	81,263	53,773	4,646,312
CapEx, Accruals, and other Balance Sheet Changes	31,758	161,577	(3,166)	(436,443)	47,635	374,778	(1,786,210)	(669,346)	(2,068,743)	(141,499)	16,586	7,901	(4,465,172)
Ending Undesignated Working Capital	(15,591)	128,273	216,809	319,401	394,700	854,226	(959,990)	(3,951)	280	(60,704)	37,145	98,819	98,819
Working Capital Designated for CapEx	836,661	692,180	481,909	346,746	117,096	117,096	(2,148,492)	(167,629)	902,096	1,063,082	1,054,816	1,000,023	1,000,023

**Wastewater Treatment Utility
Financial Analysis
As Of, And For the Three-Month Period Ending September, 2015**

Financial operations for the Wastewater Treatment Fund showed improvement over FY15 for the comparative 3-month period. For the comparable three-month period, revenue increased by \$76.7K, or 11.2%. Compared to plan for FY16, revenue exceeded plan by \$19.6K or 2.7% for the 3-month period ending September 30, 2015.

In addition to increasing top line revenue, the Wastewater Treatment Fund also continued its trend of controlling operating costs. Costs of operations increased by \$106.7K, or 15.2%, for the comparative three-month period in FY2015. The timing of the recording of internal charges is a large part of this increase however. Compared to plan, operating costs were well under projections, posting a positive variance (costs below plan) of \$179.7K, or 18.2%.

Total working capital grew during the fiscal quarter by \$199.6K, to \$4,920.3K. Substantial appropriations of working capital to new capital projects have muted growth in undesignated working capital, however, as it declined by \$1,065K to \$2,333.4K as of September 30, 2015.

The financial performance of the Wastewater treatment Fund, operating in conjunction with plan, clearly demonstrates the underlying financial dynamics of this Fund. Large amounts of cash flow from operations are necessary to finance internal expenditures for capital repairs and improvements. The designation of new working capital for capital expenditures at the start of each fiscal year causes a decline in available, undesignated working capital. Annual requirements for designations of working capital for CAPEX are substantial, given the size and age of the infrastructure base; such new designations were \$709K in FY2016, requiring \$709K in cash flow from operations in order to keep total working capital from declining.

City and Borough of Sitka
Wastewater Treatment Utility
Income Statement
For The Twelve-Month Period From July 1, 2013 to June 30, 2015
(Unaudited)

	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015	January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (5/L - 25.00%)	Variance To FY2016 Plan
Revenue:																	
Wastewater Treatment Services	233,417	234,816	235,795	-	-	-	-	-	-	-	-	-	704,028	668,451	35,577	708,625	(4,597)
Jobbing	165	-	51,578	-	-	-	-	-	-	-	-	-	51,743	8,487	43,256	23,518	28,225
Other Operating Revenue	725	1,415	2,175	-	-	-	-	-	-	-	-	-	4,315	6,539	(2,224)	3,588	728
Total Revenue:	234,307	236,231	289,548	-	-	-	-	-	-	-	-	-	760,086	683,477	76,609	740,438	19,649
Cost of Sales:																	
Collection	35,553	65,521	65,869	-	-	-	-	-	-	-	-	-	166,943	173,710	(6,767)	298,496	131,553
Treatment	31,954	46,449	56,309	-	-	-	-	-	-	-	-	-	134,712	98,823	35,889	75,315	(59,398)
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,177	-	-
Depreciation	107,383	107,383	107,383	-	-	-	-	-	-	-	-	-	322,149	370,044	(47,895)	322,149	-
Total Cost of Sales:	174,890	219,353	229,561	-	-	-	-	-	-	-	-	-	623,804	640,400	(16,596)	695,959	72,155
Gross Margin:	59,417	16,878	59,987	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	136,282	43,077	93,205	44,479	91,804
	25.36%	7.14%	20.72%										17.93%	11.63%	6.01%	11.92%	
Selling and Administrative Expenses	52,265	58,202	72,316	-	-	-	-	-	-	-	-	-	182,783	59,473	123,310	290,315	107,532
Earnings Before Interest (EBI):	7,152	(41,324)	(12,329)	-	-	-	-	-	-	-	-	-	(46,501)	(16,396)	(30,105)	(245,837)	199,336
	3.05%	-17.49%	-4.26%										-6.12%	-2.40%	-3.72%	-33.20%	27.08%
Non-operating Revenue and Expense:																	
Non-operating revenue:	7,240	9,322	9,432	-	-	-	-	-	-	-	-	-	25,994	31,348	(5,354)	28,000	(2,006)
Grant Revenue	-	-	(34)	-	-	-	-	-	-	-	-	-	(34)	(34)	(34)	292,625	(292,659)
Interest Expense:	(6,757)	(6,757)	(6,757)	-	-	-	-	-	-	-	-	-	(20,271)	(12,063)	(8,208)	(20,271)	(1)
Total Non-operating Revenue & Expense:	483	2,565	2,641	-	-	-	-	-	-	-	-	-	46,231	43,411	2,820	340,896	290,653
Net Income:	7,635	(38,759)	(9,688)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(270)	27,015	(27,285)	95,059	(95,329)
	3.26%	-16.41%	-3.35%										-0.04%	3.95%	-3.99%	12.84%	-12.87%
Earnings Before Interest and Depreciation (EBIDA):	114,535	66,059	95,054	-	-	-	-	-	-	-	-	-	275,648	353,648	(78,000)	76,312	199,336
	48.88%	27.96%	32.83%										36.27%	51.74%	-15.48%	10.31%	25.96%
Debt Principal Coverage																	
Simple Cash Flow (Net Income Plus Depreciation)	115,018	68,624	97,695	-	-	-	-	-	-	-	-	-	281,337	372,933	(91,596)	417,208	(135,871)
Debt Principal	27,184	27,184	27,184	-	-	-	-	-	-	-	-	-	81,552	56,043	25,509	81,552	-
Debt Principal Coverage Surplus/Deficit	87,834	41,440	70,511	-	-	-	-	-	-	-	-	-	199,785	316,890	(117,105)	335,656	(135,871)
Debt Principal Coverage Percentage	423%	252%	359%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	345%	665%	-320.46%	512%	-167%
Simple Asset Replacement Coverage																	
Debt Principal Coverage Surplus/Deficit (From Above)	87,834	41,440	70,511	-	-	-	-	-	-	-	-	-	199,785	316,890	(117,105)	335,656	(135,871)
Depreciation	107,383	107,383	107,383	-	-	-	-	-	-	-	-	-	322,149	370,044	(47,895)	322,149	-
Cash Accumulated For/(Taken From) Asset Replacement	(19,549)	(65,943)	(36,872)	-	-	-	-	-	-	-	-	-	(122,364)	(53,154)	(69,210)	13,507	(135,871)
Working Capital																	
Beginning Undesignated Working Capital	3,398,748	2,406,189	2,459,502	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	3,398,748	2,095,757	1,302,991	3,398,748	2,095,757
Net Income Plus Depreciation Less Principal CapEx, Accruals, and other Balance Sheet Changes	87,834	41,440	70,511	-	-	-	-	-	-	-	-	-	199,785	316,890	(117,105)	335,656	(135,871)
Ending Undesignated Working Capital	2,406,189	2,459,502	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	825,488	(1,879,435)	2,680,457	(135,871)
Working Capital Designated for CapEx	2,358,881	2,358,881	2,375,790	2,375,790	2,375,790	2,375,790	2,375,790	2,375,790	2,375,790	2,375,790	2,375,790	2,375,790	2,375,790	1,808,592	567,198	2,375,790	-
Current Assets	5,280,708	5,348,988	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946	5,469,946
Current Liabilities	(189,425)	(204,392)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)	(223,357)
CPLTD	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)	(326,213)
WCDFCapex	(2,358,881)	(2,358,881)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)	(2,375,790)
Undesignated Working Capital	2,406,189	2,459,502	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,544,586	2,328,135	(693,549)	2,544,586
Total Working Capital	4,765,070	4,818,383	4,920,376	4,920,376	4,920,376	4,920,376	4,920,376	4,920,376	4,920,376	4,920,376	4,920,376	4,920,376	4,920,376	4,920,376	5,046,727	(126,351)	4,920,376
	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

Working Capital Designated for Capex - Continuation of Pre-FY2016 Projects
As of
6/30/2015

90258	Replace Lift Station Alarm System	4,264.98
90259	Catholic Protection-14 Lift Station	20,896.28
90274	Cove Lift Station Replacement	-
90447	WWTP Control System	14,597.47
90531	Monastery/Kincaid Sewer Design	30,000.00
90534	W.W. Solids Monofill	-
90564	HPR/SMC Intersection Main Rehab	-
90565	Jamestown Bay Lift Station Replment	26,768.32
90579	SMC Rd Sewer Ph III	-
90601	Lake St Lift Station Rebuild	532,622.88

Working Capital designated for Capex, June 30, 2015

1,659,881.28

New CapEx designations of Working Capital in FY16 Budget, Designated on 7/1/2016

90796	Brady Street (HPR to Gavan)	5,000.00
90790	DeGross Street Utilities & Street Improvements	25,000.00
90772	Gavan Street (Brady to Cascade)	5,000.00
90800	Hypochlorite Infection System	24,000.00
90744	Jeff Davis St W/WW Improvements	20,000.00
90803	Marine St W/WW Improvements (Erlor to Osprey)	50,000.00
90805	Replace 1995 CCTV Inspection Equipment	160,000.00
90808	Replace WWTP Chlorine Generator	160,000.00
90809	Replace WWTP Influent Grinder	100,000.00
90813	Upgrade RV Dump Site	-

City and Borough of Sitka
Wastewater Treatment Utility
Income Statement
For The Twelve-Month Period From July 1, 2013 to June 30, 2015
(Unaudited)

90602	Sanitary Sewer Main Replacement	199,642.62	
90654	WWTP Air Control System	-	(Combined)
90655	WWTP AHU retrofit	109,935.02	
90676	Brady St Rebuild Lift Station	165,000.00	
90697	Japonski Island Sewer Lift Station	-	
90698	Monastery St Sewer/Water Main	-	
90710	Baranoff Water/WW Main Replacement	-	
90713	Crescent lift Station Replacement	199,984.62	
90715	WWTP AHU retrofit	-	(Combined)
90732	Hollywood Way W/WW Replacement	25,000.00	Loan/Grant/WC
90733	HPR Sewer Improvements (DOT)	7,352.38	
90734	New Archangel Sewer Main (Marine-HPR)	-	
90744	Jeff Davis St W/WW Improvements	(143.66)	Loan/Grant/WC
90750	WWTP Exterior Building Rot	(23,039.63)	
90766	Baranof & Monastery Street W/WW	183,000.00	Loan/Grant/WC
90781	Replace Colling Door	20,000.00	
90782	Replace Medium Size Lift Station Pumps	40,000.00	
90783	Replace Generators - Lift Stations	20,000.00	
90784	WWTP FY14 - Garage Doors, Blowers, Hi-Press Pump	90,000.00	
	Variance	-	
	Total designated working capital, COB 6/30/2015	1,659,881.28	

90750	WWTP Exterior Building Rot	50,000.00
90655	WWTP AHU retrofit	100,000.00
	New fixed assets	19,400.00
	Less FY15 working capital outlays for CapEx/ ATF Grant Reimbursements	-
	Working Capital designated for Capex, June 30, 2015	2,378,281.28

City and Borough of Sitka
Wastewater Treatment Utility
Income Statement
For The Trailing Twelve-Month Period Ending September 30, 2015
(Unaudited)

	October 2014	November 2014	December 2014	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	12-Month Trailing
Revenue:													
Wastewater Treatment Services	223,936	223,325	222,167	221,521	219,057	222,405	180,495	262,488	223,246	233,417	234,816	235,795	2,702,668
Jobbing	27,488	28,670	65,413	540	823	(25)	43,313	3,769	61,270	165	-	51,578	283,004
Other Operating Revenue	1,909	1,480	1,380	20	530	1,008	2,107	2,760	309,341	725	1,415	2,175	324,850
Total Revenue:	253,333	253,475	288,960	222,081	220,410	223,388	225,915	269,017	593,857	234,307	236,231	289,548	3,310,522
Cost of Sales:													
Collection	92,350	68,882	63,488	46,169	58,198	66,958	57,182	81,072	321,360	35,553	65,521	65,869	1,022,602
Treatment	43,087	61,695	40,168	40,372	43,751	38,174	56,690	48,827	112,092	31,954	46,449	56,309	619,568
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	123,348	123,348	123,348	123,348	123,348	123,348	123,346	123,346	314,918	107,383	107,383	107,383	1,623,847
Total Cost of Sales:	258,785	253,925	227,004	209,889	225,297	228,480	237,218	253,245	748,370	174,890	219,353	229,561	3,266,017
Gross Margin:	(5,452)	(450)	61,956	12,192	(4,887)	(5,092)	(11,303)	15,772	(154,513)	59,417	16,878	59,987	44,505
	-2.15%	-0.18%	21.44%	5.49%	-2.22%	-2.28%	-5.00%	5.86%	-26.02%	25.36%	7.14%	20.72%	1.34%
Selling and Administrative Expenses	46,836	177,240	83,522	81,846	55,667	59,122	61,816	65,836	151,126	52,265	58,202	72,316	965,794
Earnings Before Interest (EBI):	(52,288)	(177,690)	(21,566)	(69,654)	(60,554)	(64,214)	(73,119)	(50,064)	(305,639)	7,152	(41,324)	(12,329)	(921,289)
	-20.64%	-70.10%	-7.46%	-31.36%	-27.47%	-28.75%	-32.37%	-18.61%	-51.47%	3.05%	-17.49%	-4.26%	-27.83%
Non-operating Revenue and Expense:													
Non-operating revenue:	8,930	6,341	12,022	7,671	7,562	8,899	7,892	7,769	(45,560)	7,240	9,322	9,432	47,520
Grant Revenue	-	-	-	936	-	6,385	-	-	263,530	-	-	(34)	270,817
Interest Expense:	(9,937)	(9,937)	(9,937)	(9,937)	(9,937)	(9,937)	(9,937)	(9,937)	(4,020)	(6,757)	(6,757)	(6,757)	(103,787)
Total Non-operating Revenue & Expense:	(1,007)	(3,596)	2,085	(1,330)	(2,375)	5,347	(2,045)	(2,168)	213,950	483	2,565	2,641	422,124
Net Income:	(53,295)	(181,286)	(19,481)	(70,984)	(62,929)	(58,867)	(75,164)	(52,232)	(91,689)	7,635	(38,759)	(9,688)	(499,165)
	-21.04%	-71.52%	-6.74%	-31.96%	-28.55%	-26.35%	-33.27%	-19.42%	-15.44%	3.26%	-16.41%	-3.35%	-15.08%
Earnings Before Interest and Depreciation (EBIDA):	71,060	(54,342)	101,782	53,694	62,794	59,134	50,227	73,282	9,279	114,535	66,059	95,054	702,558
	28.05%	-21.44%	35.22%	24.18%	28.49%	26.47%	22.23%	27.24%	1.56%	48.88%	27.96%	32.83%	21.22%
Debt Principal Coverage													
Simple Cash Flow (Net Income Plus Depreciation)	70,053	(57,938)	103,867	52,364	60,419	64,481	48,182	71,114	223,229	115,018	68,624	97,695	917,108
Debt Principal	20,691	20,691	20,691	20,691	20,691	20,691	20,691	20,691	18,681	27,184	27,184	27,184	265,761
Debt Principal Coverage Surplus/Deficit	49,362	(78,629)	83,176	31,673	39,728	43,790	27,491	50,423	204,548	87,834	41,440	70,511	651,347
Debt Principal Coverage Percentage	339%	-280%	502%	253%	292%	312%	233%	344%	1195%	423%	252%	359%	345%
Simple Asset Replacement Coverage													
Debt Principal Coverage Surplus/Deficit (From Above)	49,362	(78,629)	83,176	31,673	39,728	43,790	27,491	50,423	204,548	87,834	41,440	70,511	651,347
Depreciation	123,348	123,348	123,348	123,348	123,348	123,348	123,346	123,346	314,918	107,383	107,383	107,383	1,623,847
Cash Accumulated For/(Taken From) Asset Replacement	(73,986)	(201,977)	(40,172)	(91,675)	(83,620)	(79,558)	(95,855)	(72,923)	(110,370)	(19,549)	(65,943)	(36,872)	(972,500)
Working Capital													
Beginning Undesignated Working Capital	3,238,135	3,318,128	3,270,126	3,383,930	3,442,295	3,455,906	3,534,215	3,526,485	4,137,680	3,398,748	2,195,076	2,248,389	3,238,135
Net Income Plus Depreciation Less Principal	49,362	(78,629)	83,176	31,673	39,728	43,790	27,491	50,423	204,548	87,834	41,440	70,511	651,347
CapEx, Accruals, and other Balance Sheet Changes	30,631	30,627	30,628	26,692	(26,117)	34,519	(35,221)	560,772	(943,480)	(1,291,506)	11,873	14,573	(1,556,009)
Ending Undesignated Working Capital	3,318,128	3,270,126	3,383,930	3,442,295	3,455,906	3,534,215	3,526,485	4,137,680	3,398,748	2,195,076	2,248,389	2,333,473	2,333,473
Working Capital Designated for CapEx	1,711,405	1,778,570	1,766,306	1,732,537	1,707,995	1,690,475	1,690,475	1,685,914	1,322,467	2,358,881	2,358,881	2,375,790	2,375,790
Total Working Capital	5,029,533	5,048,696	5,150,236	5,174,832	5,163,901	5,224,690	5,216,960	5,823,594	4,721,215	4,553,957	4,607,270	4,709,263	4,709,263

**Solid Waste Utility
Financial Analysis
As Of, And For the Three-Month Period Ending September, 2015**

The financial performance of the Solid Waste Fund has remained more-or-less steady and, while financial performance has deteriorated in comparison to FY2015, is ahead of plan for FY2016. Working capital has stabilized around \$850,000 and management has unappropriated all past working capital designations, leaving all working capital available for re-appropriation.

Compared to plan, the Solid Waste Fund is now showing positive variances year-to-date. Top line solid waste disposal revenue is \$71.4K, or 10.6% above the planned level. EBI, EBID, and Net Income are also all ahead of plan, at \$(36.4K), \$17.9K, and (\$38.3K), respectively.

As previously mentioned, total working capital has stabilized at approximately \$850K. EBID for the three month period was \$18.0K, showing modest positive cash flow from operations; however, pro-rated debt principal repayments will consume most of the excess cash generated when the annual debt repayment is made, hence causing the flat level of working capital. All working capital is now available for re-appropriation.

As a final note, the fiscal impact of increased utility fees and contractual expenses has not yet been reflected in the accompanying financial statements. Staff expects that, which both revenues and outlays will increase, the ultimate financial performance will be in line with projections.

City and Borough of Sitka
Solid Waste Disposal Utility
Income Statement
For The Twelve-Month Period From July 1, 2015 to June 30, 2016
(Unaudited)

	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015	January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L 0.25%)	Variance To FY2016 Plan
Revenue:																	
Solid Waste Disposal Services	230,827	222,697	292,159	-	-	-	-	-	-	-	-	-	745,683	727,602	18,081	674,235	71,448
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13	(13)
Other Operating Revenue	9,812	22,791	7,272	-	-	-	-	-	-	-	-	-	39,875	48,094	(8,219)	78,593	(38,718)
Total Revenue:	240,639	245,488	299,431	-	-	-	-	-	-	-	-	-	785,558	775,696	9,862	752,840	32,718
Cost of Sales:																	
Contract Waste Hauling	62,523	62,757	63,596	-	-	-	-	-	-	-	-	-	188,876	195,165	6,289	157,056	(31,820)
Transfer Station	102,790	136,371	133,983	-	-	-	-	-	-	-	-	-	373,144	323,845	(49,299)	313,383	(59,762)
Landfill	5,733	7,968	29,156	-	-	-	-	-	-	-	-	-	42,857	20,094	(22,763)	27	(42,830)
Recycling	8,133	28,394	25,818	-	-	-	-	-	-	-	-	-	62,345	102,103	39,758	96,178	33,833
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	18,129	18,129	18,129	-	-	-	-	-	-	-	-	-	54,387	54,021	(366)	54,387	-
Total Cost of Sales:	197,308	253,619	270,682	-	-	-	-	-	-	-	-	-	721,609	695,228	(26,381)	621,031	(100,578)
Gross Margin:	43,331	(8,131)	28,749	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	63,949	80,468	(16,519)	131,809	(67,860)
	18.01%	-3.31%	9.60%										8.14%	10.37%	-2.23%	17.51%	-9.37%
Selling and Administrative Expenses	33,517	33,728	33,145	-	-	-	-	-	-	-	-	-	100,390	95,563	(4,827)	293,345	192,955
Earnings Before Interest (EBI):	9,814	(41,859)	(4,396)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(36,441)	(15,095)	(21,346)	(161,536)	125,095
	4.08%	-17.05%	-1.47%										-4.64%	-1.95%	-2.69%	-21.46%	16.82%
Non-operating Revenue and Expense:																	
Non-operating revenue:	1,256	1,509	1,497	-	-	-	-	-	-	-	-	-	4,262	5,940	(1,678)	7,500	(3,238)
Interest Expense:	(2,026)	(2,026)	(2,026)	-	-	-	-	-	-	-	-	-	(6,078)	(6,513)	435	(6,514)	436
Total Non-operating Revenue & Expense:	(770)	(517)	(529)	-	-	-	-	-	-	-	-	-	(1,816)	(573)	(1,243)	986	(2,802)
Net Income:	9,044	(42,376)	(4,925)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	(38,257)	(15,668)	(22,589)	(160,550)	122,293
	3.76%	-17.26%	-1.64%										-4.87%	-2.02%	-2.85%	-21.33%	16.46%
Earnings Before Interest and Depreciation (EBID):	27,943	(23,730)	13,733	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	17,946	38,926	(20,980)	(107,149)	125,095
	11.61%	-9.67%	4.59%										2.28%	5.02%	-2.73%	-14.23%	16.52%
Debt Principal Coverage																	
Simple Cash Flow (Net Income Plus Depreciation)	27,173	(24,247)	13,204	-	-	-	-	-	-	-	-	-	16,130	38,353	(22,223)	63,554	(47,424)
Debt Principal	9,650	9,650	9,650	-	-	-	-	-	-	-	-	-	28,950	28,950	-	28,950	-
Debt Principal Coverage Surplus/Deficit	17,523	(33,897)	3,554	-	-	-	-	-	-	-	-	-	(12,820)	9,403	(22,223)	34,604	(47,424)
Debt Principal Coverage Percentage	282%	-251%	137%	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	56%	132%	-76.76%	219.53%	-163.81%
Simple Asset Replacement Coverage																	
Debt Principal Coverage Surplus/Deficit (From Above)	17,523	(33,897)	3,554	-	-	-	-	-	-	-	-	-	(12,820)	9,403	(22,223)	5,654	(18,474)
Depreciation	18,129	18,129	18,129	-	-	-	-	-	-	-	-	-	54,387	54,021	366	54,387	-
Cash Accumulated For/(Taken From) Asset Replacement	(606)	(52,026)	(14,575)	-	-	-	-	-	-	-	-	-	(67,207)	(44,618)	(22,589)	(48,733)	(18,474)
Working Capital																	
Beginning Undesignated Working Capital	(132,800)	(191,075)	39,499	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	(132,800)	197,276	(330,076)	(132,800)	-
Net Income Plus Depreciation Less Principal	17,523	(33,897)	3,554	-	-	-	-	-	-	-	-	-	(12,820)	9,403	(22,223)	34,604	(47,424)
Accruals, and other Balance Sheet Changes	(75,798)	264,471	838,550	-	-	-	-	-	-	-	-	-	1,027,223	176,975	850,248	1,027,223	-
Ending Undesignated Working Capital	(191,075)	39,499	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	383,654	497,949	929,027	(47,424)
Working Capital Designated for CapEx	816,490	816,490	0	0	0	0	0	0	0	0	0	0	0	756,490	(756,490)	0	-
Current Assets	747,193	981,421	1,007,035	1,007,035	1,007,035	1,007,035	1,007,035	1,007,035	1,007,035	1,007,035	1,007,035	1,007,035	881,603	383,654	497,949	929,027	(47,424)
Current Liabilities	(5,980)	(9,634)	(9,634)	(9,634)	(9,634)	(9,634)	(9,634)	(9,634)	(9,634)	(9,634)	(9,634)	(9,634)	881,603	1,140,144	(258,541)	929,027	(47,424)
CPLTD	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	(115,798)	881,603	881,603	-	881,603	-
WCDFCapex	(816,490)	(816,490)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	881,603	881,603	-	881,603	-
Undesignated Working Capital	(191,075)	39,499	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	383,654	497,949	929,027	(47,424)
Total Working Capital	625,415	855,989	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	881,603	1,140,144	(258,541)	929,027	(47,424)
	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

Working Capital Designated for Capex, July 1, 2015

90413	Sitka Landfill/Granite Creek	56,252.40
90566	Transfer Station	49,724.05
90657	Expand Biosolids Area	500,000.00
90677	Recycle Center Fence	50,000.00
90678	Scrap yard Upgrade	15,513.59
90756	Ramp For Baler	50,000.00
90756	Replace Road on Recycle Building	-

Working Capital designated for Capex, June 30, 2015

721,490.04

New CapEx designations of Working Capital in FY16 Budget

Replace Roof on Recycle Building 95,000.00

Less FY16 working capital outlays for CapEx/Unappropriations (816,490.04)

Working Capital designated for Capex, June 30, 2016

-

City and Borough of Sitka
Solid Waste Disposal Utility
Income Statement
For The Twelve-Month Period From July 1, 2015 to June 30, 2016
(Unaudited)

721,490.04

City and Borough of Sitka
Solid Waste Disposal Utility
Income Statement
For The Trailing Twelve-Month Period Ending September 30, 2015
(Unaudited)

	October 2014	November 2014	December 2014	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	12-Month Trailing
Revenue:													
Solid Waste Disposal Services	222,564	285,222	233,606	220,763	243,777	198,894	167,676	288,682	229,558	230,827	222,697	292,159	2,836,425
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	33,215	46,917	7,434	8,149	3,721	28,358	36,354	14,743	41,310	9,812	22,791	7,272	260,076
Total Revenue:	255,779	332,139	241,040	228,912	247,498	227,252	204,030	303,425	270,868	240,639	245,488	299,431	3,096,501
Cost of Sales:													
Contract Waste Hauling	66,369	69,130	59,243	62,486	62,933	63,758	72,710	61,288	61,936	62,523	62,757	63,596	768,729
Transfer Station	119,730	70,767	103,523	92,660	77,963	86,798	92,791	145,879	100,957	102,790	136,371	133,983	1,264,212
Landfill	6,992	5,406	13,058	19,352	5,659	11,784	11,477	8,306	59,239	5,733	7,968	29,156	184,130
Recycling	48,469	30,209	33,530	41,241	32,802	29,105	89,551	50,603	95,902	8,133	28,394	25,818	513,757
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	18,007	18,007	18,007	18,007	18,007	18,007	18,007	18,007	16,539	18,129	18,129	18,129	214,982
Total Cost of Sales:	259,567	193,519	227,361	233,746	197,364	209,452	284,536	284,083	334,573	197,308	253,619	270,682	2,945,810
Gross Margin:	(3,788) -1.48%	138,620 41.74%	13,679 5.67%	(4,834) -2.11%	50,134 20.26%	17,800 7.83%	(80,506) -39.46%	19,342 6.37%	(63,705) -23.52%	43,331 18.01%	(8,131) -3.31%	28,749 9.60%	150,691 4.87%
Selling and Administrative Expenses	44,662	35,908	60,875	46,335	33,886	33,806	24,337	35,802	36,250	33,517	33,728	33,145	452,251
Earnings Before Interest (EBI):	(48,450) -18.94%	102,712 30.92%	(47,196) -19.58%	(51,169) -22.35%	16,248 6.56%	(16,006) -7.04%	(104,843) -51.39%	(16,460) -5.42%	(99,955) -36.90%	9,814 4.08%	(41,859) -17.05%	(4,396) -1.47%	(301,560) -9.74%
Non-operating Revenue and Expense:													
Non-operating revenue:	1,987	1,521	2,996	1,906	1,870	2,119	1,924	1,771	(14,461)	1,256	1,509	1,497	5,895
Interest Expense:	(2,171)	(2,171)	(2,171)	(2,171)	(2,171)	(2,171)	(2,171)	(2,171)	(2,175)	(2,026)	(2,026)	(2,026)	(25,621)
Total Non-operating Revenue & Expense:	(184)	(650)	825	(265)	(301)	(52)	(247)	(400)	(16,636)	(770)	(517)	(529)	(19,726)
Net Income:	(48,634) -19.01%	102,062 30.73%	(46,371) -19.24%	(51,434) -22.47%	15,947 6.44%	(16,058) -7.07%	(105,090) -51.51%	(16,860) -5.56%	(116,591) -43.04%	9,044 3.76%	(42,376) -17.26%	(4,925) -1.64%	(321,286) -10.38%
Earnings Before Interest and Depreciation (EBID):	(30,443) -11.90%	120,719 36.35%	(29,189) -12.11%	(33,162) -14.49%	34,255 13.84%	2,001 0.88%	(86,836) -42.56%	1,547 0.51%	(83,416) -30.80%	27,943 11.61%	(23,730) -9.67%	13,733 4.59%	(86,578) -2.80%
Debt Principal Coverage													
Simple Cash Flow (Net Income Plus Depreciation)	(30,627)	120,069	(28,364)	(33,427)	33,954	1,949	(87,083)	1,147	(100,052)	27,173	(24,247)	13,204	(106,304)
Debt Principal	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	9,650	115,800
Debt Principal Coverage Surplus/Deficit	(40,277)	110,419	(38,014)	(43,077)	24,304	(7,701)	(96,733)	(8,503)	(109,702)	17,523	(33,897)	3,554	(222,104)
Debt Principal Coverage Percentage	-317%	1244%	-294%	-346%	352%	20%	-902%	12%	-1037%	282%	-251%	137%	-92%
Simple Asset Replacement Coverage													
Debt Principal Coverage Surplus/Deficit (From Above)	(40,277)	110,419	(38,014)	(43,077)	24,304	(7,701)	(96,733)	(8,503)	(109,702)	17,523	(33,897)	3,554	(222,104)
Depreciation	18,007	18,007	18,007	18,007	18,007	18,007	18,007	18,007	16,539	18,129	18,129	18,129	214,982
Cash Accumulated For/(Taken From) Asset Replacement	(58,284)	92,412	(56,021)	(61,084)	6,297	(25,708)	(114,740)	(26,510)	(126,241)	(606)	(52,026)	(14,575)	(437,086)
Working Capital													
Beginning Undesignated Working Capital	383,654	364,737	377,868	362,223	320,102	349,797	353,717	275,697	319,782	(132,800)	(191,075)	39,499	383,654
Net Income Plus Depreciation Less Principal	(40,277)	110,419	(38,014)	(43,077)	24,304	(7,701)	(96,733)	(8,503)	(109,702)	17,523	(33,897)	3,554	(222,104)
Accruals, and other Balance Sheet Changes	21,360	(97,288)	22,369	956	5,391	11,621	18,713	52,588	(342,880)	(75,798)	264,471	838,550	720,053
Ending Undesignated Working Capital	364,737	377,868	362,223	320,102	349,797	353,717	275,697	319,782	(132,800)	(191,075)	39,499	881,603	881,603
Working Capital Designated for CapEx	756,490	756,490	756,490	756,490	756,377	753,283	737,775	720,546	823,348	816,490	816,490	0	0

Harbor System Financial Analysis As Of, And For the Three-Month Period Ending September, 2015

Financial operations for the Harbor Fund in September, and for the 3-month period ending September 30, are exceeding both FY2015 historical results and FY2016 plan. All comparative financial ratios have improved over the comparable period in FY2015. Revenue increased \$215.3K, or 32.4%, over the comparable three-month period for FY2015; factoring out timing differences in the recording of the harbor assessment fee, revenues increased by a respectable 16.1%. Earnings before interest and depreciation (EBIDA) increased by \$96.2K, from \$342.9K to \$439.0K for the comparable three-month period.

Permanent moorage has increased by \$65.1K, or 15.4% over FY2015. Costs of operations have trended higher than the comparable period in FY2015, but the increases are more than offset by revenue increases. Costs of operations have increased by \$118.2K; however, there are timing differences in the recording of some comparable costs. Management Fees are included in the 1st quarter FY2016 and they were recorded in the 2nd quarter of 2015; factoring this timing difference out, comparable costs rose by \$22.6K, or 4.7%.

Undesignated working capital increased by 2,197.0K in year-over-year comparison with September, 2015, from \$3,812.6K to \$6,009.6K. A major factor in the increase is the lapsing of unspent appropriations for completed projects, notably the ANB Harbor project.

The Harbor Fund appears to be executing according to annual plan, with results ahead plan for all metrics. As specified in the Harbor System Master Plan, annual moorage rate increases are appropriate and necessary to generate the working capital and cash flow necessary to continue to repair and renovate harbor facilities. The positive results experienced so far this fiscal year, if they continue, may temper the anticipated rate increase planned for next spring.

City and Borough of Sitka
Harbor Fund
Income Statement
For The Trailing Twelve-Month Period Ending September 30, 2015
(Unaudited)

	October 2014	November 2014	December 2014	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	July 2015	August 2015	September 2015	12-Month Trailing
Revenue:													
Permanent Moorage	124,791	125,430	128,950	123,063	123,428	128,364	131,907	137,559	158,635	149,628	188,280	149,062	1,669,097
Transient Moorage	7,467	4,389	3,851	4,066	8,804	29,855	16,557	29,029	66,176	77,036	77,724	38,631	363,585
Lightering Fees	-	-	18,462	1,943	-	-	-	3,438	5,730	5,729	6,875	52,711	94,888
Other Operating Revenue	8,508	4,671	119,252	7,144	21,312	5,451	12,402	14,721	188,017	14,897	118,377	-	514,252
Total Revenue:	140,766	134,490	270,515	136,216	153,544	163,670	160,866	184,747	418,558	247,290	391,256	240,404	2,642,322
Cost of Sales:													
Operations	109,004	90,182	76,151	79,384	73,191	87,954	116,411	138,326	376,391	61,031	87,791	96,162	1,391,978
Jobbing	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	55,437	55,437	55,437	55,437	55,437	55,437	55,440	55,438	59,291	55,116	55,116	55,116	668,139
Total Cost of Sales:	164,441	145,619	131,588	134,821	128,628	143,391	171,851	193,764	435,682	116,147	142,907	151,278	2,060,117
Gross Margin:	(23,675)	(11,129)	138,927	1,395	24,916	20,279	(10,985)	(9,017)	(17,124)	131,143	248,349	89,126	582,205
	-16.82%	-8.27%	51.36%	1.02%	16.23%	12.39%	-6.83%	-4.88%	-4.09%	53.03%	63.47%	37.07%	22.03%
Selling and Administrative Expenses	39,219	190,470	61,956	51,206	53,563	57,293	63,877	63,362	121,503	61,878	64,089	68,952	897,368
Earnings Before Interest (EBI):	(62,894)	(201,599)	76,971	(49,811)	(28,647)	(37,014)	(74,862)	(72,379)	(138,627)	69,265	184,260	20,174	(315,163)
	-44.68%	-149.90%	28.45%	-36.57%	-18.66%	-22.62%	-46.54%	-39.18%	-33.12%	28.01%	47.09%	8.39%	-11.93%
Non-operating Revenue and Expense:													
Raw Fish Tax	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	302,000	79,750	79,750	79,750	1,141,250
Other Non-Operating Revenue:	11,996	10,814	18,672	14,866	12,792	16,563	56,336	15,116	228,974	14,192	16,316	16,130	432,767
Grant Revenue	-	-	158	-	-	389,672	1,371	(267,564)	605	-	-	-	124,242
Bond Fund Interest	342	268	1,455	340	347	397	437	321	-	-	-	-	3,907
Interest Expense Bonds:	(14,642)	(14,642)	(14,642)	(14,642)	(14,642)	(14,642)	(14,642)	(14,642)	(14,638)	(14,192)	(14,192)	(14,192)	-174,350
Interest Expense Loans:	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(850)	(794)	(794)	(794)	(10,032)
Total Non-operating Revenue & Expense:	71,846	70,590	79,635	74,872	72,647	466,140	117,652	(192,619)	516,091	78,956	81,080	80,894	1,517,784
Net Income:	8,952	(131,009)	156,606	25,061	44,000	429,126	42,790	(264,998)	377,464	148,221	265,340	101,068	1,202,621
	6.36%	-97.41%	57.89%	18.40%	28.66%	262.19%	26.60%	-143.44%	90.18%	59.94%	67.82%	42.04%	45.51%
Earnings Before Interest and Depreciation (EBIDA):	(7,457)	(146,162)	132,408	5,626	26,790	18,423	(19,422)	(16,941)	(79,336)	124,381	239,376	75,290	352,976
	-5.30%	-108.68%	48.95%	4.13%	17.45%	11.26%	-12.07%	-9.17%	-18.95%	50.30%	61.18%	31.32%	13.36%
Bond Covenant Ratio	3.09	(2.32)	8.79	3.70	4.44	4.26	4.34	2.84	17.45	8.44	12.97	12.06	6.46
Debt Principal Coverage													
Simple Cash Flow (Net Income Plus Depreciation)	8,952	(131,009)	156,606	25,061	44,000	429,126	42,790	(264,998)	377,464	148,221	265,340	101,068	1,202,621
Bond Debt Principal	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,250	11,667	11,667	11,667	-	124,584
Loan Debt Principal	3,779	3,779	3,779	3,779	3,779	3,779	3,779	3,779	3,779	3,779	3,779	-	41,569
Debt Principal Coverage Surplus/Deficit	(6,077)	(146,038)	141,577	10,032	28,971	414,097	27,761	(280,027)	362,435	132,775	249,894	101,068	1,036,468
Debt Principal Coverage Percentage	-147%	90%	111%	250%	152%	104%	154%	95%	104%	112%	106%	100%	2893%
Simple Asset Replacement Coverage													
Debt Principal Coverage Surplus/Deficit (From Above)	(6,077)	(146,038)	141,577	10,032	28,971	414,097	27,761	(280,027)	362,435	132,775	249,894	101,068	1,036,468
Depreciation	55,437	55,437	55,437	55,437	55,437	55,437	55,440	55,438	59,291	55,116	55,116	55,116	668,139
Cash Accumulated For/(Taken From) Asset Replacement	(61,514)	(201,475)	86,140	(45,405)	(26,466)	358,660	(27,679)	(335,465)	303,144	77,659	194,778	45,952	368,329
Working Capital													
Beginning Undesignated Working Capital	3,812,628	4,066,335	3,805,766	3,934,257	3,860,239	3,767,498	3,687,409	4,073,812	3,944,768	4,839,635	5,983,074	6,074,518	3,812,628
Net Income Plus Depreciation Less Principal	(6,077)	(146,038)	141,577	10,032	28,971	414,097	27,761	(280,027)	362,435	132,775	249,894	101,068	1,036,468
Accruals and other Balance Sheet Changes	259,784	(114,531)	(13,086)	(84,050)	(121,712)	(494,186)	358,642	150,983	532,432	1,010,664	(158,450)	(62,239)	1,264,251
Ending Undesignated Working Capital	4,066,335	3,805,766	3,934,257	3,860,239	3,767,498	3,687,409	4,073,812	3,944,768	4,839,635	5,983,074	6,074,518	6,113,347	6,113,347
Working Capital Designated for CapEx	4,102,322	4,095,113	3,993,606	3,879,707	3,880,054	4,246,754	4,067,472	3,687,359	3,383,635	3,117,417	3,114,565	3,075,736	3,075,736

Airport Terminal Financial Analysis As Of, And For the Three-Month Period Ending September 30, 2015

Financial performance for the Airport Terminal Fund deteriorated in the first fiscal quarter of FY2016, due to unusual and one-time costs not previously seen. A lease termination settlement resulted in a one-time charge of \$10.0K and unusual building repair and maintenance costs totaled \$13.6K.

Top-line revenue was \$116.6K for the quarter, an increase of \$10.6K from FY2015. This increase was attributable to increased lease revenue from Delta Air Lines. Top line revenue fell (\$51.9K) short of plan, however, due to planned collections of Passenger facility Charges not commencing. Passenger facility fees are added to airline tickets and must be approved by the Federal Aviation Administration in conjunction with a specific project. The Municipality has been in the process of attempting to obtain approval to resume charging the fee in conjunction with expansion of the TSA area.

Costs of sales increased by \$84.8K over FY2015. A significant reason for the negative variance was a difference in the timing of inter-department service charges. These charges were recorded in the first quarter of FY2016, as opposed to the 2nd quarter in FY2015. Factoring out this timing difference, operating costs increased by (\$27.8K), with other significant contributing factors being the lease termination settlement and building repairs, as previously mentioned.

For the quarter, Earnings (Loss) Before Interest (EBI) were (\$56.6K) and Earnings Before Interest and Depreciation (EBIDA) were (\$14.9K), indicating negative operating cash flow. Total working capital, which includes collected but unspent passenger facility fees, was \$869.5K as of September 30, 2015. Undesignated working capital as of September 30, 2015 was \$349.0K.

A continuing financial challenge is the inability of the Fund to accumulate working capital greater than the estimate depreciation of the Terminal facility itself. This trend, unless changed by future events, would mean that insufficient cash will be on hand on the eventual day that the facility needs to be replaced or substantially renovated. The fact that the terminal is already decades old and only \$349K is available in undesignated working capital is evidence of this fact. As a result, it is highly likely that the eventual major renovation or replacement of the Terminal will either need to be funded through a grant, or, through bonded debt of some sort.

City and Borough of Sitka
 Airport Terminal Fund
 Income Statement
 For The Twelve-Month Period From July 1, 2015 to June 30, 2016
 (Unaudited)

	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 25%)	Variance To FY2016 Plan
Revenue:									
Leases	101,826	-	-	-	101,826	91,188	10,638	105,513	(3,687)
Other Operating Revenue	14,757	-	-	-	14,757	15,726	31	63,000	(48,243)
Total Revenue:	116,583	-	-	-	116,583	105,914	10,669	168,513	(51,930)
Cost of Sales:									
Operations	131,452	-	-	-	131,452	43,414	(88,038)	112,030	(19,422)
Depreciation	41,738	-	-	-	41,738	44,988	3,250	41,738	-
Total Cost of Sales:	173,190	-	-	-	173,190	88,402	(84,788)	153,768	(19,422)
Gross Margin:	(56,607)	-	-	-	(56,607)	17,512	95,457	14,745	(71,352)
	-48.56%	#DIV/0!	#DIV/0!	#DIV/0!	-48.56%	16.53%	894.71%	8.75%	-57.30%
Selling and Administrative Expenses	-	-	-	-	-	-	-	-	-
Earnings Before Interest (EBI):	(56,607)	-	-	-	(56,607)	17,512	(74,119)	14,745	(71,352)
	-48.56%	#DIV/0!	#DIV/0!	#DIV/0!	-48.56%	16.53%	-694.71%	8.75%	-57.30%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	4,201	-	-	-	4,201	4,151	50	4,275	(74)
Interest Expense:	-	-	-	-	-	-	-	-	-
Total Non-operating Revenue & Expense:	4,201	-	-	-	4,201	4,151	50	4,275	(74)
Net Income:	(52,406)	-	-	-	(52,406)	21,663	(74,069)	19,020	(71,426)
	-44.95%	#DIV/0!	#DIV/0!	#DIV/0!	-44.95%	20.45%	-694.25%	11.29%	-56.24%
Earnings Before Interest and Depreciation (EBIDA):	(14,869)	-	-	-	(14,869)	62,500	(70,869)	56,483	(71,352)
	-12.75%	#DIV/0!	#DIV/0!	#DIV/0!	-12.75%	59.01%	-664.25%	33.52%	-46.27%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	(10,668)	-	-	-	(10,668)	66,651	(77,319)	60,758	(71,426)
Debt Principal	-	-	-	-	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	(10,668)	-	-	-	(10,668)	66,651	(77,319)	60,758	(71,426)
Debt Principal Coverage Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	(10,668)	-	-	-	(10,668)	66,651	(77,319)	60,758	(71,426)
Depreciation	41,738	-	-	-	41,738	44,988	(3,250)	192,952	(151,214)
Cash Accumulated For/(Taken From) Asset Replacement	(52,406)	-	-	-	(52,406)	21,663	(74,069)	(132,195)	79,789
Working Capital									
Beginning Undesignated Working Capital	407,311	348,985	348,985	348,985	407,311	321,953	85,358	407,311	-
Net Income Plus Depreciation Less Principal	(10,668)	-	-	-	(10,668)	66,651	(77,319)	60,758	(71,426)
CapEx, Accruals, and other Balance Sheet Changes	(47,658)	-	-	-	(47,658)	(10,604)	(37,054)	-	(47,658)
Ending Undesignated Working Capital	348,985	348,985	348,985	348,985	348,985	378,000	(29,015)	468,069	(119,084)
Working Capital Designated for CapEx	520,523	520,523	520,523	520,523	520,523	427,769	92,754	427,125	93,398
Current Assets	869,508	869,508	869,508	869,508	869,508				
Current Liabilities	-	-	-	-	-				
CPLTD	-	-	-	-	-				
WCDFCapex	(520,523)	(520,523)	(520,523)	(520,523)	(520,523)				
Undesignated Working Capital	348,985	348,985	348,985	348,985	348,985	378,000	(29,015)		
Total Working Capital	869,508	869,508	869,508	869,508	869,508	805,769	63,739		

July 1, 2015
 \$ 56,949 - 90656 - Airport Lighting
 \$363,962 - PFC Projects
 \$420,911

Working Capital designated for Capex, June 30, 2015 420,911
 New CapEx designations of Working Capital in FY16 Budget
 Airport Boiler 130,000
 Less FY15 working capital outlays for CapEx (30,388)
 Working Capital designated for Capex, June 30, 2016 520,523

City and Borough of Sitka
 Airport Terminal Fund
 Income Statement
 For The Twelve-Month Trailing Period Ending September 30, 2015
 (Unaudited)

	Oct-Dec 2014	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	TTM
Revenue:					
Leases	91,188	89,073	100,271	101,826	382,358
Other Operating Revenue	<u>17,595</u>	<u>6,131</u>	<u>19,514</u>	<u>14,757</u>	<u>57,997</u>
Total Revenue:	108,783	95,204	119,785	116,583	440,355
Cost of Sales:					
Operations	131,121	73,211	134,515	131,452	470,299
Depreciation	<u>44,988</u>	<u>44,989</u>	<u>57,987</u>	<u>41,738</u>	<u>189,702</u>
Total Cost of Sales:	<u>176,109</u>	<u>118,200</u>	<u>192,502</u>	<u>173,190</u>	<u>660,001</u>
Gross Margin:	(67,326) -61.89%	(22,996) -24.15%	(72,717) -60.71%	(56,607) -48.56%	(219,646) -49.88%
Selling and Administrative Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings Before Interest (EBI):	(67,326) -61.89%	(22,996) -24.15%	(72,717) -60.71%	(56,607) -48.56%	(219,646) -49.88%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	4,419	4,199	434	4,201	13,253
Interest Expense:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Non-operating Revenue & Expense:	<u>4,419</u>	<u>4,199</u>	<u>434</u>	<u>4,201</u>	<u>13,253</u>
Net Income:	<u>(62,907)</u> -57.83%	<u>(18,797)</u> -19.74%	<u>(72,283)</u> -60.34%	<u>(52,406)</u> -44.95%	<u>(206,393)</u> -46.87%
Earnings Before Interest and Depreciation (EBIDA):	(22,338) -20.53%	21,993 23.10%	(14,730) -12.30%	(14,869) -12.75%	(29,944) -6.80%
<u>Debt Principal Coverage</u>					
Simple Cash Flow (Net Income Plus Depreciation)	(17,919)	26,192	(14,296)	(10,668)	(16,691)
Debt Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Principal Coverage Surplus/Deficit	<u>(17,919)</u>	<u>26,192</u>	<u>(14,296)</u>	<u>(10,668)</u>	<u>(16,691)</u>
Debt Principal Coverage Percentage	100.00%	100.00%	100.00%	100.00%	100.00%
<u>Simple Asset Replacement Coverage</u>					
Debt Principal Coverage Surplus/Deficit (From Above)	(17,919)	26,192	(14,296)	(10,668)	(16,691)
Depreciation	<u>44,988</u>	<u>44,989</u>	<u>57,987</u>	<u>41,738</u>	<u>189,702</u>
Cash Accumulated For/(Taken From) Asset Replacement	<u>(62,907)</u>	<u>(18,797)</u>	<u>(72,283)</u>	<u>(52,406)</u>	<u>(206,393)</u>
<u>Working Capital</u>					
Beginning Undesignated Working Capital	378,000	356,912	386,286	407,311	378,000
Net Income Plus Depreciation Less Principal	(17,919)	26,192	(14,296)	(10,668)	(16,691)
CapEx, Accruals, and other Balance Sheet Changes	<u>(3,169)</u>	<u>3,182</u>	<u>35,321</u>	<u>(47,658)</u>	<u>(12,324)</u>
Ending Undesignated Working Capital	356,912	386,286	407,311	348,985	348,985
Working Capital Designated for CapEx	427,615	427,125	420,911	520,523	520,523

**Marine Service Center
Financial Analysis
As Of, And For the Three-Month Period Ending September 30, 2015**

Financial operations for the Marine Service Center varied from plan in the first quarter of FY2016, due to the timing of some billings and repair work. The fund is expected to perform in accordance with its plan for the fiscal year as a whole, however.

Top-line revenue for the three-month period was \$77.5K, compared to \$58.1K in FY2015. The difference is due to the timing of billings for October, which were recorded in the first quarter revenue for this fiscal year, and, thus caused the positive variance.

Cost of sales increased by (\$66.1K) over FY2015. This increase had to do with the timing of certain expenditures, however. In particular, \$73.7K of repairs were performed in the first quarter of FY2016; in the comparable first quarter of FY2015, no repairs were performed, causing a large negative variance.

Working capital increased by \$15.3K during the quarter, and undesignated working capital as of September 30, 2015 was \$1,500.4K. This represents a year-to-year decline in working capital from September 30, 2014 to September 30, 2015 of (\$25.1K).

City and Borough of Sitka
Marine Service Center
Income Statement
For The Twelve-Month Period From July 1, 2015 to June 30, 2016
(Unaudited)

	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 25.00%)	Variance To FY2016 Plan
Revenue:									
Leases	77,528	-	-	-	77,528	58,146	19,382	58,596	18,932
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Total Revenue:	77,528	-	-	-	77,528	58,146	19,382	58,596	18,932
Cost of Sales:									
Operations	70,154	-	-	-	70,154	3,160	66,994	47,873	(22,281)
Depreciation	35,016	-	-	-	35,016	35,940	(924)	35,016	-
Total Cost of Sales:	105,170	-	-	-	105,170	39,100	66,070	82,889	(22,281)
Gross Margin:	(27,642)	-	-	-	(27,642)	19,046	(46,688)	(24,293)	(3,349)
	-35.65%	#DIV/0!	#DIV/0!	#DIV/0!	-35.65%	32.76%	-68.41%	-41.46%	5.80%
Selling and Administrative Expenses	-	-	-	-	-	-	-	-	-
Earnings Before Interest and Taxes (EBIT):	(27,642)	-	-	-	(27,642)	19,046	(46,688)	(24,293)	(3,349)
	-35.65%	#DIV/0!	#DIV/0!	#DIV/0!	-35.65%	32.76%	-68.41%	-41.46%	5.80%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	7,959	-	-	-	7,959	7,961	(2)	8,200	(241)
Interest Expense:	-	-	-	-	-	-	-	-	-
Total Non-operating Revenue & Expense:	7,959	-	-	-	7,959	7,961	(2)	8,200	(241)
Net Income:	(19,683)	-	-	-	(19,683)	27,007	(46,690)	(16,093)	(3,590)
	-25.39%	#DIV/0!	#DIV/0!	#DIV/0!	-25.39%	46.45%	-71.84%	-27.46%	2.08%
Earnings Before Interest and Taxes and Depreciation (EBITDA):	7,374	-	-	-	7,374	54,986	(47,612)	10,723	(3,349)
	9.51%	#DIV/0!	#DIV/0!	#DIV/0!	9.51%	94.57%	-85.05%	18.30%	-8.79%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	15,333	-	-	-	15,333	62,947	(47,614)	18,923	(3,590)
Debt Principal	-	-	-	-	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	15,333	-	-	-	15,333	62,947	(47,614)	18,923	(3,590)
Debt Principal Coverage Percentage	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	0.00%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	15,333	-	-	-	15,333	62,947	(47,614)	18,923	(3,590)
Depreciation	35,016	-	-	-	35,016	35,940	(924)	35,016	-
Cash Accumulated For/(Taken From) Asset Replacement	(19,683)	-	-	-	(19,683)	27,007	(46,690)	(16,093)	(3,590)
Working Capital									
Beginning Undesignated Working Capital	1,485,038	1,500,372	1,500,372	1,500,372	1,485,038	1,462,488	22,550	1,485,038	-
Net Income Plus Depreciation Less Principal	15,333	-	-	-	15,333	62,947	(47,614)	18,923	(3,590)
CapEx, Accruals, and other Balance Sheet Changes	1	-	-	-	1	1	-	-	1
Ending Undesignated Working Capital	1,500,372	1,500,372	1,500,372	1,500,372	1,500,372	1,525,436	(25,064)	1,503,961	(3,589)
Working Capital Designated for CapEx	(1)	(1)	(1)	(1)	(1)	-	(1)	-	(1)
Current Assets	1,500,371	1,500,371	1,500,371	1,500,371	1,500,371				
Current Liabilities	-	-	-	-	-				
CPLTD	-	-	-	-	-				
WCDFCapex	1	1	1	1	1				
Undesignated Working Capital	1,500,372	1,500,372	1,500,372	1,500,372	1,500,372				
Total Working Capital	1,500,371	1,500,371	1,500,371	1,500,371	1,500,371				

July 1, 2015

\$0

Working Capital designated for Capex, June 30, 2015 0.00
New CapEx designations of Working Capital in FY16 Budget -
Less FY16 working capital outlays for CapEx -
Working Capital designated for Capex, June 30, 2016 0.00

City and Borough of Sitka
Marine Service Center
Income Statement
For The Twelve-Month Trailing Period Ending September 30, 2015
(Unaudited)

	Oct-Dec 2014	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	TTM
Revenue:					
Leases	58,146	57,094	45,742	77,528	238,510
Other Operating Revenue	-	-	(108)	-	(108)
Total Revenue:	58,146	57,094	45,634	77,528	238,402
Cost of Sales:					
Operations	31,468	17,363	168,185	70,154	287,170
Depreciation	36,051	35,830	39,637	35,016	146,534
Total Cost of Sales:	67,519	53,193	207,822	105,170	433,704
Gross Margin:	(9,373) -16.12%	3,901 6.83%	(162,188) -355.41%	(27,642) -35.65%	(195,302) -81.92%
Selling and Administrative Expenses	-	-	-	-	-
Earnings Before Interest and Taxes (EBIT):	(9,373) -16.12%	3,901 6.83%	(162,188) -355.41%	(27,642) -35.65%	(195,302) -81.92%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	8,416	8,425	(1,096)	7,959	23,704
Interest Expense:	-	-	-	-	-
Total Non-operating Revenue & Expense:	8,416	8,425	(1,096)	7,959	23,704
Net Income:	(957) -1.65%	12,326 21.59%	(163,284) -357.81%	(19,683) -25.39%	(171,598) -71.98%
Earnings Before Interest and Taxes and Depreciation (EBITDA):	26,678 45.88%	39,731 69.59%	(122,551) -268.55%	7,374 9.51%	(48,768) -20.46%
Debt Principal Coverage					
Simple Cash Flow (Net Income Plus Depreciation)	35,094	48,156	(123,647)	15,333	(25,064)
Debt Principal	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	35,094	48,156.00	(123,647)	15,333	(25,064)
Debt Principal Coverage Percentage	100%	100%	100.00%	100.00%	100%
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	35,094	48,156	(123,647)	15,333	(25,064)
Depreciation	36,051	35,830	39,637	35,016	146,534
Cash Accumulated For/(Taken From) Asset Replacement	(957)	12,326	(163,284)	(19,683)	(171,598)
Working Capital					
Beginning Undesignated Working Capital	-	35,092	83,249	(25,064)	-
Net Income Plus Depreciation Less Principal	35,094	48,156	(123,647)	15,333	(25,064)
CapEx, Accruals, and other Balance Sheet Changes	(2)	1	-	1	-
Ending Undesignated Working Capital	35,092	83,249	(40,398)	(9,730)	(25,064)
Working Capital Designated for CapEx	-	-	-	(1)	(1)

Gary Paxton Industrial Park Fund
Financial Analysis
As Of, And For the Period Ending September 30, 2015

Financial operations for the Gary Paxton Industrial Park were in line with plan for the first quarter of Fiscal Year 2016. Earnings before interest (EBI) varied just \$616 from plan for the quarter, showing good alignment of operations with plan..

Top-line revenue was \$25.3K for the quarter, falling short of plan by (\$29.0K). This revenue shortfall was offset by operating efficiencies, however.

Costs of operations were both lower than planned levels and lower than prior year. Total costs of operations for the quarter were \$129.6K versus plan of \$180.4K and prior year of \$150.5.

Working capital fell slightly during the 1st quarter, decreasing by \$18.5K. As of September 30, 2015, overall working capital was \$905.7K and undesignated working capital was \$880.4K.

City and Borough of Sitka
Gary Paxton Industrial Park
Income Statement
For The Twelve-Month Period From July 1, 2013 to June 30, 2015
(Unaudited)

	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 100%)	Variance To FY2016 Plan
Revenue:									
Leases	25,290	-	-	-	25,290	100,434	(75,144)	54,202	(28,912)
Other Operating Revenue	-	-	-	-	-	-	-	22,500	(22,500)
Total Revenue:	25,290	-	-	-	25,290	100,434	(75,144)	76,702	(51,412)
Cost of Sales:									
Operations	52,770	-	-	-	52,770	73,634	20,864	103,566	50,796
Depreciation	76,816	-	-	-	76,816	76,880	64	76,816	-
Total Cost of Sales:	129,586	-	-	-	129,586	150,514	20,928	180,382	50,796
Gross Margin:	(104,296)	-	-	-	(104,296)	(50,080)	(54,216)	(103,680)	(616)
	-412.40%	#DIV/0!	#DIV/0!	#DIV/0!	-412.40%	-49.86%	-362.54%	-135.17%	-277.23%
Selling and Administrative Expenses	-	-	-	-	-	-	-	-	-
Earnings Before Interest (EBI):	(104,296)	-	-	-	(104,296)	(50,080)	(54,216)	(103,680)	(616)
	-412.40%	#DIV/0!	#DIV/0!	#DIV/0!	-412.40%	-49.86%	-362.54%	-135.17%	-277.23%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	5,100	-	-	-	5,100	5,674	(574)	5,375	(275)
Grant Revenue:	-	-	-	-	-	51,438	(51,438)	43,394	(43,394)
Sale of Fixed Assets	-	-	-	-	-	-	-	-	-
Interest Transfer From SMC Contingency	4,566	-	-	-	4,566	4,707	(141)	3,500	1,066
Interest Expense:	(2,427)	-	-	-	(2,427)	(2,427)	-	(2,427)	-
Total Non-operating Revenue & Expense:	7,239	-	-	-	7,239	59,392	(52,153)	49,842	(42,603)
Net Income:	(97,057)	-	-	-	(97,057)	9,312	(106,369)	(53,838)	(43,219)
	-383.78%	#DIV/0!	#DIV/0!	#DIV/0!	-383.78%	9.27%	-393.05%	-70.19%	-322.86%
Earnings Before Interest and Depreciation (EBID):	(27,480)	-	-	-	(27,480)	26,800	(54,152)	(26,864)	(616)
	-108.66%	#DIV/0!	#DIV/0!	#DIV/0!	-108.66%	26.68%	-135.34%	-35.02%	-73.64%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	(20,241)	-	-	-	(20,241)	86,005	(106,246)	22,978	(43,219)
Debt Principal	12,446	-	-	-	12,446	12,446	-	49,784	(37,338)
Debt Principal Coverage Surplus/Deficit	(32,687)	-	-	-	(32,687)	73,559	(106,246)	(26,806)	(5,881)
Debt Principal Coverage Percentage	-162.63%	#DIV/0!	#DIV/0!	#DIV/0!	-162.63%	309.27%	-471.90%	46.16%	-518.05%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	(32,687)	-	-	-	(32,687)	73,559	(106,246)	(26,806)	(5,881)
Depreciation	76,816	-	-	-	76,816	76,880	(64)	307,264	(230,448)
Cash Accumulated For/(Taken From) Asset Replacement	(109,503)	-	-	-	(109,503)	(3,321)	(106,182)	(334,070)	224,567
Working Capital									
Beginning Undesignated Working Capital	898,228	880,416	880,416	880,416	898,228	873,804	24,424	898,228	-
Net Income Plus Depreciation Less Principal	(32,687)	-	-	-	(32,687)	73,559	(106,246)	22,978	(55,665)
CapEx, Accruals, and other Balance Sheet Changes	14,875	-	-	-	14,875	(22,380)	37,255	-	14,875
Ending Undesignated Working Capital	880,416	880,416	880,416	880,416	880,416	924,983	(44,567)	921,206	(40,790)
Working Capital Designated for CapEx	25,319	25,319	25,319	25,319	25,319	25,984	(665)		
Current Assets	955,519	955,519	955,519	955,519	955,519				
Current Liabilities	-	-	-	-	-				
CPLTD	(49,784)	(49,784)	(49,784)	(49,784)	(49,784)				
WCDFCapex	(25,319)	(25,319)	(25,319)	(25,319)	(25,319)				
Undesignated Working Capital	880,416	880,416	880,416	880,416	880,416	924,983	(44,567)		
Total Working Capital	905,735	905,735	905,735	905,735	905,735	950,967	(45,232)		

July 1, 2015
\$16,984 - Boat Building
\$ 9,000 - Fixed Assets

Working Capital designated for Capex, June 30, 2015 25,984.00
New CapEx designations of Working Capital in FY16 Budget
Purchase of Fixed Assets: -
Less FY16 working capital outlays for CapEx (Thru 9/30) (665)
Working Capital designated for Capex, September 30, 2015 25,319.00

City and Borough of Sitka
Gary Paxton Industrial Park
Income Statement
For The Twelve-Month Trailing Period Ending September 30, 2015
(Unaudited)

	Oct-Dec 2014	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	TTM
Revenue:					
Leases	62,623	48,210	135,825	25,290	271,948
Other Operating Revenue	<u>18,190</u>	<u>-</u>	<u>6,014</u>	<u>-</u>	<u>24,204</u>
Total Revenue:	80,813	48,210	141,839	25,290	296,152
Cost of Sales:					
Operations	123,761	72,032	65,523	52,770	314,086
Depreciation	<u>76,879</u>	<u>76,880</u>	<u>77,134</u>	<u>76,816</u>	<u>307,709</u>
Total Cost of Sales:	200,640	148,912	142,657	129,586	621,795
Gross Margin:	(119,827) -148.28%	(100,702) -208.88%	(818) -0.58%	(104,296) -412.40%	(325,643) -109.96%
Selling and Administrative Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Earnings Before Interest (EBI):	(119,827) -148.28%	(100,702) -208.88%	(818) -0.58%	(104,296) -412.40%	(325,643) -109.96%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	4,857	1,990	(3,201)	5,100	8,746
Grant Revenue:	256,206	4,164	5,721	-	266,091
Sale of Fixed Assets	-	-	32,400	-	32,400
Interest Transfer From SMC Contingency	4,866	4,660	4,846	4,566	18,938
Interest Expense:	<u>(2,614)</u>	<u>(2,614)</u>	<u>(3,483)</u>	<u>(2,427)</u>	<u>(11,138)</u>
Total Non-operating Revenue & Expense:	263,315	8,200	36,283	7,239	315,037
Net Income:	143,488 177.56%	(92,502) -191.87%	35,465 25.00%	(97,057) -383.78%	(10,606) -3.58%
Earnings Before Interest and Depreciation (EBIDA):	(42,948) -53.14%	(23,822) -49.41%	76,316 53.80%	(27,480) -108.66%	(17,934) -6.06%
Debt Principal Coverage					
Simple Cash Flow (Net Income Plus Depreciation)	220,367	(15,622)	112,599	(20,241)	297,103
Debt Principal	<u>12,446</u>	<u>12,446</u>	<u>12,444</u>	<u>12,446</u>	<u>49,782</u>
Debt Principal Coverage Surplus/Deficit	207,921	(28,068)	100,155	(32,687)	247,321
Debt Principal Coverage Percentage	1770.58%	-125.52%	904.85%	-162.63%	596.81%
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	207,921	(28,068)	100,155	(32,687)	247,321
Depreciation	<u>76,879</u>	<u>76,880</u>	<u>77,134</u>	<u>76,816</u>	<u>307,709</u>
Cash Accumulated For/(Taken From) Asset Replacement	131,042	(104,948)	23,021	(109,503)	(60,388)
Working Capital					
Beginning Undesignated Working Capital	924,983	868,938	848,203	898,228	924,983
Net Income Plus Depreciation Less Principal	220,367	(15,622)	112,599	(32,687)	284,657
CapEx, Accruals, and other Balance Sheet Changes	<u>(276,412)</u>	<u>(5,113)</u>	<u>(62,574)</u>	<u>14,875</u>	<u>(329,224)</u>
Ending Undesignated Working Capital	868,938	848,203	898,228	880,416	880,416
Working Capital Designated for CapEx	25,984	25,984	25,984	25,319	25,319

**Management Information Systems (MIS) Fund
Financial Analysis
As Of, And For the Three-Month Ending September 30, 2015**

The MIS Fund was operated in accordance with plan during the period and financial results were as anticipated.

Interdepartmental billings increased by \$192.9K in comparison to FY2015. This increase was in line with plan and is attributable to increased billing necessary to pay for the costs of the network redesign and other capital projects.

Costs of operations increased by \$12.6K to \$248.5K, an increase of 5.4% over FY2015, but \$2.0K, or 0.8%, under plan, a positive variance.

Undesignated Working capital in the MIS Fund decreased to (\$236.3K) as of September 30, 2015. This is attributable to the designation of \$572.0K of working capital for capital projects right at the start of the fiscal year. The funds will be recouped throughout the fiscal year when quarterly billings occur; thus undesignated working capital should return to its planned level by the end of FY2016. Total working capital increased by \$85.7K, to \$335.7K as of September 30, 2015.

City and Borough of Sitka
 A15 Fund
 Income Statement
 For The Twelve-Month Period From July 1, 2016 to June 30, 2016
 (Unaudited)

	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (5/L - 25%)	Variance To FY2016 Plan
Revenue:									
Data Processing Charges	308,403	-	-	-	308,403	192,896	115,507	307,467	936
Other Operating Revenue	729	-	-	-	729	-	729	-	729
Total Revenue:	309,132	-	-	-	309,132	192,896	116,236	307,467	1,715
Cost of Sales:									
Operations	225,646	-	-	-	225,646	211,311	(14,335)	223,597	(2,049)
Depreciation	22,812	-	-	-	22,812	24,510	1,698	22,812	-
Total Cost of Sales:	248,458	-	-	-	248,458	235,821	(12,637)	246,409	(2,019)
Gross Margin:	60,724	-	-	-	60,724	(42,925)	103,649	61,058	(334)
	19.64%	#DIV/0!	#DIV/0!	#DIV/0!	19.64%	-22.25%	41.89%	19.86%	-0.22%
Selling and Administrative Expenses	-	-	-	-	-	-	-	-	-
Earnings Before Interest (EBI):	60,724	-	-	-	60,724	(42,925)	103,649	61,058	(334)
	19.64%	#DIV/0!	#DIV/0!	#DIV/0!	19.64%	-22.25%	41.89%	19.86%	-0.22%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	1,847	-	-	-	1,847	464	1,383	1,675	172
Interest Expense:	(1,104)	-	-	-	(1,104)	(1,512)	408	(1,104)	-
Total Non-operating Revenue & Expense:	743	-	-	-	743	(1,048)	1,781	571	172
Net Income:	61,467	-	-	-	61,467	(93,373)	105,420	61,629	(162)
	19.88%	#DIV/0!	#DIV/0!	#DIV/0!	19.88%	-22.80%	90.67%	20.04%	-0.16%
Earnings Before Interest and Depreciation (EBIDA):	83,536	-	-	-	83,536	(18,415)	101,951	83,870	(334)
	27.02%	#DIV/0!	#DIV/0!	#DIV/0!	27.02%	-9.55%	36.56%	27.28%	-0.26%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	84,279	-	-	-	84,279	(19,463)	103,742	84,441	(162)
Debt Principal	11,887	-	-	-	11,887	11,478	409	11,887	-
Debt Principal Coverage Surplus/Deficit	72,392	-	-	-	72,392	(30,941)	103,333	72,554	(162)
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%	100%	100%	100%	0%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	72,392	-	-	-	72,392	(30,941)	103,333	72,554	(162)
Depreciation	22,812	-	-	-	22,812	24,510	(1,698)	22,812	-
Cash Accumulated For/(Taken From) Asset Replacement	49,580	-	-	-	49,580	(55,451)	105,031	49,742	(162)
Working Capital									
Beginning Undesignated Working Capital	249,996	(236,297)	(236,297)	(236,297)	249,996	295,306	(45,310)	295,306	(45,310)
Net Income Plus Depreciation Less Principal	84,279	-	-	-	84,279	(19,463)	103,742	84,441	(162)
CapEx, Accruals, and other Balance Sheet Changes	(570,572)	-	-	-	(570,572)	42,694	(613,266)	-	(570,572)
Ending Undesignated Working Capital	(236,297)	(236,297)	(236,297)	(236,297)	(236,297)	318,537	(554,834)	379,747	(616,044)
Working Capital Designated for CapEx	572,000	572,000	572,000	572,000	572,000	55,132	516,868	572,000	-
Current Assets	397,320	397,320	397,320	397,320	397,320	397,320	397,320	397,320	397,320
Current Liabilities	(15,704)	(15,704)	(15,704)	(15,704)	(15,704)	(15,704)	(15,704)	(15,704)	(15,704)
CPLTD	(45,913)	(45,913)	(45,913)	(45,913)	(45,913)	(45,913)	(45,913)	(45,913)	(45,913)
WDFCapex	(572,000)	(572,000)	(572,000)	(572,000)	(572,000)	(572,000)	(572,000)	(572,000)	(572,000)
Undesignated Working Capital	(236,297)	(236,297)	(236,297)	(236,297)	(236,297)	318,537	(554,834)	379,747	(616,044)
Total Working Capital	335,703	335,703	335,703	335,703	335,703	373,669	(57,514)	379,747	(37,341)

City and Borough of Sitka
MIS Fund
Income Statement
For The Twelve-Month Trailing Period Ending September 30, 2015
(Unaudited)

	Oct-Dec 2014	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	TTM
Revenue:					
Data Processing Charges	248,897	196,647	196,647	308,403	950,594
Other Operating Revenue	-	-	90,931	779	91,710
Total Revenue:	248,897	196,647	287,578	309,182	1,042,304
Cost of Sales:					
Operations	232,088	188,952	262,522	225,646	909,208
Depreciation	24,510	24,509	31,301	22,812	103,132
Total Cost of Sales:	256,598	213,461	293,823	248,458	1,012,340
Gross Margin:	(7,701) -3.09%	(16,814) -8.55%	(6,245) -2.17%	60,724 19.64%	29,964 2.87%
Selling and Administrative Expenses	-	-	-	-	-
Earnings Before Interest (EBI):	(7,701) -3.09%	(16,814) -8.55%	(6,245) -2.17%	60,724 19.64%	29,964 2.87%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	3,233	2,352	(4,615)	1,847	2,817
Interest Expense:	(1,512)	(1,512)	(2,298)	(1,104)	(6,426)
Total Non-operating Revenue & Expense:	1,721	840	(6,913)	743	(3,609)
Net Income:	(5,980) -2.40%	(15,974) -8.12%	(13,158) -4.58%	61,467 19.88%	26,355 2.53%
Earnings Before Interest and Depreciation (EBIDA):	16,809 6.75%	7,695 3.91%	25,056 8.71%	83,536 27.02%	133,096 12.77%
<u>Debt Principal Coverage</u>					
Simple Cash Flow (Net Income Plus Depreciation)	18,530	8,535	18,143	84,279	129,487
Debt Principal	11,478	-	11,892	11,887	35,257
Debt Principal Coverage Surplus/Deficit	7,052	8,535	6,251	72,392	94,230
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100.00%
<u>Simple Asset Replacement Coverage</u>					
Debt Principal Coverage Surplus/Deficit (From Above)	7,052	8,535	6,251	72,392	94,230
Depreciation	24,510	24,509	31,301	22,812	103,132
Cash Accumulated For/(Taken From) Asset Replacement	(17,458)	(15,974)	(25,050)	49,580	(8,902)
<u>Working Capital</u>					
Beginning Undesignated Working Capital	318,537	344,131	354,174	249,996	318,537
Net Income Plus Depreciation Less Principal	18,530	8,535	18,143	84,279	129,487
CapEx, Accruals, and other Balance Sheet Changes	7,064	1,508	(122,321)	(570,572)	(684,321)
Ending Undesignated Working Capital	344,131	354,174	249,996	(236,297)	(236,297)
Working Capital Designated for CapEx	50,441	24,234	-	572,000	572,000

**Central Garage Fund
Financial Analysis
As Of, And For The Quarter Ending September 30, 2015**

The Central Garage Fund continues to build back its vehicle sinking fund. At September 30, 2012, the Central Garage Fund's vehicle replacement sinking fund was calculated to be underfunded by approximately \$3,401.4 (\$3.4 million). Since 2012, the underfunding has been improved by \$1,327.7K and now stands at approximately \$2,113.0K. The Central Garage increased the vehicle replacement sinking fund by approximately \$258.0K over the last three months. It is important to note that contributions to the vehicle replacement sinking fund are a flow-through after expenses and are dependent on expenses running in line with plan.

Operating costs were tightly controlled in the first quarter. Costs of operations for the Central Garage were \$71.6K, or 21.7% less than plan.

Undesignated working capital was \$2,113.8K, despite the designation of \$870.5K in the FY2016 budget for vehicle replacements. Total working capital was \$2,984.K as of September 30, 2015, a year-over-year increase of \$507.0K.

City and Borough of Sitka
Central Garage Fund
Income Statement
For The Twelve-Month Period From July 1, 2014 to June 30, 2016
(Unaudited)

	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 25.00%)	Variance To FY2016 Plan
Revenue:									
Vehicle Billings	332,892	-	-	-	332,892	398,178	(65,286)	337,751	(4,859)
Other Operating Revenue	68,658	-	-	-	68,658	33,504	35,154	5,922	62,736
Total Revenue:	401,550	-	-	-	401,550	431,682	(30,132)	343,673	57,877
Cost of Sales:									
Operations	81,229	-	-	-	81,229	73,203	(8,026)	121,472	40,243
Depreciation	98,697	-	-	-	98,697	97,976	(721)	98,697	-
Total Cost of Sales:	179,926	-	-	-	179,926	171,179	(8,747)	220,169	40,243
Gross Margin:	221,624	55.19%	#DIV/0!	#DIV/0!	221,624	260,503	(38,879)	123,504	98,120
	55.19%	#DIV/0!	#DIV/0!	#DIV/0!	55.19%	60.35%	-5.15%	35.94%	19.26%
Selling and Administrative Expenses	77,474	-	-	-	77,474	38,510	(38,964)	108,870	31,396
Earnings Before Interest (EBI):	144,150	-	-	-	144,150	221,993	(77,843)	14,634	129,516
	35.90%	#DIV/0!	#DIV/0!	#DIV/0!	35.90%	51.43%	-15.53%	4.26%	31.64%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	15,277	-	-	-	15,277	12,759	2,518	15,000	277
Interest Expense:	(4,375)	-	-	-	(4,375)	(5,000)	625	(4,375)	-
Total Non-operating Revenue & Expense:	10,902	-	-	-	10,902	7,759	3,143	10,625	277
Net Income:	155,052	-	-	-	155,052	229,752	(74,700)	25,259	129,793
	38.61%	#DIV/0!	#DIV/0!	#DIV/0!	38.61%	53.22%	247.91%	7.35%	31.26%
Earnings Before Interest and Depreciation (EBIDA):	242,847	-	-	-	242,847	319,969	(77,122)	113,331	129,516
	60.48%	#DIV/0!	#DIV/0!	#DIV/0!	60.48%	74.12%	-13.64%	32.98%	27.50%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	253,749	-	-	-	253,749	327,728	(73,979)	123,956	129,793
Debt Principal	12,500	-	-	-	12,500	12,500	-	12,500	-
Debt Principal Coverage Surplus/Deficit	241,249	-	-	-	241,249	315,228	(73,979)	111,456	129,793
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%	100%	100%	100%	0%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	241,249	-	-	-	241,249	315,228	(73,979)	111,456	129,793
Depreciation	98,697	-	-	-	98,697	97,976	721	97,976	721
Cash Accumulated For/(Taken From) Asset Replacement	142,552	-	-	-	142,552	217,252	(74,700)	13,480	129,072
Working Capital									
Beginning Undesignated Working Capital	2,726,158	2,113,769	2,113,769	2,113,769	2,726,158	1,991,553	734,605	1,991,553	734,605
Net Income Plus Depreciation Less Principal	253,749	-	-	-	253,749	327,728	(73,979)	123,956	129,793
CapEx, Accruals, and other Balance Sheet Changes	(866,138)	-	-	-	(866,138)	(200,535)	(665,603)	(496,200)	(369,938)
Ending Undesignated Working Capital	2,113,769	2,113,769	2,113,769	2,113,769	2,113,769	2,118,746	(4,977)	1,619,309	494,460
Working Capital Designated for CapEx	870,405	870,405	870,405	870,405	870,405	-	870,405	87,561	782,844
Current Assets	3,041,612	3,041,612	3,041,612	3,041,612					
Current Liabilities	(7,438)	(7,438)	(7,438)	(7,438)					
CPLTD	(50,000)	(50,000)	(50,000)	(50,000)					
WCDFCapex	(870,405)	(870,405)	(870,405)	(870,405)					
Undesignated Working Capital	2,113,769	2,113,769	2,113,769	2,113,769	2,113,769	2,118,746	(4,977)		
Total Working Capital	2,984,174	2,984,174	2,984,174	2,984,174	2,984,174	2,551,665	432,509		

City and Borough of Sitka
Central Garage Fund
Income Statement
For The Twelve-Month Trailing Period Ending September 30, 2015
(Unaudited)

	Oct-Dec 2014	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	TTM
Revenue:					
Vehicle Billings	400,926	411,540	415,029	332,892	1,560,387
Other Operating Revenue	<u>651</u>	<u>-</u>	<u>48,064</u>	<u>68,658</u>	<u>117,373</u>
Total Revenue:	401,577	411,540	463,093	401,550	1,677,760
Cost of Sales:					
Operations	100,589	99,271	171,156	81,229	452,245
Depreciation	<u>97,976</u>	<u>55,980</u>	<u>137,085</u>	<u>98,697</u>	<u>389,738</u>
Total Cost of Sales:	<u>198,565</u>	<u>155,251</u>	<u>308,241</u>	<u>179,926</u>	<u>841,983</u>
Gross Margin:	203,012 50.55%	256,289 62.28%	154,852 33.44%	221,624 55.19%	835,777 49.82%
Selling and Administrative Expenses	<u>137,211</u>	<u>75,682</u>	<u>89,730</u>	<u>77,474</u>	<u>380,097</u>
Earnings Before Interest (EBI):	65,801 16.39%	180,607 43.89%	65,122 14.06%	144,150 35.90%	455,680 27.16%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	13,317	13,928	12,517	15,277	55,039
Interest Expense:	<u>(5,000)</u>	<u>(5,000)</u>	<u>(2,500)</u>	<u>(4,375)</u>	<u>(16,875)</u>
Total Non-operating Revenue & Expense:	<u>8,317</u>	<u>8,928</u>	<u>10,017</u>	<u>10,902</u>	<u>38,164</u>
Net Income:	<u>74,118</u> 18.46%	<u>189,535</u> 46.06%	<u>75,139</u> 16.23%	<u>155,052</u> 38.61%	<u>493,844</u> 29.43%
Earnings Before Interest and Depreciation (EBIDA):	163,777 40.78%	236,587 57.49%	202,207 43.66%	242,847 60.48%	845,418 50.39%
Debt Principal Coverage					
Simple Cash Flow (Net Income Plus Depreciation)	172,094	245,515	212,224	253,749	883,582
Debt Principal	<u>12,500</u>	<u>12,500</u>	<u>12,500</u>	<u>12,500</u>	<u>50,000</u>
Debt Principal Coverage Surplus/Deficit	<u>159,594</u>	<u>233,015</u>	<u>199,724</u>	<u>241,249</u>	<u>833,582</u>
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	1767.16%
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	159,594	233,015	199,724	241,249	833,582
Depreciation	<u>97,976</u>	<u>55,980</u>	<u>137,085</u>	<u>98,697</u>	<u>389,738</u>
Cash Accumulated For/(Taken From) Asset Replacement	<u>61,618</u>	<u>177,035</u>	<u>62,639</u>	<u>142,552</u>	<u>443,844</u>
Working Capital					
Beginning Undesignated Working Capital	2,118,746	2,295,838	2,546,354	2,726,158	2,118,746
Net Income Plus Depreciation Less Principal	172,094	245,515	212,224	253,749	883,582
CapEx, Accruals, and other Balance Sheet Changes	<u>4,998</u>	<u>5,001</u>	<u>(32,420)</u>	<u>(866,138)</u>	<u>(888,559)</u>
Ending Undesignated Working Capital	<u>2,295,838</u>	<u>2,546,354</u>	<u>2,726,158</u>	<u>2,113,769</u>	<u>2,113,769</u>
Working Capital Designated for CapEx	181,289	180,737	-	870,405	870,405
Total Working Capital	<u>2,477,127</u>	<u>2,727,091</u>	<u>2,726,158</u>	<u>2,984,174</u>	<u>2,984,174</u>

**Building Maintenance Fund
Financial Analysis
As Of, And For the Quarter Ending September 30, 2015**

The steps taken to stabilize the Building Maintenance Fund are starting to have their desired effect. The Fund is close to break even on a cash basis. Working capital declined by \$36.9K, to \$1,979.6K. While internal billings had a negative variance to plan of (\$41.2K), costs of operations were substantially under plan for FY2016, a positive variance of \$84,1K.

While substantial improvements have been obtained in its financial performance it is critical that continued focus be placed on controlling expenditures in this Fund in order to keep working capital at or near the target level of \$2.0M.

City and Borough of Sitka
Building Maintenance Fund
Income Statement
For The Twelve-Month Period From July 1, 2014 to June 30, 2016
(Unaudited)

	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	Apr-Jun 2016	FY2016 YTD	FY2015 YTD	Variance To FY2015 YTD	FY2016 Plan (S/L - 25.00%)	Variance To FY2016 Plan
Revenue:									
Building Maintenance Charges	137,997	-	-	-	137,997	86,259	51,738	179,231	(41,234)
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Total Revenue:	137,997	-	-	-	137,997	86,259	51,738	179,231	(41,234)
Cost of Sales:									
Operations	165,121	-	-	-	165,121	120,642	(44,479)	259,662	94,541
Depreciation	422	-	-	-	422	624	202	422	-
Total Cost of Sales:	165,543	-	-	-	165,543	121,266	(44,277)	260,084	94,541
Gross Margin:	(27,546)	-	-	-	(27,546)	(35,007)	7,461	(80,854)	53,308
	-19.96%	#DIV/0!	#DIV/0!	#DIV/0!	-19.96%	-40.58%	20.62%	-45.11%	25.15%
Selling and Administrative Expenses	27,727	-	-	-	27,727	1,324	(26,403)	38,149	(10,422)
Earnings Before Interest (EBI):	(55,273)	-	-	-	(55,273)	(36,331)	(18,942)	(119,002)	63,729
	-40.05%	#DIV/0!	#DIV/0!	#DIV/0!	-40.05%	-42.12%	2.06%	-66.40%	26.34%
Non-operating Revenue and Expense:									
Interest and Non-Operating Revenue:	17,967	-	-	-	17,967	31,360	(13,393)	17,824	143
Interest Expense:	-	-	-	-	-	-	-	-	-
Total Non-operating Revenue & Expense:	17,967	-	-	-	17,967	31,360	(13,393)	17,824	143
Net Income:	(37,306)	-	-	-	(37,306)	(4,971)	(32,335)	(101,178)	63,872
	-27.03%	#DIV/0!	#DIV/0!	#DIV/0!	-27.03%	-5.76%	-62.50%	-56.45%	29.42%
Earnings Before Interest and Depreciation (EBID):	(54,851)	-	-	-	(54,851)	(35,707)	(19,144)	(118,580)	63,729
	-39.75%	#DIV/0!	#DIV/0!	#DIV/0!	-39.75%	-41.40%	1.65%	-66.16%	26.41%
Debt Principal Coverage									
Simple Cash Flow (Net Income Plus Depreciation)	(36,884)	-	-	-	(36,884)	(4,347)	(32,537)	(100,756)	63,872
Debt Principal	-	-	-	-	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	(36,884)	-	-	-	(36,884)	(4,347)	(32,537)	(100,756)	63,872
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%	100%	100%	100%	0%
Simple Asset Replacement Coverage									
Debt Principal Coverage Surplus/Deficit (From Above)	(36,884)	-	-	-	(36,884)	(4,347)	(32,537)	(100,756)	63,872
Depreciation	422	-	-	-	422	624	(202)	422	-
Cash Accumulated For/(Taken From) Asset Replacement	(37,306)	-	-	-	(37,306)	(4,971)	(32,335)	(101,178)	63,872
Working Capital									
Beginning Undesignated Working Capital	1,934,483	1,897,599	1,897,599	1,897,599	1,934,483	2,126,331	(191,848)	2,126,331	(191,848)
Net Income Plus Depreciation Less Principal	(36,884)	-	-	-	(36,884)	(4,347)	(32,537)	(100,756)	63,872
CapEx, Accruals, and other Balance Sheet Changes	-	-	-	-	-	(1)	1	-	-
Ending Undesignated Working Capital	1,897,599	1,897,599	1,897,599	1,897,599	1,897,599	2,121,983	(224,384)	2,025,575	(127,976)
Working Capital Designated for CapEx	-	-	-	-	-	-	-	-	-
Current Assets	1,917,936	1,917,936	1,917,936	1,917,936	1,917,936	1,917,936		1,917,936	
Current Liabilities	(20,337)	(20,337)	(20,337)	(20,337)	(20,337)	(20,337)		(20,337)	
CPLTD	-	-	-	-	-	-		-	
WCDFCapex	-	-	-	-	-	-		-	
Total Working Capital	1,897,599	1,897,599	1,897,599	1,897,599	1,897,599	2,121,983	(224,384)	2,121,983	(224,384)

City and Borough of Sitka
Building Maintenance Fund
Income Statement
For The Twelve-Month Trailing Period Ending September 30, 2015
(Unaudited)

	Oct-Dec 2014	Jan-Mar 2015	Apr-Jun 2015	Jul-Sep 2015	TTM
Revenue:					
Building Maintenance Charges	103,537	89,903	138,767	137,997	470,204
Other Operating Revenue	-	-	91,416	-	91,416
Total Revenue:	103,537	89,903	230,183	137,997	561,620
Cost of Sales:					
Operations	152,755	112,529	284,926	165,121	715,331
Depreciation	625	624	1,433	422	3,104
Total Cost of Sales:	153,380	113,153	286,359	165,543	718,435
Gross Margin:	(49,843) -48.14%	(23,250) -25.86%	(56,176) -24.40%	(27,546) -19.96%	(156,815) -27.92%
Selling and Administrative Expenses	65,889	28,630	8,930	27,727	131,176
Earnings Before Interest (EBI):	(115,732) -111.78%	(51,880) -57.71%	(65,106) -28.28%	(55,273) -40.05%	(287,991) -51.28%
Non-operating Revenue and Expense:					
Interest and Non-Operating Revenue:	32,511	31,366	9,216	17,967	91,060
Interest Expense:	-	-	-	-	-
Total Non-operating Revenue & Expense:	32,511	31,366	9,216	17,967	91,060
Net Income:	(83,221) -80.38%	(20,514) -22.82%	(55,890) -24.28%	(37,306) -27.03%	(196,931) -35.06%
Earnings Before Interest and Depreciation (EBID):	(115,107) -111.17%	(51,256) -57.01%	(63,673) -27.66%	(54,851) -39.75%	(284,887) -50.73%
Debt Principal Coverage					
Simple Cash Flow (Net Income Plus Depreciation)	(82,596)	(19,890)	(54,457)	(36,884)	(193,827)
Debt Principal	-	-	-	-	-
Debt Principal Coverage Surplus/Deficit	(82,596)	(19,890)	(54,457)	(36,884)	(193,827)
Debt Principal Coverage Percentage	0.00%	0.00%	0.00%	0.00%	100%
Simple Asset Replacement Coverage					
Debt Principal Coverage Surplus/Deficit (From Above)	(82,596)	(19,890)	(54,457)	(36,884)	(193,827)
Depreciation	625	624	1,433	422	3,104
Cash Accumulated For/(Taken From) Asset Replacement	(83,221)	(20,514)	(55,890)	(37,306)	(196,931)
Working Capital					
Beginning Undesignated Working Capital	2,121,983	2,038,828	2,018,932	2,016,480	2,121,983
Net Income Plus Depreciation Less Principal	(82,596)	(19,890)	(54,457)	(36,884)	(193,827)
CapEx, Accruals, and other Balance Sheet Changes	(559)	(6)	52,005	-	51,440
Ending Undesignated Working Capital	2,038,828	2,018,932	2,016,480	1,979,596	1,979,596
Working Capital Designated for CapEx	-	-	-	-	-



Legislation Details

File #: 16-028 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 2/16/2016 In control: City and Borough Assembly
On agenda: 2/23/2016 Final action:
Title: Service Award for Historic Preservation Commission Member Judy Ozment
Sponsors:
Indexes:
Code sections:
Attachments: [Ozment Service Award.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Service Award

On behalf of the City and Borough of Sitka is hereby awarded to

Judith Ozment

*this expression of grateful acknowledgment for your over 5 years of
valued service rendered in the public interest while serving on the
Historic Preservation Commission. Thank you!*

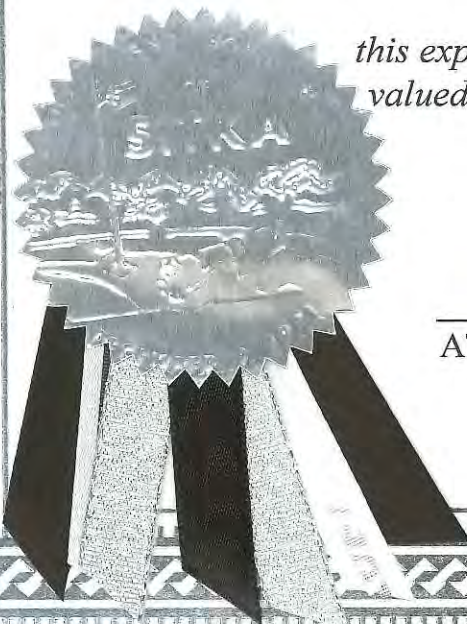
Signed and sealed this 23rd day of February 2016

Sara Peterson

ATTEST: Municipal Clerk, Sara Peterson

Mim McConnell

Mayor Mim McConnell





Legislation Details

File #: 16-029 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 2/16/2016 In control: City and Borough Assembly
On agenda: 2/23/2016 Final action:
Title: Approve the minutes of the February 9 Assembly meeting
Sponsors:
Indexes:
Code sections:
Attachments: [Consent and Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

CONSENT AGENDA

POSSIBLE MOTION

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

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
February 9th Assembly meeting.



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
1332 Seward Ave.
Room 229
Sitka, AK
(907)747-1811

Minutes - Draft

City and Borough Assembly

Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Benjamin Miyasato
Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Bob Potrzuski

Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Sara Peterson, CMC

Tuesday, February 9, 2016

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

Mayor McConnell announced the presentation and discussion scheduled for item J would occur first followed by executive session.

16-027 Reminders, Calendars and General Correspondence

V. CEREMONIAL MATTERS

16-017 Bicycle Friendly Community Proclamation and Service Awards for Janet Keck Love and Kay Turner

Mayor McConnell read the Bicycle Friendly Community proclamation, and presented service awards to Janet Keck Love and Kay Turner for their service on the Library Commission and Parks and Recreation Committee, respectively.

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

16-026 Update on the Sitka Seaplane Dock - Harbormaster, Stan Eliason

Harbormaster, Stan Eliason, updated the Assembly on the status of the Sitka Seaplane Dock and its failing infrastructure. Eliason indicated that PND, Engineers was scheduled to complete a walk through of the Dock in the near future and provide recommendations.

VII. PERSONS TO BE HEARD

None.

VIII. REPORTS

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

Mayor - McConnell reported on the state legislative trip and attended the recent Investment Committee meeting.

Administrator - Gorman shared that a 30-day extension had been given to Alaska Bulk Water Inc. to perform the requirements set forth in the forty-five day written notice to cure default, met with the Chief Executive Officers of SEARHC and Sitka Community Hospital to discuss ways for possible collaboration, reported on the state legislative trip, and attended the Sitka Public Library ribbon cutting ceremony.

Liaisons - Miyasato reported on the recent Library Commission meeting and reminded citizens that there were three vacancies on the Parks and Recreation Committee. Potrzuski reported on the work of the Marijuana Advisory Committee and Guevin on the Health Needs and Human Services Commission.

IX. CONSENT AGENDA

A motion was made by Swanson that the Consent Agenda consisting of items A, B, D, E & F be APPROVED. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

A 16-018 Approve the minutes of the January 26, 2016 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

B 16-019 Approve liquor license renewal applications for SOE, LLC dba 1) Asian Palace and 2) Little Tokyo and forward these to the Alcoholic Beverage Control Board without objection

This item was APPROVED ON THE CONSENT AGENDA.

C 16-020 Amend the Tree and Brush Clearing Services contract for an amount not to exceed \$275,000 for FY2016

Eisenbeisz spoke in support of preventative maintenance to prevent higher costs in the future, however, felt the additional amount of the contract should be put out to

bid. Swanson agreed.

Administrator Gorman stated the low bidder had been awarded. The option to go out to bid for the second amount had been discussed, however, for efficiency it made the most sense to amend the current contract.

Bryan Bertacchi, Utility Director, confirmed the low bidder, a local contractor, had been awarded a three year contract and was willing to perform the additional work. Bertacchi noted a FERC inspection was coming up; part of which involved tree trimming requirements.

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

Yes: 5 - McConnell, Hunter, Miyasato, Guevin, and Potrzuski

No: 2 - Swanson, and Eisenbeisz

- D 16-021** Approve a professional services agreement between TS&H Automation and the City and Borough of Sitka for On-Call Industrial Automation Systems Development

This item was APPROVED ON THE CONSENT AGENDA.

- E 16-022** Award a time and expenses contract to Boreal Controls Inc. with a not to exceed amount of \$193,525 for completion of the SCADA system upgrades

This item was APPROVED ON THE CONSENT AGENDA.

- F RES 16-05** Supporting the Alaska Department of Fish and Game and the fisheries representatives serving on the US/Canada Salmon Commission

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- G 16-023** Reappoint Gary Smith to a term on the Building Department Appeals Board and appoint: 1) Brendan Jones to an unexpired term on the Port and Harbors Commission, and, 2) Alene Henning to an unexpired term on the Citizens' Taskforce

Assembly members thanked the applicants for their willingness to serve. Guevin noted Ms. Henning had been to each of the Citizens' Taskforce meetings and was engaged in the process.

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

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

XI. UNFINISHED BUSINESS:

- H ORD 16-02** Amending Chapter 2.60 by adding Section 2.60.060 entitled, "Municipal Employees Serving on Municipal Boards, Commissions or Committees"

A motion was made by Swanson that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

- I ORD 16-03** Adjusting the FY16 Budget

Eisenbeisz stated purchasing five vehicles outside of the normal budget cycle was too many.

A motion was made by Miyasato that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Guevin, and Potrzuski

No: 1 - Eisenbeisz

XII. NEW BUSINESS:

- J 16-024** Presentation and discussion of the Kramer landslide geotechnical report (note- the Assembly will meet first in Executive Session to discuss legal issues with counsel)

David Bruce, legal counsel for the City and Borough of Sitka (CBS), and Bill Laprade, geotechnical consultant, presented the South Kramer Avenue Landslide: Jacobs Circle to Emmons Street Report.

Bruce and Laprade spoke to the cause of the August 18, 2015 slide, the likelihood of another landslide in the Kramer Avenue area, hazards on the side of Harbor Mountain and the risks below, implications, and recommendations. Bruce and Laprade stated the landslide was a naturally occurring event caused by heavy precipitation and certain geologic features of the area - e.g. pockets of bedrock containing poor soil. Bruce indicated it was likely there would be more landslides but impossible to determine where or when. Laprade explained a runout analysis had been performed of the study area to help determine the path of a future slide. He explained the existing berms in place at South Kramer Avenue had prevented the Kramer slide from extending farther seaward. Bruce noted there were other initiation zones at the top of the slope where more debris could come down. To determine risk areas, Laprade combined the information from the runout analysis report, observations from field time in the area, and interpretation of the contours on the ground to make an assessment of the low, medium, and high risk zone areas. Bruce stated the report told as well as possible what was likely to happen in the future. With regards to future development in the area, (new construction and subdivisions) Bruce stated the report recommended that property owners in high risk and medium risk areas be required to submit to the City a geological report that they had personally obtained to assess risk and whether those risks could be mitigated. The report did

not identify anything at a property specific level but did provide a generic presentation of types of mitigation measures to consider if there were people who wanted to build or develop in the area. Bruce noted the report might serve as an opening for a broader discussion in the community - e.g. doing a similar study community wide or adopting a critical areas ordinance.

Assembly Questions:

Eisenbeisz wondered of the importance of the springs noted on the maps. Laprade indicated the springs were points of importance to see if there were any landslide issues associated with them and in the end provided information for future development. Further, Laprade, reminded that there were **NO** no risk zones in this area. Hunter spoke to the high risk boundaries around Sand Dollar Drive. Hunter wondered what kind of frequency could be assigned to these events - e.g. once every hundred years, once every two hundred years. Laprade noted it was difficult to predict and that there were many variables. Gorman asked Bruce to speak to the opening of Kramer Avenue. Bruce recommended Kramer Avenue be opened, however, wished to speak with the Assembly about legal issues.

Public Comment:

Adam Chinalski spoke in support of building a berm to provide protection and wondered about the possibility of cutting trees on the hillside. Margie Esquiro, a resident of Sand Dollar Drive, expressed concern over changes in the underground water over the last 10 years and urged the Assembly to move forward in a responsible way. Tony Confortti, a resident of Sand Dollar Drive, spoke in support of building a berm and also shared drainage concerns. Pete Esquiro, a resident of Sand Dollar Drive, hoped to have a chance to speak with David Bruce and Bill Laprade to explore some of his own recommendations for the area.

A motion was made by Miyasato to go into EXECUTIVE SESSION to receive advice from legal counsel, David Bruce, regarding legal issues affecting the Municipality as a result of the August 18, 2015 landslide events and invite in Public Works Director, Michael Harmon, Chief Finance and Administrative Officer, Jay Sweeney, Planning and Community Development Director, Maegan Bosak, and geotechnical expert, Bill Laprade. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

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

Mayor McConnell stated the Assembly had met with legal counsel, David Bruce, and geotechnical expert, Bill Laprade, to speak about legal ramifications for the City and Borough of Sitka. She urged citizens to view the report (available on the CBS website) and attend the Chamber luncheon on February 10 at which David Bruce and Bill Laprade would be guest speakers.

K 16-025

Discussion/Direction on utility customer cutoffs and payment plans

Jay Sweeney, Chief Finance and Administrative Officer, explained the Sitka General Code was specific with regards to the expectations and requirements for citizens to pay their utility bill on a timely basis and if unable to pay, the citizen had the option to set up a payment plan. Sweeney said a payment plan was not a method of reducing costs and further explained that payment plans required customers to pay more per

month, not less. Payment plans included payment of all ongoing charges plus at least \$10 per month more than monthly finance charges on past due amounts. Sweeney added the challenge for the Finance Department was that some individuals were unable to make required payments or did not have the financial circumstances to enter into a payment plan. Sweeney looked to the Assembly for direction: should the Department abide by the Sitka General Code as written, implemented consistently and fairly, which would result in utility disconnects or was it rather a social welfare right for every Sitkan to have access to electric power, regardless of their ability to pay.

Potrzuski wondered of the number of shut off letters mailed out how many were unable to pay versus how many simply chose not to pay. Sweeney indicated currently 18% of all utility counts were past due, although it had been as high as 40% depending where the billing cycles were. In response to a question by Hunter, Sweeney stated if the temperatures were below freezing, power was not disconnected.

Sweeney offered the following staff recommendations if the Assembly determined it was not the Municipality's responsibility to provide access to power regardless of the ability to pay: 1) develop a disincentive for those citizens who had the ability to pay, but chose to wait until a pink shut-off door hangar was placed on their door: raise the charge for shut-off notices from \$10 to \$50, 2) define a limited zone in which judgment calls could be made, but have a hard and fast ultimate credit limit beyond which power was disconnected, even if citizens could pay a little - e.g. setting a not to exceed limit of 2 times the average monthly bill, above which power was disconnected, 3) change the current policy in the Sitka General Code concerning how much must be paid to restore power once it had been shut off to residential customers, and 4) continue to work with social service agencies such as the Salvation Army to provide a safety network for the truly needy. Sweeney added an idea that had been discussed was to utilize the voluntary donation capability available with utility billing. Citizens could voluntarily donate a set amount each month and those monies would then be transferred to the Salvation Army to distribute. Administrator Gorman indicated the voluntary donation program was ready for use and depending upon the direction of the Assembly, staff was ready to start an ambitious public relations campaign. If the Assembly chose to direct staff to follow Sitka General Code, Gorman recommended increasing the Salvation Army's FY16 non-profit grant award by \$7500 (the amount in the FY16 non-profit special emergency grant fund) for administration of the program. He recommended an amount be set aside in the FY17 budget for the Salvation Army to continue administration of the program.

Public testimony:

Georgiana Smith stated people were struggling financially in Sitka and should not be punished for trying to pay what they were able to afford. Karin Adickes wondered if the inability of people to pay had increased since electric rates had been raised to pay for the Blue Lake Dam.

Assembly Discussion:

Mayor McConnell wondered what had brought the urgency to the situation. Sweeney stated over time the Finance Department had veered away from strict enforcement of the Sitka General Code. Due to recent personnel transition, the situation was brought to his attention. He stated, although difficult, it was his responsibility to bring staff back into compliance with the Code. McConnell wondered if the four

recommendations discussed earlier met the financial needs of the City while also meeting the social needs of citizens. Sweeney believed it was a step in that direction. Gorman reminded the issue at hand was that the City was not in compliance with the Sitka General Code. He believed as a community there was a responsibility to ensure a safety net for those that needed it and felt there was a way to do that while following the Sitka General Code. Swanson spoke in opposition to raising the fee for shut off notices from \$10 to \$50. Eisenbeisz suggested the time frame between a pink slip being hung and electricity being shut off, be increased. Hunter confirmed that the rate covenant for the electric bonds necessitate that the City collect all money due for electricity; it could not be given away. Guevin stated all Sitkans had a right to electricity regardless of their ability to pay and stated the City should be subsidizing electricity for those people at the lower end of the income scale. Gorman said staff could not make the determination of who could pay and who could not. He indicated the preferred method would be to contract out that service and provide a subsidy. Gorman offered that based on Assembly discussion, staff would come back with some proposed language changes to the Code. Guevin and Potrzuski offered to work with staff. Gorman recommended with regards to utility disconnects, staff proceed as they had been doing.

XIII. PERSONS TO BE HEARD:

Chris Brewton stated the enterprise funds were meant to be operated as a business and that legally electricity could not be given away. He believed the Assembly was on the right path and encouraged the utility donation program to begin so that Sitkans could donate.

XIV. EXECUTIVE SESSION

See item J

XV. ADJOURNMENT

A motion was made by Hunter to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:06pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk



Legislation Details

File #: 16-035 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/17/2016 In control: City and Borough Assembly

On agenda: 2/23/2016 Final action:

Title: Award a contract to Leverage Information Systems for completion of the Datacenter Centralization Project in an amount not to exceed \$175,000

Sponsors:

Indexes:

Code sections:

Attachments: [Datacenter Centralization Project.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Should this item be pulled from the consent agenda the following motion is suggested:

POSSIBLE MOTION

I MOVE TO award a contract to Leverage Information Systems for completion of the Datacenter Centralization Project in an amount not to exceed \$175,000.

TO: MAYOR McCONNELL AND ASSEMBLY MEMBERS
MARK GORMAN, MUNICIPAL ADMINISTRATOR

FROM: RON DUVAL, INFORMATION TECHNOLOGY DIRECTOR **RA**

SUBJECT: DATACENTER CENTRALIZATION

DATE: FEBRUARY 17, 2016

CC: JAY SWEENEY, CHIEF FINANCE AND ADMINISTRATIVE
OFFICER

Background

The City and Borough of Sitka (CBS) is currently working to centralize all server based applications to the Fire Hall with a disaster recover point at the Police Department. This centralized datacenter will support the day to day operations of CBS Staff as well as host Citizen Access to CBS services. This includes migrating and dismantling servers located at these CBS Facilities:

- City Hall
- Fire Department
- Police Department
- Harbor Department
- Jarvis Street Complex

Goals of this phase of the Network Redesign Project:

- Provide a stable infrastructure for servicing CBS server based applications
- Ensure the protection of CBS data
- Provide a centralized, reliable, and redundant environment to support CBS services

Analysis

To ensure the success of this project, the CBS Information Technology Department requested proposals from Information Technology vendors and based on the evaluation of those proposals has enlisted the services of Leverage Information Systems. In coordination with Leverage, the tasks required to complete the Datacenter Centralization Project, including equipment purchase and services to assist with installation, will take less than a month to complete.

Fiscal Note

The cost associated with this phase of the project has already been appropriated for in the FY16 budget at \$200,000. For this portion of the Datacenter Centralization Project, a contract with Leverage would be set as a not to exceed \$175,000. This leaves the CBS IT Department \$25,000 to prepare the new locations with appropriate cooling and electrical equipment.

Recommendation

Leverage Information Systems provides the best option to complete the Datacenter Centralization Project. The improvements laid out in this project are in line with the Municipal Solutions Report conducted in 2014. Therefore, it is my recommendation that the Assembly authorize the Administrator to approve the contract with Leverage that will include the purchase of equipment and needed professional services to complete this project.



Legislation Details

File #: ORD 16-04 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 2/16/2016 In control: City and Borough Assembly
On agenda: 2/23/2016 Final action:
Title: Adjusting the FY16 Budget (first reading)
Sponsors:
Indexes:
Code sections:
Attachments: [Motion Ord 2016-04.pdf](#)
[Ord 2016-04.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

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

POSSIBLE MOTION

I MOVE TO approve Ordinance 2016-04 on
first reading.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2016-04

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY16 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 FY16 budgets for known changes.

4. ENACTMENT. The Assembly of the City and Borough of Sitka hereby adjusts the FY16 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, 2015 and ending June 30, 2016 is hereby adjusted as follows:

<u>Account Number</u>	<u>Account</u>	<u>Increase</u>	<u>Decrease</u>
<u>FISCAL YEAR 2016 EXPENDITURE BUDGETS</u>			
<u>GENERAL FUND</u>			
Clerk – Personnel:			
100-500-003-5212.000	Contracted/Purchased Services		\$50,000
100-500-003-5110.010	Temp Wages	\$50,000	
The Finance Director has requested moving the amount that was budgeted for the Document Scanning Contract from Contracted/Purchased service to Temp wages.			
<u>CAPITAL PROJECTS</u>			
Centennial Hall Upgrades Project #90692			
700-300-380-3807.000	Misc	\$66,000	
700-600-630-5212.000	Contracted/Purchased Services	\$66,000	
This is to recognize a donation from the Sitka Historical Society & Museum with the stipulation these funds finance the additive alternate “Museum Expansion” for the Harrigan Centennial Hall remodel project.			
<u>SPECIAL REVENUE FUNDS</u>			
Homeland Security 15SHSP Project #90815:			
159-300-310-3101.005	Grant Revenue	\$52,144	
159-500-601-5223.000	Tools & Small Equipment	\$52,144	
100-300-310-3101.005	Grant Revenue	\$35,000	
100-520-021-803-5201.000	Travel & Training	\$35,000	
This is to recognize a Grant from the State of Alaska Division of Homeland Security and Emergency Management for the purchase of portable radios; forward looking infrared radiation system and for active shooter training.			

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54

EXPLANATION

Necessary revisions in the FY 2016 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 8th Day of March, 2016.

ATTEST:

Mim McConnell, Mayor

Sara Peterson, CMC
Municipal Clerk



Legislation Details

File #: 16-030 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/16/2016 In control: City and Borough Assembly

On agenda: 2/23/2016 Final action:

Title: Reappoint: 1) Richard Doland to a term on the Building Department Appeals Board, and, 2) Ken Fate to a term on the Local Emergency Planning Committee

Sponsors:

Indexes:

Code sections:

Attachments: [Motion reappointments.pdf](#)
[Doland Appeals Board.pdf](#)
[Fate LEPC.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

POSSIBLE MOTION

I MOVE TO reappoint 1) Richard Doland to a term on the Building Department Appeals Board, and, 2) Ken Fate to a term on the Local Emergency Planning Committee.



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

Board/Commission/Committee: BUILDING DEPARTMENT APPEALS BOARD
Name: RICHARD DOLAND Daytime Phone: 738-3567
Address: P.O. BOX 1714 Evening Phone: 747-7567
Email Address: DOLANDBOILT@YAHOO.COM Fax Number: 966-2957
Length of Residence in Sitka: 20 YEARS Registered to vote in Sitka? Yes No
Employer: SELF
Organizations you belong to or participate in: NONE

Explain your main reason for applying: HELPING OUT WITH A NEED

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

40+ YEARS AS A CARPENTER & BUILDING CONTRACTOR

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

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

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: 2/12/16 Signature: Richard Doland

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

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

Return to:

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

PLEASE USE MY PREVIOUS LETTER FROM MY LAST APPLICATION AS MY REFERENCE.

Hello,

MY NAME IS RICHARD DELAND, I WORK AS A BUILDING CONTRACTOR IN SITKA. MY WIFE, Debbie, AND I HAVE LIVED HERE TWICE, ABOUT 7 YEARS BACK IN THE MID 70'S TO EARLY 80'S, AND THIS LAST TIME SINCE 1996. We BOTH LOVE SITKA, AND HOPE TO MAKE IT HOME FOR THE REST OF OUR LIVES.

I FIRST BEGAN TO BE INTERESTED IN CARPENTRY WHEN I WAS 6 YEARS OLD, ~~AND~~ MY PARENTS WERE HAVING SOME WORK DONE ON THEIR HOME, AND I REMEMBER THINKING THAT'S WHAT I WANT TO DO WHEN I GROW UP.

DURING HIGH SCHOOL I WORKED SUMMERS FOR FAMILY FRIEND WHO WAS A CONTRACTOR. WHEN I GRADUATED, I WENT TO WORK FOR THE WHITE PASS & YUKON RAILROAD IN SKAGWAY, WHERE I WORKED IN THE CAR SHOP, MACHINIST SHOP, & PAINT SHOP FOR 1 1/2 YEARS. BEING A YOUNG FELLOW WITH ITCHY FEET, I SOON FELT I NEEDED A CHANGE, AND ENDED UP MOVING BACK TO JUNEAU, (MY HOME TOWN) & HELPED SOME FRIENDS BUILD THEIR NEW HOME.

I MET MY FUTURE WIFE AT A CHURCH CONVENTION, AND ENDED UP MOVING TO SITKA TO GET TO KNOW HER BETTER. I WORKED IN SITKA FOR SEVEN YEARS, WORKING FOR SEVERAL LOCAL CONTRACTORS. IN 1982 I WAS OFFERED A JOB BY FIRST BANK AS A HELPER IN THEIR PROPERTIES DEPARTMENT

† SOON BECAME THEIR PROPERTY MANAGER,
THE JOB WAS VERY SIMILAR TO BEING A CONTRACTOR,
EXCEPT THE VARIETY WAS EVEN GREATER,

IN 1995 WE NEEDED A CHANGE AS A FAMILY,
- MOVED TO ELTOPIA, WASHINGTON (NEAR PASCO) WITH
OUR FIVE CHILDREN. WHILE THERE, I WORKED ON
TWO NEW HOMES,

IN 1996, WE MOVED BACK TO SITKA, AND SOON
AFTER ARRIVING I BEGAN MY BUSINESS, DOLANBUILT
HOMES.

I HAVE ALWAYS HAD A PASSION FOR BUILDING,
AND EVEN NOW AM JUST ONE OF THE GUYS
ON THE CREW, STILL LOVING THE HANDS ON PART
OF BUILDING.

I FEEL THAT MY EXPERIANCE HAS BEEN ABOUT
AS EXTENSIVE AS ANY 57 YEAR OLD COULD HAVE,
AND WOULD ENJOY ANY HELP I COULD BE
ON THE APPEALS BOARD OF THE BUILDING
DEPARTMENT.

SINCERELY,
Richard Dolan



BUILDING DEPARTMENT APPEALS BOARD

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
GARY SMITH 110 Jarvis St	747-3142 w 747-7647 h gary@schmolckmechanical.com	9/10/02 10/14/03 11/6/06 10/27/09 10/23/12 2/9/16	9/10/03 10/14/06 11/6/09 10/27/12 10/23/15 2/9/19	CHAIR
DAN LITTLEFIELD 486 Katlian Street	752-0669 dan@eaglewolfelectric.com	5/27/14	5/27/17	
RICHARD DOLAND PO Box 1714	738-3567 w 747-7567 h 966-2957 fax dolandbuilt@yahoo.com	11/6/06 10/27/09 10/23/12	11/6/09 10/27/12 10/23/15	Alternate
Chris Duguay 100 Lincoln St.	747-1832 chris.duguay@cityofsitka.org			Building Official

- The building official is an ex-officio (non-voting) member of the board.

5 Seats (of which 2 are alternates)

Terms are as follows:

Overlapping three-year terms. Alternates serve 3-year terms.

Revised: February 10, 2016

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

LEPC name: Sitka Local Emergency Planning Committee

Applicant name: Ken Fate

Mailing address: 115 Somer Dr.

Residence address: Same

Day phone: 907-747-5877 Home Phone (optional): 747-746

Where employed: Raven Radio Job title: Co-Station Manager

LEPC category/seat that applicant seeks: 3

Categories: 1) Elected local officials, 2) Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Env't/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: - Radio Station Manager - KCAW
- Familiar with Statewide Emergency Alert System
- LEPC Public Information Officer

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

1/15/16
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

Ken Fate

115 Somer Dr.
Sitka, AK 99835
907-747-5877

Objective: While I have been extremely happy and successful leading Raven Radio for the past 25 years I am ready to grown in a new direction. I would like to apply my enthusiasm, creativity and organizational skills to fresh challenges.

Qualification Highlights

- * Local history of strong membership growth
- * Significant construction project management experience
- * Successful state and national grant writing
- * Wide and deep network of community contacts
- * Creative approach to promotional campaigns
- * High marks from all Boards served
- * Strategic planning approach to management

Job Experience

Raven Radio Inc., Sitka, Alaska

2004-Present General Manager

1994-2003 Program Director

1990-1994 Chief Announcer/Morning Edition Host

Provided vision, guidance and overall leadership for the corporation
Worked with Board of Directors to develop and enact strategic plans
Significantly increased membership, grant, major donor, enterprise and special event revenue
Passionate representation of Raven Radio to the community
Developed and administered accurate budgets; managed finances
Hired and supervised professional staff
Recruited, trained and supervised more than 400 community volunteers
Built and strengthened relationships with local, state and national organizations
Maintained legal and FCC compliance of radio operation 24-hours-per-day

KUID-TV, Moscow, Idaho

1985-19990 Cameraman, Master Control Operator

Responsible for legal and technical operation of public television station during work shift
Provided reliable, creative technical assistance in high pressure live broadcast environment

Education

B.S. in Communications and Telecommunications

Minor in Developmental Economics

University of Idaho, 1994



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 Dr.	747-5877 w 747-7410 h	ken@kcaw.org	2/13/07 2/9/10 2/12/13	2/13/10 2/9/13 2/12/16	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
ANNABEL LUND PO Box 1616	623-0996 h	alund1123@yahoo.com	4/13/10 4/23/13	4/13/13 4/23/16	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	3/9/13 6/11/16	5
MARY ANN HALL 2037 Halibut Point Road	747-7265	hall.jerry63@yahoo.com	8/23/11 8/12/14	8/23/14 8/12/17	6
BOB GORMAN PO Box 6477	747-9412 w 747-5158 h	bgorman@ptialaska.net	12/11/12	12/11/15	6
DONALD JONES PO Box 6205	623-0431	d_caldwell_j@hotmail.com	8/13/13	8/13/16	6
SCOTT WAGNER 304 Nicole Dr.	747-3791 h 738-2729 c	scott_wagner@nsraa.org	11/12/13	11/12/16	5
GAYLE HAMMONS 210 Kruzof Street	738-3028 c	kghammons@gmail.com	7/28/15	7/28/18	3
JEFF ANKERFELT	747-3245	jeffa@sitkapd.com	Permanent	Lieutenant*	2
AL STEVENS	747-3233	al.stevens@cityofsitka.org	Permanent	Acting LEPC Coordinator*	7
Mim McConnell	747-2860 h 738-2888 c	assemblymcconnell@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: October 14, 2015



Legislation Details

File #: ORD 16-06 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 2/16/2016 In control: City and Borough Assembly

On agenda: 2/23/2016 Final action:

Title: Renaming and amending Chapter 4.40 of the Sitka General Code, "Uncollectable Accounts and Bad Debt Write-Offs" and amending Sections 4.40.010 "Definitions", 4.40.020 "Policies", and 4.40.030 "Records and Reporting" and adding Sections 4.40.040 "Write-Off of Uncollectable Accounts", 4.40.050 "Utility Debts Remain with Real Property", and 4.40.060 "Authority to Offset"

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2016-06.pdf](#)
[Memo Ord 2016-06.pdf](#)
[Ord 2016-06.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

POSSIBLE MOTION

I MOVE TO approve Ordinance 2016-06 on
first reading.

Memo

Thru: Mark Gorman, Municipal Administrator

To: City and Borough of Sitka Assembly

From: Jay Sweeney, Chief Financial and Administrative Officer 

Date: February 15, 2016

Re: Credit and Collection Policy

Mayor McConnell and Assembly Members,

Issue: The Sitka General Code (SGC or “Code”) does not presently contain a comprehensive credit and collection policy applicable to all aspects of the Municipality; bits and pieces of such policy are scattered through Titles 4, 13 and 15 of the Code. As a result, there is no comprehensive set of policies which set forth how the Municipality extends credit to its customers, how and when such credit is revoked, and how and when the Municipality will seek to collect past due amounts from its customers. The attached credit and collection policy, presented to you in the form of an ordinance, seeks to remedy the problem by establishing a comprehensive set of regulations.

Background:

The lack of a comprehensive Municipal credit and collections policy has been a long-standing problem which has manifested itself in inefficient operations; inconsistent procedures; and staff, Assembly, and citizen frustration with the inability of the Municipality to prudently manage its fiscal operations.

As a general business policy, the Municipality extends credit to all of its customers. While not apparent, this is intuitive; in almost every sense, the Municipality provides a service, then bills the customer for the service. The provision of services before payment, based on the customer’s commitment to eventual payment, is the act of extending credit. If credit is not extended, then business is conducted on a cash basis wherein payment is tendered before goods or services are provided or sold.

Most organizations which extend credit to their customers have some type of official credit policy. Such a policy usually specifies when and how credit will be granted, how much credit will be granted, normal trade terms under which customers are expected to remit payment in full for goods or services sold on credit, circumstances under which credit may be revoked, what transpires when credit is revoked, and how revoked credit may be restored. The Municipality has no such comprehensive credit policy. The closest the Municipality comes is in the Electric Utility Policies contained in SGC 15.01.030.

In addition, most credit policies either contain procedures pertaining to collections of past due amounts, or, exist in tandem with a separate collection policy. Collection policies detail when and how past due balances owed by customers are subject to various collection procedures. Such policies often detail exactly when past due balances are turned over to collection agencies; the levying of fees for collection efforts, and the reporting of delinquencies to credit bureaus. Collection policies are usually tied closely to collection policies, as a normal collection tool is the revocation of credit. Again, this makes intuitive sense, as it is fiscally imprudent to continue to advance credit to a customer who can't pay. Again, the Municipality has no such comprehensive collections policy. The closest the Municipality comes is, again, in the Electric Utility Policies contained in SGC 15.01.030, and, in Title 4 of the SGC, Chapters 4.35 and 4.40.

Ramifications:

As a result of not having a comprehensive credit and collections policy, the Municipality operates inefficiently and inconsistently. Credit is often extended to customers in one respect who have past due accounts owed to the Municipality in another respect. Collection efforts have been piecemeal, with different staff elements of the Municipality having responsibility during different parts of the collections process.

Efforts by the Municipality to collect large debts owed have been hampered by the lack of procedures which would allow for both rapid collection efforts, and, the ability to limit the degree to which a customer or business could build up past due balances owed the Municipality.

Finally, efforts to manage credit and collections has been hampered by the absence of defining law in the Code which would serve as the underlying legal basis for actions the Municipality might seek to take. More defining policy is needed.

Recommendations And Proposed Actions:

The issue of Municipal credit and collections is complex. We are breaking new ground with our recommendations for establishing a comprehensive credit and collections policy. Thus, staff anticipates that development and implementation of an effective, comprehensive credit and collections policy will be an evolutionary process. The proposed policy is a starting point. We anticipate that much public debate will take place over our recommendations.

The attached credit and collections policy has the following key elements:

- 1) It is comprehensive, in that it defines each customer's over-arching credit relationship with the Municipality as a whole. It moves away from the concept of a customer having separate credit with various elements of the Municipality, such as utilities, harbors, and general government.
- 2) It firmly establishes that all citizens and customers are granted credit, but, that such credit can be revoked, placing customers and citizens without credit on a cash-only basis.
- 3) It establishes what happens when credit is revoked, and, what actions a citizen or customer must take to restore credit.
- 4) It streamlines and clarifies the collections process, specifying at what point past due balances are turned over to collection services.

- 5) It ties the concepts of extension of credit and collections together, in that credit is formally revoked at the point in time in which past due balances are turned over to external collection agencies.

Summary: A comprehensive credit and collections policy is badly needed by the Municipality, in order to improve its fiscal management. Existing policies are piecemeal and fragmented. Credit and collections are complex topics, however, and development of an effective credit and collections process will be an evolutionary process. Passage of the attached ordinance, containing the initial proposed credit and collections policy for the Municipality would be an important first step.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2016-06

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA RENAMING AND AMENDING CHAPTER 4.40 OF THE SITKA GENERAL CODE, "UNCOLLECTABLE ACCOUNTS AND BAD DEBT WRITE-OFFS", AND AMENDING SECTIONS 4.40.010 "DEFINITIONS", 4.40.020 "POLICIES", AND 4.40.030 "RECORDS AND REPORTING" AND ADDING SECTIONS 4.40.040 "WRITE-OFF OF UNCOLLECTABLE ACCOUNTS", 4.40.050 "UTILITY DEBTS REMAIN WITH REAL PROPERTY", AND 4.40.060 "AUTHORITY TO OFFSET"

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

1. CLASSIFICATION. This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.

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

3. PURPOSE. The purposes of this ordinance are to rename and expand Chapter 4.40 of the Sitka General Code into a Municipal Credit and Collections Policy, which will include and revise existing Municipal uncollectable accounts and bad debt write-off procedures; authorize the Municipality to offset past due debts owed to the Municipality against future payments to be made; and to establish a framework for additional credit and collection policy guidelines.

4. ENACTMENT. The Assembly of the City and Borough of Sitka hereby revises Chapter 4.40 of the Sitka General Code as set out below (new language underlined; deleted language stricken):

Chapter 4.40

UNCOLLECTABLE ACCOUNTS AND BAD DEBT WRITE-OFFS
MUNICIPAL CREDIT AND COLLECTIONS POLICY

Sections:

- 4.40.010 Definitions
4.40.020 Policies Municipal Credit Policy
4.40.030 Records and Reporting Municipal Collections Policy
4.40.040 Write-off of Uncollectable Accounts
4.40.050 Utility Debts Remain With Real Property
4.40.060 Authority to Offset

48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86

4.40.010 Definitions

A. ~~“Bad debt”~~ Uncollectable Accounts refers to any account or debt owed the Municipality which has become overdue by more than ~~one hundred twenty~~ ninety days.

B. “Collection” means any action taken by the Municipality to attempt to collect a debt or account which is overdue.

C. “Credit” means the extension of any services by the Municipality to any person or entity for which a charge or fee is levied, and, for which the charge or service is provided in advance of payment.

~~B~~ D. “Debt” means any sum of money which a citizen of the city and borough, or customer of the ~~city and borough~~ Municipality in some capacity, is legally obligated to pay to the city and borough for any purpose.

~~C~~ E. “Overdue” refers to any debt owed to the city and borough of Sitka which has not been paid within thirty days of the date the payment was due. As an exception, debts owed for utility services consumed are considered overdue fifteen days after the date the payment was due. “Good Standing” shall mean that any citizen, business, or other entity doing business with the City and Borough which does not have an account that is overdue.

F. “Overdue” refers to any debt owed to the city and borough of Sitka which has not been paid within thirty days of the date the payment was due. As an exception, debts owed for utility services consumed are considered overdue fifteen days after the date the payment was due.

G. “Write Off” refers to any debt for which collection action is no longer pursued.

4.40.020 Policies Municipal Credit Policy

A. ~~Bad debts are to be accounted for by the city and borough of Sitka finance department until collected or permanently written off.~~ The City and Borough of Sitka shall, as a basic policy, extend credit to all residents, businesses, and entities who are in good standing with the Municipality.

B. ~~The finance department will take ongoing aggressive action to collect all debts owed to the municipality which are not otherwise written off under the provisions of this~~

87 ~~chapter. These actions may include, but are not limited to, turning over of delinquent~~
88 ~~accounts to a collection agency for collection; filing of negative credit reports with credit~~
89 ~~bureaus; and, filing cases with the state of Alaska Small Claims Court. If a resident,~~
90 ~~business, or other entity has an account which becomes overdue by more than 90 days,~~
91 ~~the City and Borough of Sitka may revoke credit to such a resident, business, or other~~
92 ~~entity. If credit is revoked, all business interactions between a resident, business, or other~~
93 ~~entity will be henceforth conducted on a cash-only basis until credit is restored. For~~
94 ~~purposes of municipal utilities and moorage, accounts will be required to be prepaid.~~
95

96 C. ~~Bad debts over one hundred twenty days old which are under a cumulative amount of~~
97 ~~one hundred dollars per customer may be written off immediately upon approval of the~~
98 ~~finance director, if they are deemed not to be cost efficient to attempt to collect on. Once~~
99 ~~revoked, credit may be restored by returning to good standing. Good standing would be~~
100 ~~achieved by both resolving all overdue accounts, and, by written application to the~~
101 ~~Municipality. The Municipality may, at its discretion, require a deposit as a condition of~~
102 ~~restoring credit.~~
103

104 * * *

105
106 **4.40.030 Records and reporting Municipal Collections Policy**

107 A. ~~The City and Borough of Sitka finance department shall keep records of all bad debts~~
108 ~~which have been permanently written off for a period of three years after the year of the~~
109 ~~write-off shall take lawful actions to collect all debts owed to the Municipality which~~
110 ~~have become overdue.~~
111

112 B. ~~The administrator will submit a report to the assembly, on an annual basis within the~~
113 ~~first month of the new fiscal year, of all bad debts written off under the provisions of this~~
114 ~~chapter for the prior fiscal year The City and Borough of Sitka shall employ progressive~~
115 ~~steps to attempt to collect debts owed to the Municipality. These progressive steps shall~~
116 ~~may include the following:~~
117

118 1. Mailing of a collection dunning letter to the last known valid address of the
119 debtor;
120

121 2. Mailing and physical posting of a utility disconnection notice for failure to
122 resolve any debt owed the Municipality;
123

124 3. Physical disconnection of utilities for failure to resolve any debt owed the
125 Municipality;

126
127 4. Forwarding of overdue accounts to a collection agency for further collection
128 attempts;

129
130 5. Publication on the Municipal website and/or in a local newspaper of the names
131 of residents, businesses and other entities who meet all of the following criteria:
132 (1) have a debt or debts owed to the Municipality which are overdue; (2) to whom
133 a collection/dunning letter has been written;, and (3) who has not entered into a
134 payment plan with the Municipality

135
136 6. Revocation of all credit by revoking the good standing an individual, business
137 or other entity and placing such an entity on a cash-only basis.

138
139 7. Filing of a civil suit in the appropriate legal jurisdiction for both a judgment of
140 indebtedness and a writ of execution.

141
142 8. Employment of process servers to execute writs of judgment, taking all
143 appropriate actions afforded by law to include till taps, bank account sweeps, and
144 seizure of other collateral.

145
146 9. Filing of foreclosure lawsuits against all real property against which a deed of
147 trust is held.

148
149 C. The City and Borough of Sitka may, at its discretion, add collection costs to any
150 overdue balance. As a matter of policy, collection costs will be added to all accounts
151 turned over to a collection agency for further collection attempts.

152
153 D. The Administrator shall have the authority to approve payment plans for overdue
154 balances owed the Municipality. This authority may be delegated to the Deputy
155 Administrator of Finance and Administration. This authority shall include the ability to
156 establish repayment terms. The following criteria shall be applicable to all payment
157 plans:

158
159 1. A citizen, business, or entity may have only one active repayment plan at any
160 time. Consolidation of multiple debts into repayment plans may occur at the
161 discretion of the Administrator.

162

163 2. Any payment plan shall be for past due balances only and shall contain a
164 provision that all new balances must be paid in full in addition to required
165 payment per the plan.
166

167 3. Unless unusual circumstances are present, no payment plan shall have a
168 repayment term exceeding 12 months.
169

170 4. For any payment plan exceeding \$5,000, the Municipality shall, as a matter of
171 course, require the debtor to agree to a lien on real property owned by the debtor
172 as a condition; agree to a Confession of Judgment; and, agree to having
173 reasonable legal fees added to any judgment obtained by the Municipality.
174

175 5. Any uncured default on a payment plan shall constitute a reason for revocation
176 of good standing and allow the Municipality, at its discretion, to place the debtor
177 on a cash-only basis.
178

179 **4.40.040 Write-Off of Uncollectable Accounts.**

180 A. Overdue debts over 90 days old, and which are under a cumulative amount of two
181 hundred dollars per customer, may be written off immediately upon approval of the
182 Finance Director, if they are deemed not to be cost efficient to attempt to collect on.
183

184 B. Overdue debts over 90 days old, and which are under a cumulative amount of one
185 thousand dollars per customer, may be written off immediately upon approval of the
186 Administrator, if they are deemed not to be cost efficient to attempt to collect on.
187

188 C. Overdue debts over 90 days old, and which are over cumulative amount of one
189 thousand dollars per customer, may be written off immediately upon approval of the
190 Assembly.
191

192 D. Any overdue debt which is not collected within 90 days shall, as a matter of
193 accounting policy be recorded against the allowance for uncollectable accounts.
194 Collection actions shall not cease, however, until the debt is collected, a statute of
195 limitations is reached, or the debt is written off. Any debt recorded against the allowance
196 for uncollectable accounts, which is subsequently recovered, shall as a matter of
197 accounting policy, be recorded as a recovery of bad debt.
198

199 **4.40.050 Utility Debts Remain With Real Property (Reserved)**
200

201 **4.40.060 Authority To Offset**
202

203 A. If a resident, business, vendor, or other entity has an overdue balance owed to any
204 department of the Municipality (excluding Sitka Community Hospital), the Municipality
205 shall have the authority to offset such overdue balances against any payment to be made
206 to such resident, business, vendor, or other entity unless otherwise prohibited by law.
207

208 B. No offset of an overdue balance shall occur unless the resident, business, vendor, or
209 other entity is notified in writing of the overdue balance and afforded a minimum period
210 of 10 business days to remit the overdue balance. During this 10 business day period, the
211 Municipality will withhold payments otherwise due.
212

213
214 **EFFECTIVE DATE.** This ordinance shall become effective thirty days after the date of
215 passage.
216

217 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka,
218 Alaska this 8th day of March, 2016.
219

220
221
222
223
224

Mim McConnell, Mayor

225 **ATTEST:**
226

227
228
229
230

Sara Peterson, CMC
231 **Municipal Clerk**
232



Legislation Details

File #: 16-032 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/16/2016 In control: City and Borough Assembly

On agenda: 2/23/2016 Final action:

Title: Discussion/Direction on the February 10, 2016 letter from SEARHC to develop a proposal for management of hospital services

Sponsors:

Indexes:

Code sections:

Attachments: [SEARHC proposal.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Discussion/Direction on the February 10, 2016 letter from SEARHC to develop a proposal for management of hospital services.

POSSIBLE MOTION

I MOVE TO request SEARHC proceed with a management proposal for hospital services as outlined in their letter dated February 10, 2016.



February 10, 2016

The Honorable Mayor Mim McConnell
City and Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835

Dear Mayor McConnell,

For years, the Sitka community has had an ongoing conversation about the practicality of operating two hospitals in a community of Sitka's size. As with many complicated conversations, the conversation often advances when external forces arise to drive it forward. In Alaska, the State's current financial crisis, as well as the real and anticipated impact to healthcare reimbursement from the State, has prompted the need to revisit this conversation with the aim to find a suitable solution for the community of Sitka.

In our recent discussions with Municipal Administrator Mark Gorman and Sitka Community Hospital CEO Rob Allen, we collectively felt now is an opportune time to evaluate the community's needs and the wisdom of operating two hospitals, one often duplicating the efforts of the other, as financial resources for healthcare dwindle. This sentiment mirrors the trend toward hospital consolidation in the lower 48 in efforts to maximize the precious resources necessary to provide the best quality of care in various communities. Similarly, Sitka community members pose the same question when faced with difficult decisions regarding the educational needs of our children, infrastructure replacement and repairs, and other important community needs.

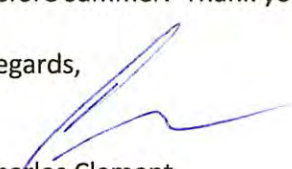
In response, SEARHC would like to initiate efforts that would result in the development and presentation of a comprehensive management proposal to the City and Borough of Sitka for consideration which would consolidate the healthcare activities of both facilities. In doing so, there are several guiding principles we believe are important for a successful proposal for the community of Sitka as a whole, which are:

1. Maintain and improve access to care for all residents of Sitka.
2. Preserve and increase the healthcare workforce within Sitka.
3. Establish a governance structure which ensures Sitka community participation.
4. Expand the availability of specialty care services to the Sitka community.
5. Reduce the City and Borough of Sitka's financial burden for the provision of healthcare services.

As we develop a proposal in line with these principles we look forward to working with the hospital CEO, and hope to meet with the Sitka Community Hospital Board to hear their ideas and concerns as well.

We welcome your thoughts on this approach. If agreeable, we anticipate SEARHC presenting you with a proposal before summer. Thank you for your consideration.

Regards,



Charles Clement
President/CEO



Legislation Details

File #: 16-034 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/16/2016 In control: City and Borough Assembly

On agenda: 2/23/2016 Final action:

Title: Approve an amended final subdivision plat for a Planned Unit Development at 100 Indian River Road filed by Baranof Island Housing Authority

Sponsors:

Indexes:

Code sections:

Attachments: [BIHA Planned Unit Development.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

POSSIBLE MOTION

I MOVE TO approve an amended final subdivision plat, as previously adopted by the Assembly on May 27, 2015, for a Planned Unit Development at 100 Indian River Road filed by Baranof Island Housing Authority.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

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

From: Maegan Bosak, Planning and Community Development Director & *MB*
Michael Scarcelli, Senior Planner *MA*

Subject: Final Subdivision Plat – BIHA Planned Unit Development Amendment

Date: February 17, 2016

An amended final subdivision plat for the Baranof Island Housing Association Planned Unit Development Subdivision is on the Assembly agenda for approval. Originally, the Planning Commission approved the plat during the May 5, 2015 meeting on a 4-0 vote, and the City Assembly affirmed that approval on May 27, 2015 on a 7-0 vote. The amendment before you concerns adjoining the two four-plexes over a shared common property line of Lots 3AA-2 and 3AA-3. This amendment received unanimous approval by the Planning Commission on December 1, 2015 with 4-0 vote.

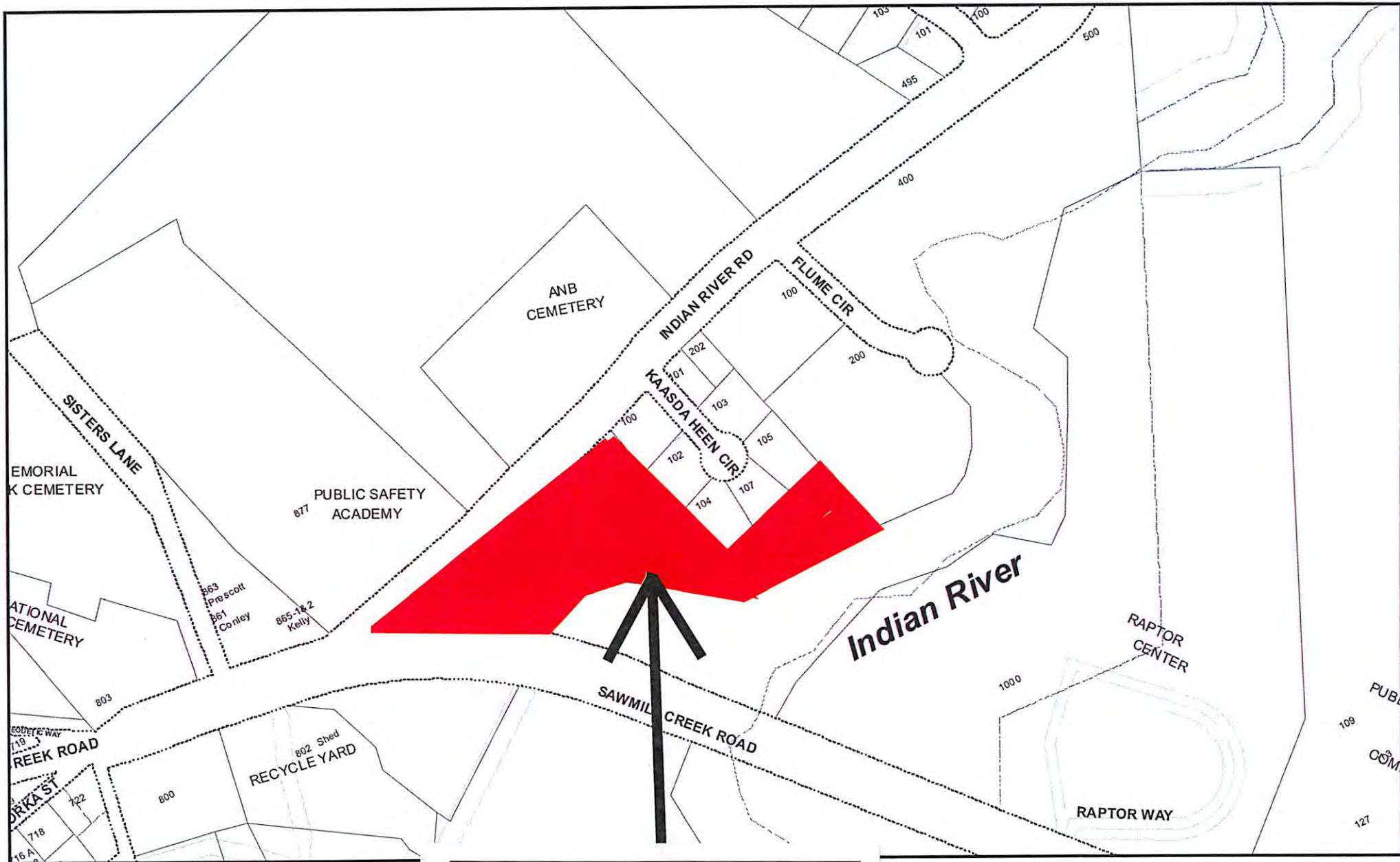
Baranof Island Housing Authority is requesting approval of an amended final plat for a Planned Unit Development at 100 Indian River Road. The property has acted as a PUD historically with two four-plexes built in 2007 and two additional built in 2010. This request is to satisfy grant and loan funding and proceed with phase three of the multi-family affordable rental housing development that is contingent upon having two separate lots, while also reducing developing costs by adjoining the two four-plexes separated by a common fire-wall and property line.

The plat reconfigures the parcel, Lot 3AA Indian River Resubdivision No.3, to four lots varying in size from 5,889 sq. ft. to the largest at 95,491 sq. ft. The PUD subdivision facilitates phases I, II and III of the multifamily housing plan. The remaining larger lot will be used for future development. The land is zoned Multifamily/Mobile Home (R-2 MHP).

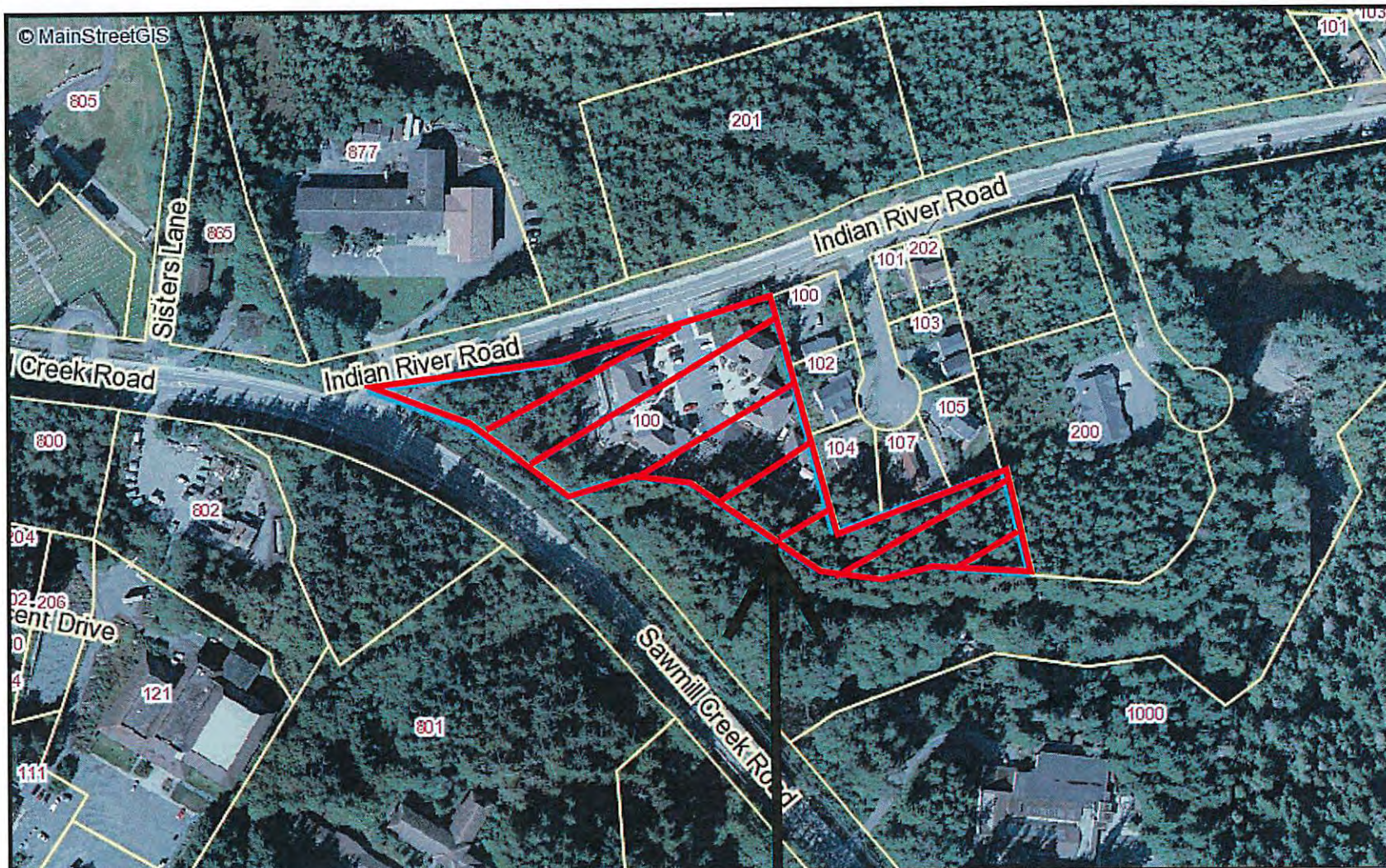
The Planned Unit Development subdivision allows for substandard lot sizes and setbacks with imaginative and innovative design that uses the site more efficiently and provides design flexibility to help reduce development costs – all of which are stated in Chapter 21.28. Staff feels that the submitted plat showcases a complete, harmonious, and coordinated PUD according to CBS Chapter 21 requirements. This development will accommodate a high density use while maximizing recreational greenspace and infrastructure.

After numerous reviews, the applicants and staff discussed a variety of issues including access and utility easements and parking. BIHA submitted a parking plan and added a plat note stating “no lot may be sold independently other than Lot 3AA-4” to protect access to all parcels. No major concerns were identified.

Recommended Action: Approve the final plat as amended consistent with the approval by the Planning Commission.



BIHA
Planned Unit Development
100 Indian River Road



1 in = 215.89 ft

Printed on 11/18/2015
 Last update: Property information Daily, GIS parcel lines 9/1/2014

This map is for informational purposes only. It is not for appraisal of, description of, or conveyance of land. The City of Sitka, Alaska and MainStreetGIS assume no legal responsibility for the information contained herein.



MainStreetGIS, LLC
www.mainstreetgis.com

BIHA
 Planned Unit Development
 100 Indian River Road



BIHA
Planned Unit Development
100 Indian River Road



BIHA
Planned Unit Development
100 Indian River Road

CERTIFICATE OF OWNERSHIP AND DEDICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREIN AND THAT WE HEREBY ACCEPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ OWNER _____ (SIGNATURE)

DATE _____ OWNER _____ (SIGNATURE)

NOTARY'S ACKNOWLEDGMENT

US OF AMERICA
STATE OF ALASKA
CITY & BOROUGH OF SITKA

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____

TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT THEY SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

MY COMMISSION EXPIRES _____

CERTIFICATE STATE OF ALASKA (FIRST JUDICIAL DISTRICT)

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND ASSESSOR FOR THE CITY & BOROUGH OF SITKA, HEREBY CERTIFY THAT ACCORDING TO THE RECORDS IN MY POSSESSION, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE TAX RECORDS OF THE CITY & BOROUGH OF SITKA:

AND THAT ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL; THAT CURRENT TAXES FOR THE YEAR 20____ WILL BE DUE ON OR BEFORE AUGUST 31, 20____ DATE THIS _____ DAY OF _____

ASSESSOR, CITY AND BOROUGH OF SITKA

CERTIFICATE OF APPROVAL BY THE BOARD

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA PLANNING BOARD, AND THAT SAID PLAT HAS BEEN APPROVED BY THE BOARD BY PLAT RESOLUTION NO. _____ DATED _____

HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE _____ CHAIRMAN, PLANNING BOARD

SECRETARY

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA ASSEMBLY AS RECORDED IN MANUTE BOOK _____ PAGE _____ DATED _____

AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE _____ MAYOR

CITY AND BOROUGH CLERK

CERTIFICATE OF PAYMENT OF LOCAL IMPROVEMENT DISTRICT

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND FINANCE DIRECTOR FOR THE CITY & BOROUGH OF SITKA, DO HEREBY CERTIFY THAT, ACCORDING TO THE RECORDS OF THE CITY & BOROUGH OF SITKA, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE RECORDS IN THE NAME OF:

(ALL OWNERS OF RECORDS) AND THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL L.I.D.'S ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL.

DATED THIS _____ DAY OF _____

20____ AT SITKA, ALASKA.

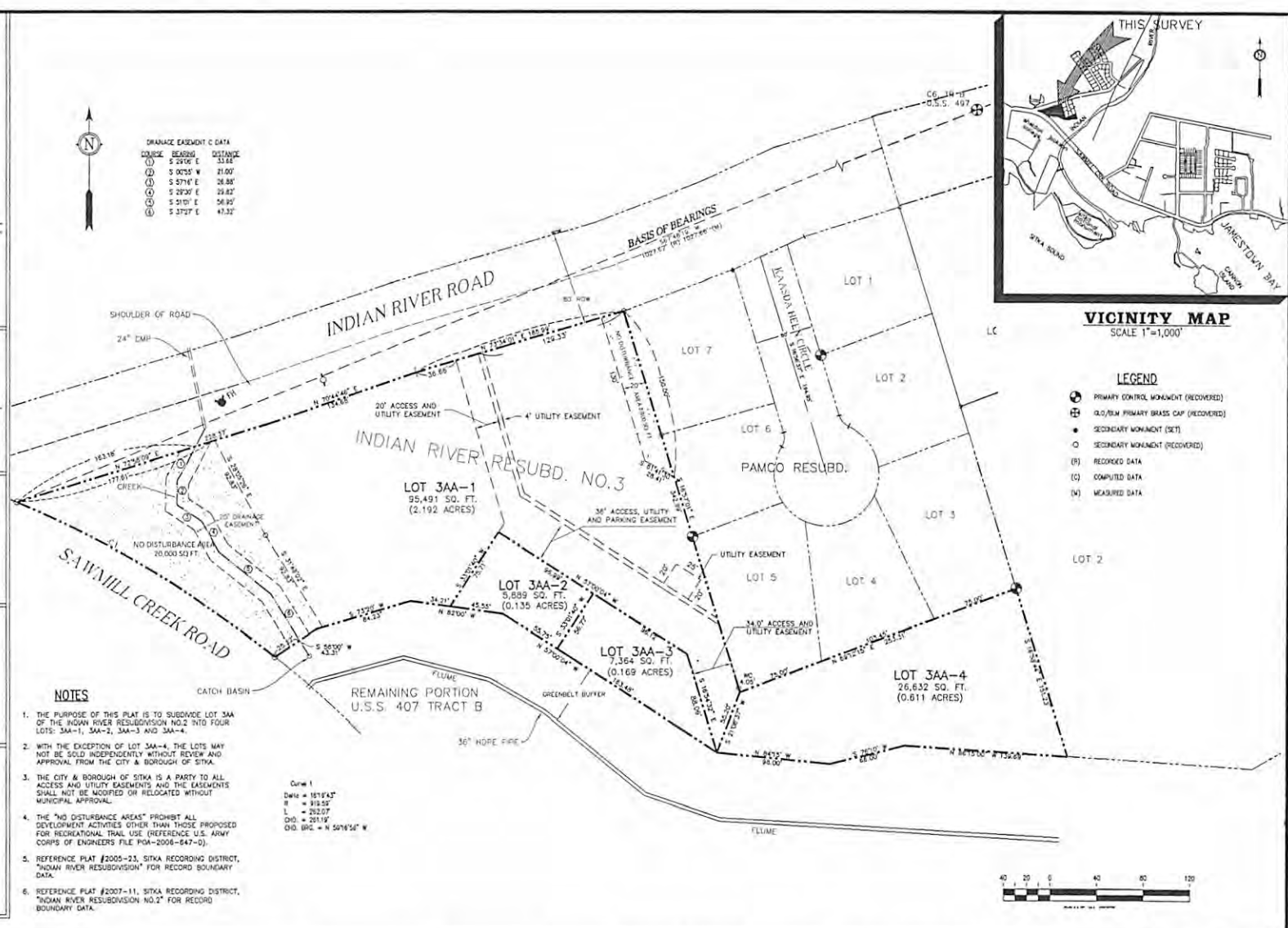
FINANCE DIRECTOR

CITY & BOROUGH OF SITKA



DRAINAGE EASEMENT C DATA

COURSE	BEARING	DISTANCE
(1)	S 25°00' E	33.84
(2)	S 00°55' W	21.00
(3)	S 37°14' E	26.88
(4)	S 29°07' E	29.87
(5)	S 51°01' E	56.97
(6)	S 37°27' E	47.32



NOTES

1. THE PURPOSE OF THIS PLAT IS TO SUBDIVIDE LOT 3AA OF THE INDIAN RIVER RESUBDIVISION NO. 2 INTO FOUR LOTS: 3AA-1, 3AA-2, 3AA-3 AND 3AA-4.
2. WITH THE EXCEPTION OF LOT 3AA-4, THE LOTS MAY NOT BE SOLD INDEPENDENTLY WITHOUT REVIEW AND APPROVAL FROM THE CITY & BOROUGH OF SITKA.
3. THE CITY & BOROUGH OF SITKA IS A PARTY TO ALL ACCESS AND UTILITY EASEMENTS AND THE EASEMENTS SHALL NOT BE MOVED OR RELOCATED WITHOUT MUNICIPAL APPROVAL.
4. THE "NO DISTURBANCE AREAS" PROHIBIT ALL DEVELOPMENT ACTIVITIES OTHER THAN THOSE PROPOSED FOR RECREATIONAL TRAIL USE (REFERENCE U.S. ARMY CORPS OF ENGINEERS FILE POA-2006-647-0).
5. REFERENCE PLAT #2005-23, SITKA RECORDING DISTRICT, "INDIAN RIVER RESUBDIVISION" FOR RECORD BOUNDARY DATA.
6. REFERENCE PLAT #2007-11, SITKA RECORDING DISTRICT, "INDIAN RIVER RESUBDIVISION NO. 2" FOR RECORD BOUNDARY DATA.

Curve 1
Date = 10/19/13
R = 93.55'
L = 202.07'
Ch. = 201.19'
Ch. BEC = N 50°16'54" W



220 H Street
Sitka, Alaska 99801
Sitka Survey Department
Phone: 907-581-1111

NO.	DATE	DESCRIPTION

DESIGNED _____
DRAWN _____
CHECKED _____
DATE OF PLAT: _____
SCALE: 1" = 40'

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR, LICENSED IN THE STATE OF ALASKA, AND THAT IN _____ A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.

INDIAN RIVER RESUBDIVISION NO. 3

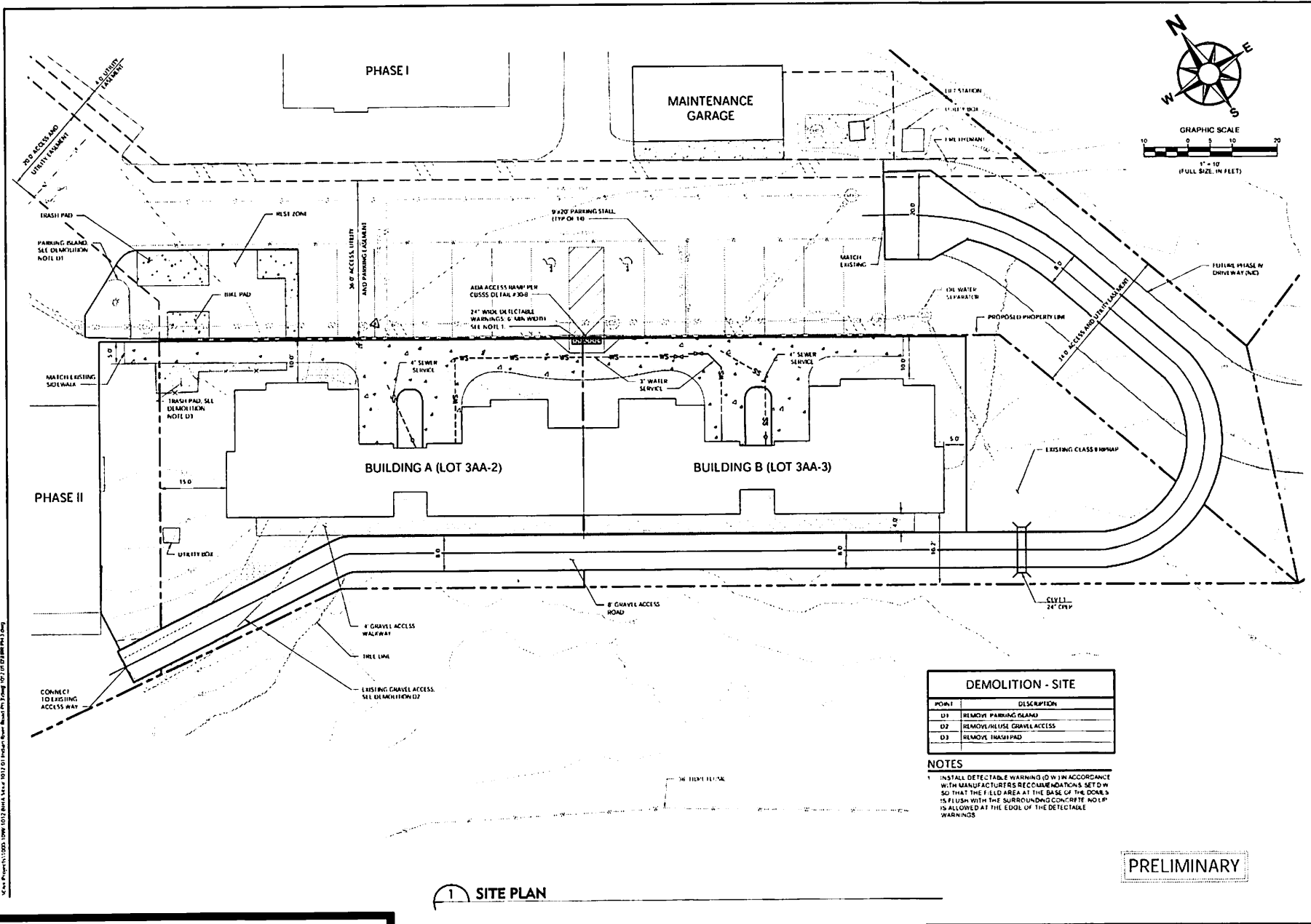
PROPOSED LOT LOCATION FOR LOTS 3AA-1, 3AA-2, 3AA-3 & 3AA-4 IN THE INDIAN RIVER RESUBDIVISION

CLIENT: BARANOF ISLAND HOUSING AUTHORITY

Current Proposal

BIHA
PUD Major Amendment
100 Indian River Road

SHEET 1 OF 1



NO.	DATE	BY	REVISION

250 N. Street
Anchorage, AK 99501
P: (907) 743-9888
F: (907) 743-3449
www.lcg.com

Log Cabin Inc
engineers • architects • interior designers

BARNOR ISLAND HOUSING AUTHORITY

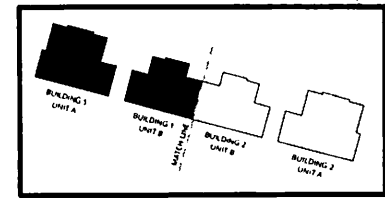
100 INDIAN RIVER ROAD PHASE III
SITKA, ALASKA

SITE PLAN

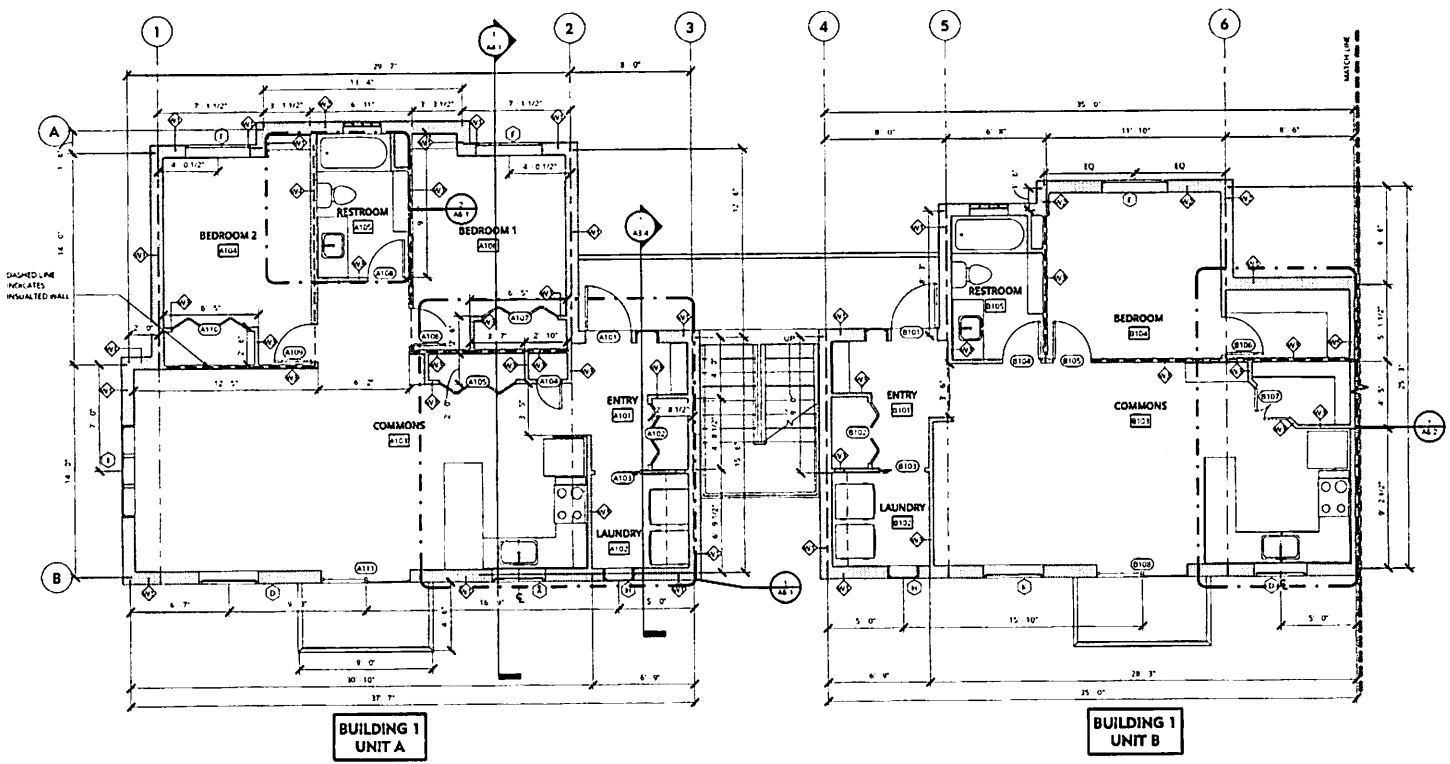
SHEET NO. 34222
DESIGNED BY AQ
DRAWN BY AJ/CS
CHECKED BY DC
DATE 11/18/15
FILE NO. 1012 01
SHEET NUMBER
C1.0 OF

BIHA
PUD Major Amendment
100 Indian River Road

Current Proposal



KEY PLAN



1 MAIN LEVEL FLOOR PLAN (UPPER LEVEL UNITS TYPICAL)
A1.1 1/4" = 1'-0"

NO.	DATE	BY	REVISION

250 H Street
Anchorage, AK 99501
P: (907) 243-8943
F: (907) 243-8474
www.iccg.com

ICCG
INTEGRATED
CONSTRUCTION GROUP

BARANOF ISLAND HOUSING AUTHORITY

100 INDIAN RIVER ROAD PHASE III
SITKA, ALASKA

FLOOR PLANS

SHEET SIZE	34x72
DESIGNED BY	WHS
DRAWN BY	HJK
CHECKED BY	RW
DATE	04/01/15
TITLE NO.	1017.01
SHEET NUMBER	A1.1 OF -

1/15/2015 12:15:30 PM
 A1.1
 C:\Users\jwagner\Documents\100 Indian River Road Phase III\100 Indian River Road Phase III\100 Indian River Road Phase III\100 Indian River Road Phase III\Floor Plans\Floor Plans.dwg

BIHA
PUD Major Amendment
100 Indian River Road

Current Proposal

CERTIFICATE OF OWNERSHIP AND DEDICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ACCEPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ ORDER _____ (SIGNATURE)

DATE _____ ORDER _____ (SIGNATURE)

NOTARY'S ACKNOWLEDGMENT

US OF ALASKA
STATE OF ALASKA
CITY & BOROUGH OF SITKA

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____ 20____ BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SEEN, PERSONALLY APPEARED _____

TO ME KNOWN TO BE THE SEVERAL INDIVIDUALS MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND, ACKNOWLEDGED TO ME THAT SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREON WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA
MY COMMISSION EXPIRES _____

CERTIFICATE STATE OF ALASKA (FIRST JUDICIAL DISTRICT)

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AS ASSESSOR FOR THE CITY & BOROUGH OF SITKA, HEREBY CERTIFY THAT ACCORDING TO THE RECORDS IN MY POSSESSION, THE FOLLOWING DESCRIBED PROPERTY IS CHARGED ON THE TAX RECORDS OF THE CITY & BOROUGH OF SITKA IN THE NAME OF _____

AND THAT ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL; THAT CORRECT TAXES FOR THE YEAR 20____ WILL BE DUE ON OR BEFORE AUGUST 31, 20____ DATED THIS _____ DAY OF _____

ASSESSOR, CITY AND BOROUGH OF SITKA _____

CERTIFICATE OF APPROVAL BY THE BOARD

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA ASSEMBLY AS RECORDED IN RESOLUTE BOOK _____ PAGE _____ DATED _____ 20____ AND THAT SAID PLAT HAS BEEN APPROVED BY THE BOARD BY PLAT RESOLUTION NO. _____ DATED _____ 20____ AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE _____ TOWNSHIP PLATING BOARD _____

SECRETARY _____

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA ASSEMBLY AS RECORDED IN RESOLUTE BOOK _____ PAGE _____ DATED _____ 20____ AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE _____ TOWN _____

CITY AND BOROUGH CLERK _____

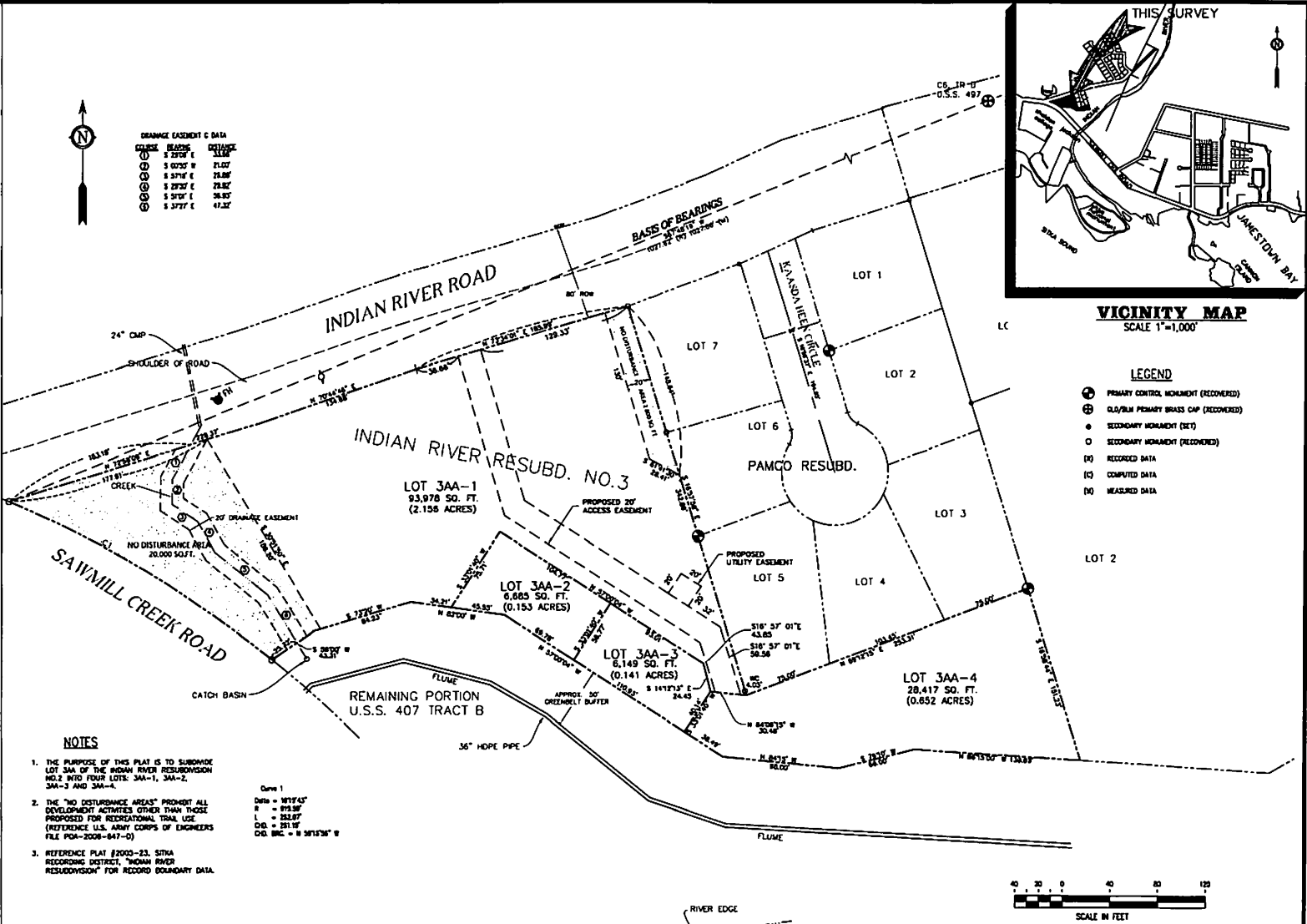
CERTIFICATE OF PAYMENT OF LOCAL IMPROVEMENT DISTRICT

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND FINANCE DIRECTOR FOR THE CITY & BOROUGH OF SITKA, DO HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF THE CITY & BOROUGH OF SITKA, THE FOLLOWING DESCRIBED PROPERTY IS CHARGED ON THE RECORDS IN THE NAME OF: _____

(ALL OWNERS OF RECORD) AND THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL L.L.D.'S ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL.

DATED THIS _____ DAY OF _____ 20____ AT SITKA, ALASKA.

FINANCE DIRECTOR
CITY & BOROUGH OF SITKA _____



DESIGNED: _____
DRAWN: _____
CHECKED: _____
DATE OF PLAT: _____
SCALE: 1" = 40'

SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR LICENSED IN THE STATE OF ALASKA AND THAT MY _____ A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.

INDIAN RIVER RESUBDIVISION NO. 3

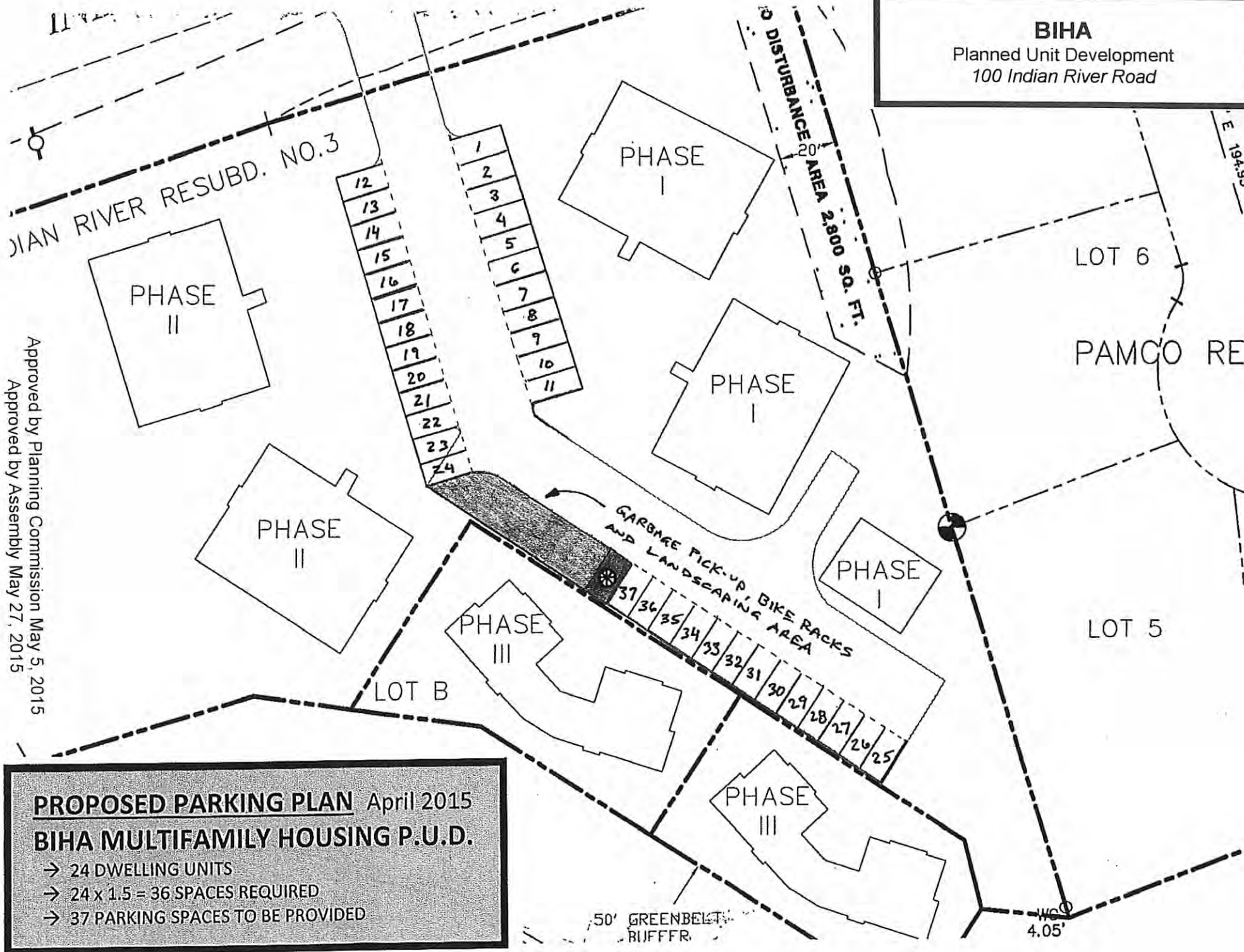
PROPOSED LOT LOCATION FOR LOTS 3AA-1, 3AA-2, 3AA-3 & 3AA-4 IN THE INDIAN RIVER RESUBDIVISION

CLIENT: BARANOF ISLAND HOUSING AUTHORITY

Approved by Planning Commission
December 1, 2015

BIHA
Planned Unit Development
100 Indian River Road

BIHA
 Planned Unit Development
 100 Indian River Road



Approved by Planning Commission May 5, 2015
 Approved by Assembly May 27, 2015

PROPOSED PARKING PLAN April 2015
BIHA MULTIFAMILY HOUSING P.U.D.

- 24 DWELLING UNITS
- 24 x 1.5 = 36 SPACES REQUIRED
- 37 PARKING SPACES TO BE PROVIDED

CERTIFICATE OF OWNERSHIP AND DESIGNATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ACCEPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND RESERVE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ OWNER _____ COGNATORIAL _____

DATE _____ OWNER _____ COGNATORIAL _____

MILITARY'S ACKNOWLEDGEMENT

US OF ALASKA
STATE OF ALASKA
CITY & BOROUGH OF SITKA

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____ IN _____ NOTICE ME, THE UNDERSIGNED, A MILITARY PUBLIC IN _____ AND FOR THE STATE OF ALASKA, FULLY CONSIDERED AND SOLEMN PERSONALLY APPEARED _____

IT IS DEEMED TO BE THE INTENTION OF THE UNDERSIGNED INDIVIDUALS MENTIONED AND WHO EXECUTED THE VOUCHER PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESSES BY NAME AND NOTARY SEAL, THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

MILITARY PUBLIC IN AND FOR THE STATE OF ALASKA
MY COMMISSION EXPIRES _____

**CERTIFICATE STATE OF ALASKA
FIRST JUDICIAL DISTRICT**

I, THE UNDERSIGNED, BEING FULLY APPROVED AND QUALIFIED, AND ASSESSOR FOR THE CITY & BOROUGH OF SITKA, HEREBY CERTIFY THAT ACCORDING TO THE RECORDS IN MY POSSESSION, THE FOLLOWING DESCRIBED PROPERTY IS CHARGED ON THE TAX RECORDS OF THE CITY & BOROUGH OF SITKA, IN THE NAME OF _____

AND THAT ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL THIS CURRENT YEAR FOR THE YEAR _____ WILL BE PAID ON OR BEFORE AUGUST 31, _____ DATED THIS _____ DAY OF _____

ASSESSOR, CITY AND BOROUGH OF SITKA

CERTIFICATE OF APPROVAL BY THE BOARD

I HEREBY CERTIFY THAT THE SUBDIVISION PLAN SHOWN HEREON HAS BEEN FILED TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA PLANNING BOARD, AND THAT SAID PLAN HAS BEEN APPROVED BY THE BOARD BY PLAT REGULATIONS NO. _____ DATED _____

HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT REGISTRAR, EX-OFFICIO RECORDS, SITKA, ALASKA.

DATE _____ DISTRICT PLANNING BOARD

SECRETARY

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAN SHOWN HEREON HAS BEEN FILED TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA ASSEMBLY BY _____ DATED _____

HEREON HAS BEEN APPROVED FOR RECORDING IN THE DISTRICT COURT, EX-OFFICIO RECORDS, SITKA, ALASKA.

DATE _____

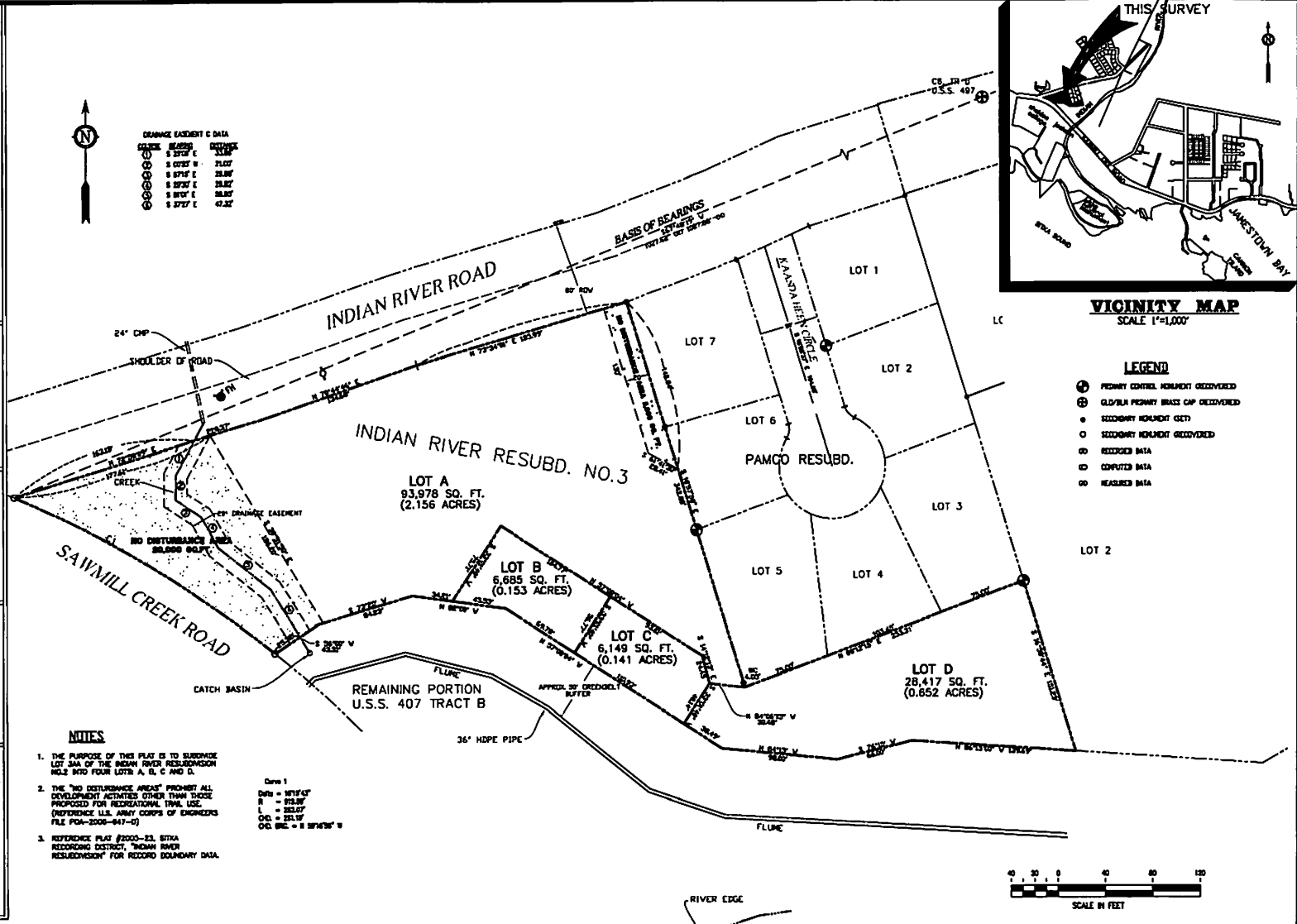
BY _____

PAYMENT OF LOCAL IMPROVEMENT DISTRICT

THE FULLY APPROVED AND QUALIFIED AND FINANCE SCHEDULE OF SITKA, SO HEREBY CERTIFY THAT, ACCORDING TO THE RECORDS OF SITKA, THE FOLLOWING DESCRIBED PROPERTY IS CHARGED ON THE CITY _____

DATE _____

BY _____



- NOTES**
1. THE PURPOSE OF THIS PLAN IS TO SUBDIVIDE LOT 3A OF THE INDIAN RIVER RESUBDIVISION NO.3 INTO FOUR LOTS A, B, C AND D.
 2. THE "NO DISTURBANCE AREAS" PROHIBIT ALL DEVELOPMENT ACTIVITIES OTHER THAN THOSE PROPOSED FOR RECREATIONAL TRAIL USE. (REFERENCE U.S. ARMY CORPS OF ENGINEERS FILE #204-3008-847-0)
 3. REFERENCE PLAT #2005-23, SITKA RECORDING DISTRICT, "INDIAN RIVER RESUBDIVISION" FOR RECORD BOUNDARY DATA.
- Curve 1
Data = 1817'07"
R = 8249'
I = 182.07°
D.C. = 281.17°
O.C. BEC. = 8 5/8" x 11"

Planned Unit Development Subdivision
100 Indian River Road
BIHA

BY	DATE	REV	DESCRIPTION OF CHANGE

RECORD OF REVISIONS

RECORDED _____
 DRAWN _____
 CHECKED _____
 DATE OF PLAT _____
 SOLD FOR \$ _____

SURVEYOR'S CERTIFICATE

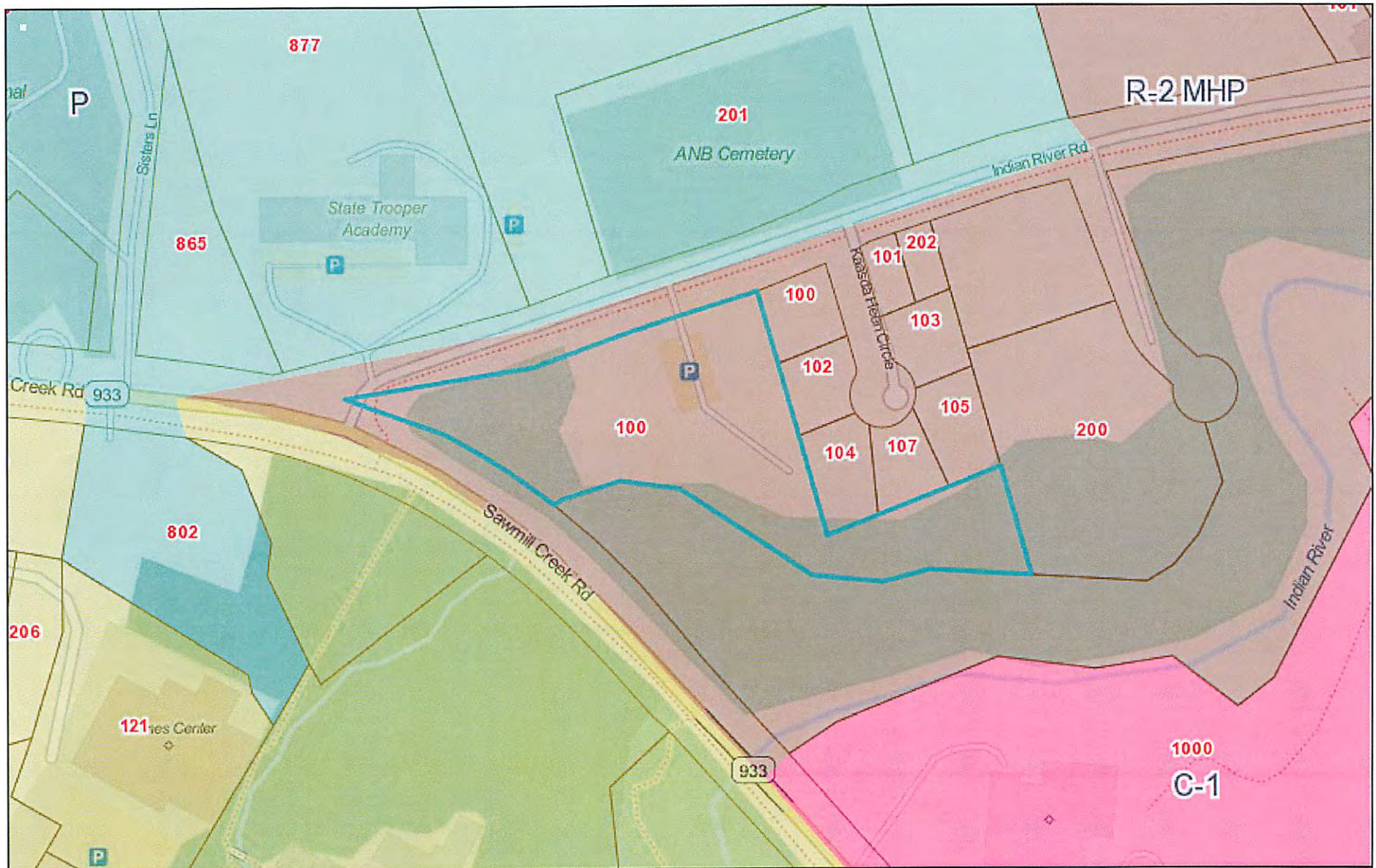
I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR, LICENSED BY THE STATE OF ALASKA, AND THAT IN _____ A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAN IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.

INDIAN RIVER RESUBDIVISION NO. 3

PROPOSED LOT LOCATION FOR LOT A & LOT B
 IN THE INDIAN RIVER RESUBDIVISION

CLIENT: BARANOF ISLAND HOUSING AUTHORITY

Approved by Planning Commission May 5, 2015
 Approved by Assembly May 27, 2015



City & Borough of Sitka, Alaska

Selected Parcel: 100 INDIAN RIVER ID: 18565003

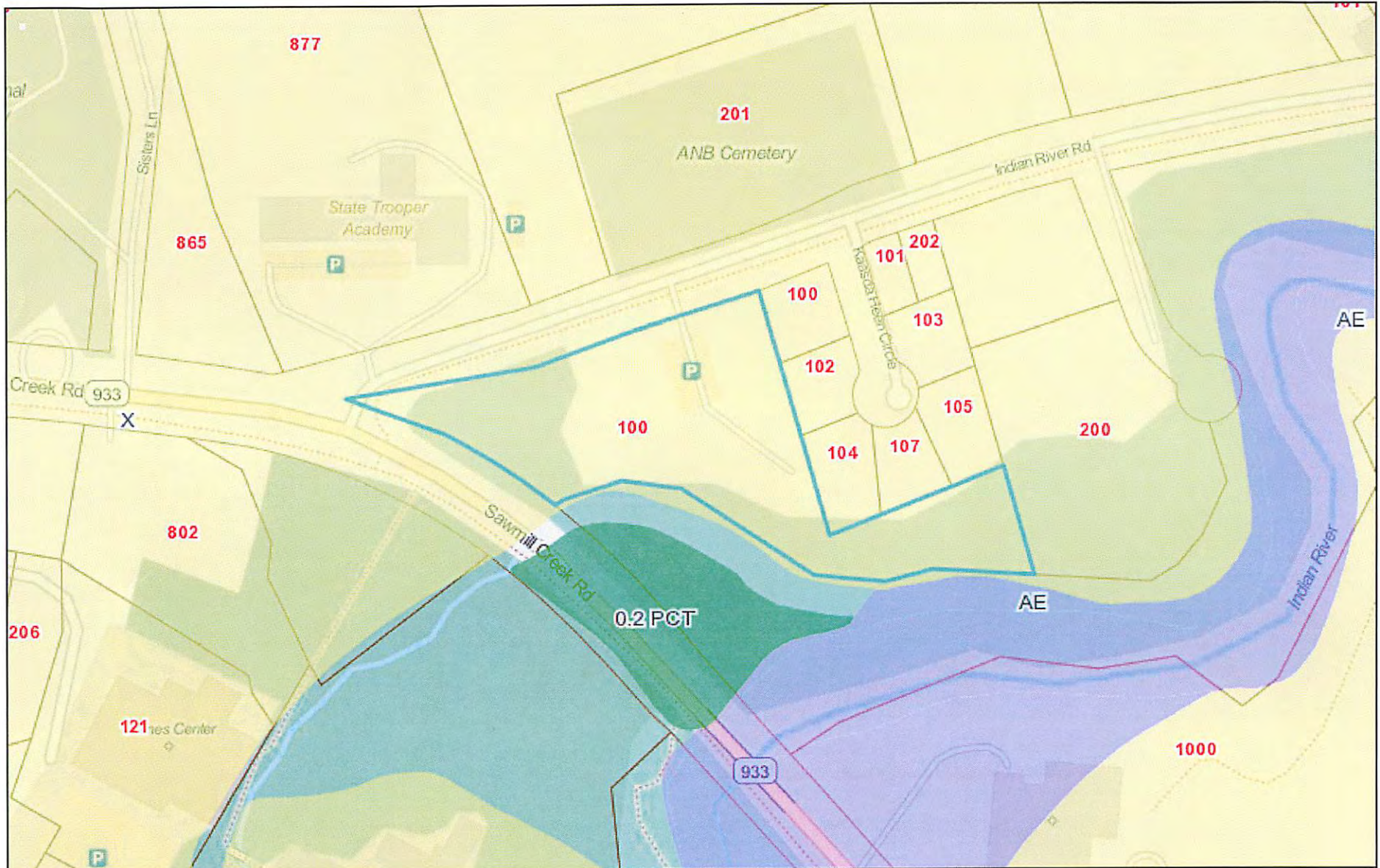
Printed on 11/18/2015 from <http://www.mainstreetmaps.com/ak/sitka/internal.asp>

This map is for informational purposes only. It is not for appraisal of, descriptive



We assume no legal responsibility for the information contained herein.

BIHA
 Planned Unit Development
 100 Indian River Road



City & Borough of Sitka, Alaska

Selected Parcel: 100 INDIAN RIVER ID: 18565003

Printed on 11/18/2015 from <http://www.mainstreetmaps.com/ak/sitka/internal.asp>

This map is for informational purposes only. It is not for appraisal of, description of, or conveyance of real property.



responsibility for the information contained herein.

BIHA
 Planned Unit Development
 100 Indian River Road

CITY AND BOROUGH OF SITKA
Planning Commission
Minutes of Meeting
December 1, 2015

Present: Chris Spivey (Chair), Darrell Windsor (Vice-Chair), Tamie Parker Song—via phone (Member), Debra Pohlman (Member), Randy Hughey (Member), Maegan Bosak (PCDD), Michael Scarcelli (Senior Planner), Samantha Pierson (Planner I)

Absent: None

Members of the Public: Kevin Knox, Stan Eliason (Harbormaster), Forrest Dodson (via phone), Mary Holzman (via phone), Michael Tisher, Kelly Pellett, Cliff Richter, Jay Stelzenmeller

Chair Spivey called the meeting to order at 7:01 p.m.

Roll Call:

PRESENT: 5 – Spivey, Windsor, Parker Song (via phone), Pohlman, Hughey

Consideration of the Minutes from the November 3, 2015 meeting:

MOTION: M/S POHLMAN/WINDSOR moved to approve the meeting minutes for November 3, 2015.

ACTION: Motion **PASSED** unanimously 5-0 on a voice vote.

The evening business:

**ZONING TEXT CHANGE
SHORT TERM RENTALS AND BED AND BREAKFAST OPERATIONS IN PUBLIC ZONE
TIM FULTON**

Public hearing and consideration of a zoning text change request filed by Tim Fulton. The proposed zoning text change would permit B&B's and Short-Term Rentals on boats in municipal harbors, in the Public Zone. The request is filed by Tim Fulton.

STAFF REPORT: Scarcelli reviewed the request, which would permit B&B's and short-term rentals in all properties zoned Public Lands District. Scarcelli stated that the Port and Harbors Commission had some positive and some negative thoughts about the request. Scarcelli stated concerns for sewage dumping and safety. Scarcelli noted that the applicant was currently at another board where he serves as chair, but can answer questions via phone if commissioners wished. Scarcelli read a letter submitted by the applicant.

COMMISSIONER DELIBERATION: Commissioners did not have questions for the applicant. Windsor asked for clarification on Public zoning. Scarcelli clarified that if the zoning text change was enacted, bed and breakfast operations and short-term rentals would be permitted or

conditional in all lands zoned Public Lands, beyond the harbors. Hughey asked about infrastructure and sewage concerns.

PUBLIC COMMENT: Port and Harbors Commission Chair Kevin Knox and Harbormaster Stan Eliason expressed concerns for sanitation, safety, traffic, and increased workload of harbor staff. Knox acknowledged that the request is interesting, and short-term rentals are permitted in harbors in other states. Eliason stated that boats must currently be taken to a dump station, since sewage pipes are not run to all boats.

MOTION: M/S HUGHEY/WINDSOR moved to approve the staff findings that 1) the proposal negatively impacts the public's health, safety, and welfare due to the anticipated impact to public infrastructure, the impacts resulting from sewage, the anticipated cost of enforcement and oversight; 2) is inconsistent with the comprehensive plan as discussed in the staff report; and 3) involves the broad impacts that a zoning text change would have on lands zoned Public.

ACTION: Motion **PASSED 5-0** on a voice vote.

MOTION: M/S HUGHEY/WINDSOR moved to recommend denial of a zoning text change request filed by Tim Fulton for a zoning text change to permit short-term rentals and Bed and Breakfast operations in the Public Zone as a permitted or conditional use.

ACTION: Motion **PASSED 5-0** on a voice vote.

7:25—Parker Song stated that she was having a hard time hearing discussion via phone. Commissioners agreed that since a quorum could be met without her, Parker Song could leave the meeting.

VARIANCE REQUEST

**263 KATLIAN AVENUE, LOT 14, BLOCK 5, SITKA INDIAN VILLAGE, U.S. SURVEY 2542
FORREST DODSON AND MARY HOLZMAN**

Public hearing and consideration of a variance request filed by Forrest Dodson and Mary Holzman for 263 Katlian Avenue and the adjacent tidelands. The variance request is for a reduction in lot size from 6,000 square feet to 4,428 square feet. The property is also known as Lot 14, Block 5, Sitka Indian Village, U.S. Survey 2542. The request is filed by Forrest Dodson and Mary Holzman. The owners of record are Forrest Dodson and Mary Holzman.

STAFF REPORT: Scarcelli reviewed the request. The variance would permit the creation of an undersized lot. The current lot is undersized, and the proposal would approximately double the lot size. This proposal would move the lot toward compliance. Scarcelli stated that the Historic Preservation reviewed the project and made a motion to approve, which failed.

APPLICANT: Forrest Dodson and Mary Holzman joined via phone, and stated that there was no new information.

COMMISSIONER DELIBERATION: Hughey asked staff why the Historic Preservation Commission denied approval for the project. Scarcelli stated that the HPC wanted to seek input from the Tribe and was concerned that moving the structure would make it ineligible for historic status. Bosak reminded the Commissioners that the HPC is a recommendation board, and the HPC's recommendations cannot prevent a project.

PUBLIC COMMENT: No public comment.

MOTION: M/S POHLMAN/HUGHEY moved to approve the required findings for variances involving major structures or expansions:

Required Findings for Variances Involving Major Structures or Expansions. Before any variance is granted, it shall be shown:

- a) That there are special circumstances to the intended use that do not apply generally to the other properties, *specifically the small lot size*;
- b) The variance is necessary for the preservation and enjoyment of a substantial property right of use possessed by other properties but are denied to this parcel;
- c) That the granting of such a variance will not be materially detrimental to the public welfare or injurious to the property, nearby parcels, or public infrastructure;
- d) That the granting of such a variance will not adversely affect the Comprehensive Plan, *specifically, it is in line with Comprehensive Plan 2.4.1, which states, "To guide the orderly and efficient use of private and public land in a manner that maintains a small-town atmosphere, encourages a rural lifestyle, recognizes the natural environment, and enhances the quality of life for present and future generations without infringing on the rights of private landowners," and conditions of approval mitigate any harm and the proposal enhances the quality of access for current and future homeowners.*

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S POHLMAN/HUGHEY moved to approve the variance request filed by Forrest Dodson and Mary Holzman for 263 Katlian Avenue and the adjacent tidelands. The variance request is for a reduction in lot size from 6,000 square feet to 4,428 square feet. The property is also known as Lot 14, Block 5, Sitka Indian Village, U.S. Survey 2542. The request is filed by Forrest Dodson and Mary Holzman. The owners of record are Forrest Dodson and Mary Holzman.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

**MINOR SUBDIVISION
263 KATLIAN AVENUE, LOT 14, BLOCK 5, SITKA INDIAN VILLAGE, U.S. SURVEY 2542
FORREST DODSON AND MARY HOLZMAN**

Public hearing and consideration of a minor subdivision request filed by Forrest Dodson and Mary Holzman for 263 Katlian Avenue and the adjacent tidelands. The property is also known as Lot 14, Block 5, Sitka Indian Village, U.S. Survey 2542. The request is filed by Forrest Dodson and Mary Holzman. The owners of record are Forrest Dodson and Mary Holzman.

STAFF REPORT: Scarcelli reviewed the request. While the proposal would create an undersized lot, the proposal would move the lot toward code compliance. The proposal would mitigate traffic and parking concerns. Scarcelli proposed standards conditions that followed current code.

APPLICANT: Forrest Dodson and Mary Holzman joined via phone, and stated that there was no new information.

COMMISSIONER DELIBERATION: Hughey asked staff why the Historic Preservation Commission denied approval for the project. Scarcelli stated that the HPC wanted to seek input from the Tribe and was concerned that moving the structure would make it ineligible for historic status. Bosak reminded the Commissioners that the HPC is a recommendation board, and the HPC's recommendations cannot prevent a project.

PUBLIC COMMENT: No public comment.

MOTION: M/S WINDSOR/HUGHEY moved to approve the staff findings that 1) the proposal positively impacts the public's health, safety, and welfare due to the anticipated impact to the proposed increase of space between the house and the front property line, newly created parking, and preservation of a historic structure; and 2) is consistent with the comprehensive plan as discussed in the staff report.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S WINDSOR/HUGHEY moved to approve with staff's four conditions the final plat for a minor subdivision filed by Forrest Dodson and Mary Holzman for 263 Katlian Avenue and the adjacent tidelands. The property is also known as Lot 14, Block 5, Sitka Indian Village, U.S. Survey 2542. The request is filed by Forrest Dodson and Mary Holzman. The owners of record are Forrest Dodson and Mary Holzman.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

**MINOR SUBDIVISION
213 PRICE STREET, LOT 1 OF MICK'S SUBDIVISION, U.S. SURVEY 3695
MICHAEL TISHER**

Public hearing and consideration of a final plat for a minor subdivision at 213 Price Street. The subdivision would create two lots. The property is also known as Lot 1 of Mick's Subdivision, U.S. Survey 3695. The request is filed by Michael Tisher. The owner of record is Michael Tisher.

Chair Spivey stated that he has a professional relationship with the applicant, with no financial gain from this proposal. Commissioners allowed him to continue participating in the proceedings.

STAFF REPORT: Scarcelli reviewed the request and the property's history. The minor subdivision would create two lots, both zoned Industrial. Both proposed lots will be in excess of minimum dimension requirements. Bosak stated that Industrial property is in high demand in Sitka.

APPLICANT: Michael Tisher stated that he had no additional information to share.

COMMISSIONER DELIBERATION: Hughey stated that the request was very straightforward.

PUBLIC COMMENT: No public comment.

MOTION: M/S HUGHEY/WINDSOR moved approve the staff findings that 1) the proposal positively impacts the public's health, safety, and welfare by providing space in the Industrial Zone; and 2) is consistent with the comprehensive plan as discussed in the staff report.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S HUGHEY/WINDSOR moved to approve the final plat for a minor subdivision at 213 Price Street. The subdivision would create two lots. The property is also known as Lot 1 of Mick's Subdivision, U.S. Survey 3695. The request is filed by Michael Tisher. The owner of record is Michael Tisher.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

**VARIANCE REQUEST
121 MOLLY LANE, LOT 6 OF MOUNTAINVIEW PHASE II SUBDIVISION
PELLETT ENTERPRISES**

Public hearing and consideration of a variance request filed by Pellett Enterprises for 121 Molly Lane. The variance request is for a reduction in the front setback from 20 to 10 feet for the construction of a home. The property is also known as Lot 6 of Mountainview Phase II Subdivision. The request is filed by Pellett Enterprises. The owner of record is Mountain View Estates, LLC.

Chair Spivey stated that he had professional relationships with the applicant and the property owner. Hughey stated that he had a professional relationship with the applicant. Commissioners agreed to allow full participation by Spivey and Hughey.

STAFF REPORT: Scarcelli reviewed the request, highlighting the steep topography. Scarcelli stated that a 10 foot front setback was granted for the property directly across the cul-de-sac. Scarcelli stated that the Fire Department did not have concerns for the undersized cul-de-sac. Scarcelli stated that without a variance, additional excavation would be required to create an

acceptable building site. Scarcelli recommended a condition that the variance be measured as 10 feet from the property line to the drip line of eaves and no further.

APPLICANT: Kelly Pellett stated that the rear of the property has large rocks. The proposal would result in an elevation change of 12 feet from cul-de-sac to the lot level. Pellett stated that he also planned a rock wall to strengthen the lot.

COMMISSIONER DELIBERATION: No deliberation.

PUBLIC COMMENT: No public comment.

MOTION: M/S POHLMAN/HUGHEY moved to approve the required findings for variances involving major structures or expansions:

Required Findings for Variances Involving Major Structures or Expansions. Before any variance is granted, it shall be shown:

- e) That there are special circumstances to the intended use that do not apply generally to the other properties, *specifically, the steep lot topography;*
- f) The variance is necessary for the preservation and enjoyment of a substantial property right of use possessed by other properties but are denied to this parcel, *specifically, the ability to develop the property without extensive excavation;*
- g) That the granting of such a variance will not be materially detrimental to the public welfare or injurious to the property, nearby parcels, or public infrastructure, *specifically, that emergency vehicles will be able to properly access the cul-de-sac and that the front setback will not impact any adjacent property owners;*
- h) That the granting of such a variance will not adversely affect the Comprehensive Plan, *specifically, it is in line with Comprehensive Plan 2.4.1, which states, "To guide the orderly and efficient use of private and public land in a manner that maintains a small-town atmosphere, encourages a rural lifestyle, recognizes the natural environment, and enhances the quality of life for present and future generations without infringing on the rights of private landowners," and conditions of approval mitigate any harm and the proposal enhances the quality of access for current and future homeowners.*

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

MOTION: M/S POHLMAN/HUGHEY moved to approve the variance request filed by Pellett Enterprises for 121 Molly Lane, subject to the condition that the variance only be 10 feet as measured from property to drip-line of eaves and no further. The variance request is for a reduction in the front setback from 20 to 10 feet for the construction of a home. The property is also known as Lot 6 of Mountainview Phase II Subdivision. The

request is filed by Pellett Enterprises. The owner of record is Mountain View Estates, LLC.

ACTION: Motion **PASSED** unanimously 4-0 on a voice vote.

Chair Spivey stated that he had a business relationship with the applicant. Commissioners agreed to allow him to continue full participation.

**MAJOR AMENDMENT TO PLANNED UNIT DEVELOPMENT
100 INDIAN RIVER ROAD, LOT 3AA, INDIAN RIVER SUBDIVISION NO. 2
BARANOF ISLAND HOUSING AUTHORITY**

Public hearing and consideration of a major amendment to a planned unit development subdivision permit requested by the Baranof Island Housing Authority (BIHA) at 100 Indian River Road. The property is also known as Lot 3AA, Indian River Subdivision No. 2. The owner of record is the Baranof Island Housing Authority.

STAFF REPORT: Scarcelli reviewed the request and the previously approved Planned Unit Development. This major amendment would change the proposed location and orientation of the buildings, and join them by a fire wall across a property lot line. Parking requirements remain the same. The proposed amendment will result in the same number of dwelling units as the original plan, but a reduced number of bedrooms.

APPLICANT: Cliff Richter explained that a professional estimate showed that the project was a million dollars over budget. This proposed amendment is one piece of BIHA cutting back the project expenditures. Richter stated that BIHA has a waiting list for one-bedroom apartments, and this property will help alleviate the demand. Richter stated that the Section 184 loan requires no more than 4 units per lot, which makes the two-lot design necessary. Richter thanked the planning staff for being helpful throughout the process.

COMMISSIONER DELIBERATION: Pohlman stated that the proposal was straightforward.

PUBLIC COMMENT: No public comment.

MOTION: M/S WINDSOR/POHLMAN moved to approve the staff findings that 1) the proposed amendment complies with the comprehensive plan by providing for the enhancement of the quality of life in Sitka through the development of affordable housing options; 2) the major amendment, though creative and unique, is in line with the prior approved Planned Unit Development Subdivision; and 3) the major amendment would not be injurious to the public's health, safety, and welfare.

ACTION: Motion **PASSED** unanimously 4-0 on a voice vote.

MOTION: M/S WINDSOR/POHLMAN moved to approve the plat for a major amendment to a planned unit development subdivision permit requested by the Baranof Island Housing Authority (BIHA) at 100 Indian River Road. This approval is subject to the access and utility easements being slightly modified to incorporate the parking and utilities that cross

lots 3AA-1 into lots 3AA-2 and 3AA-3; and a binding plat note stating no lot may be sold independently of the other lots. The property is also known as Lot 3AA, Indian River Subdivision No. 2. The request is to allow a multiplex residential structure across lot lines. The owner of record is the Baranof Island Housing Authority.

ACTION: Motion **PASSED unanimously 4-0** on a voice vote.

8:15—Commissioners took a 5 minute break.

**ZONING TEXT CHANGE
LICENSED MARIJUANA ACTIVITY AS PERMITTED USE IN CBD, WD, I, C-1, C-2, GP ZONES
CBS MARIJUANA ADVISORY COMMITTEE**

Public hearing and consideration of a zoning text change request filed by the City and Borough of Sitka Marijuana Advisory Committee. The request would allow licensed marijuana activity as a permitted use in the Central Business District, Waterfront District, Industrial Zone, Commercial C-1 and C-2 zones, and the Gary Paxton Special Zone.

STAFF REPORT: Scarcelli reviewed the request and summarized marijuana regulation in Alaska. Scarcelli stated that state regulations are still evolving, and the state now allows cafes for consumption. Scarcelli stated that the application is broad, but state regulation addresses several specific categories of legal activity. Scarcelli cautioned the commissioners from moving too quickly, and encouraged the crafting of careful and thoughtful legislation. Bosak recommended that commissioners just start the discussion at this point.

COMMISSIONER DELIBERATION: Hughey asked if locations for marijuana would be more restrictive than alcohol. Bosak stated that marijuana would be more restrictive than alcohol, and referred to Drug Safe Schools. Bosak encouraged a joint meeting between the Planning Commission and Marijuana Advisory Committee. Bosak stated her preference for deliberating on the location of each category of marijuana use. Hughey stated that commissioners should be clear on the different legal activity categories before making an educated decision. Windsor stated that extensive public notice is required before opening a facility. Spivey stated that marijuana businesses cannot have business bank accounts since marijuana is federally illegal. Scarcelli stated that he has spoken to professionals from other localities who wish they would have rolled out local legislation more carefully. Windsor stated that the state will begin issuing licenses in May. Hughey expressed concern that if fees are too expensive, some individuals will still find illegal marijuana trade to be more profitable.

PUBLIC COMMENT: Jay Stelzenmeller, a member of the Marijuana Advisory Committee, stated that he primarily came to the meeting to hear the thoughts of Planning Commissioners. Stelzenmeller stated that he seeks to see marijuana move from the illegal realm to the legal realm. Stelzenmeller stated that marijuana businesses are not eligible for business tax benefits.

MOTION: M/S WINDSOR/POHLMAN moved to continue public hearing and discussion at the next scheduled Planning Commission meeting to allow for further study of negative impacts and the development of a zoning text change that would comply with newly

modified state regulations. The zoning text change request is filed by the City and Borough of Sitka Marijuana Advisory Committee. The request would allow licensed marijuana activities as a permitted use in the Central Business District, Waterfront District, Industrial Zone, Commercial C-1 and C-2 zones, and the Gary Paxton Special Zone.

ACTION: Motion **PASSED** unanimously 4-0 on a voice vote.

**ZONING TEXT CHANGE
LICENSED MARIJUANA ACTIVITY AS CONDITIONAL USE IN LI AND GI ZONES
CBS MARIJUANA ADVISORY COMMITTEE**

Public hearing and consideration of a zoning text change request filed by the City and Borough of Sitka Marijuana Advisory Committee. The request would allow licensed marijuana activity as a conditional use in the Large Island and General Island zones.

STAFF REPORT: Scarcelli reviewed the request and summarized marijuana regulation in Alaska. Scarcelli stated that state regulations are still evolving, and the state now allows cafes for consumption. Scarcelli stated that the application is broad, but state regulation addresses several specific categories of legal activity. Scarcelli cautioned the commissioners from moving too quickly, and encouraged the crafting of careful and thoughtful legislation. Bosak recommended that commissioners just start the discussion at this point.

COMMISSIONER DELIBERATION: Hughey asked if locations for marijuana would be more restrictive than alcohol. Bosak stated that marijuana would be more restrictive than alcohol, and referred to Drug Safe Schools. Bosak encouraged a joint meeting between the Planning Commission and Marijuana Advisory Committee. Bosak stated her preference for deliberating on the location of each category of marijuana use. Hughey stated that commissioners should be clear on the different legal activity categories before making an educated decision. Windsor stated that extensive public notice is required before opening a facility. Spivey stated that marijuana businesses cannot have business bank accounts since marijuana is federally illegal. Scarcelli stated that he has spoken to professionals from other localities who wish they would have rolled out local legislation more carefully. Windsor stated that the state will begin issuing licenses in May. Hughey expressed concern that if fees are too expensive, some individuals will still find illegal marijuana trade to be more profitable.

PUBLIC COMMENT: Jay Stelzenmeller, a member of the Marijuana Advisory Committee, stated that he primarily came to the meeting to hear the thoughts of Planning Commissioners. Stelzenmeller stated that he seeks to see marijuana move from the illegal realm to the legal realm. Stelzenmeller stated that marijuana businesses are not eligible for business tax benefits.

MOTION: M/S POHLMAN/HUGHEY moved to continue public hearing and discussion at the next scheduled Planning Commission meeting to allow for further study of negative impacts and the development of a zoning text change that would comply with newly modified state regulations. The zoning text change request is filed by the City and Borough of Sitka Marijuana Advisory Committee. The request would allow licensed marijuana activities as a conditional use in the Large Island and General Island zones.

ACTION: Motion **PASSED** unanimously 4-0 on a voice vote.

DIRECTORS REPORT: Scarcelli reported that he and Bosak had attended the Alaska Planning Association meeting. Scarcelli noted that the next Commission agenda would include marijuana discussion, a Comprehensive Plan presentation by staff, and two variances.

COMMISSIONER DISCUSSION: Spivey asked about public attendance at Marijuana Advisory Committee meetings. Windsor stated that the Committee has not had much public attendance, and is considering holding a Town Hall meeting. Pohlman stated that there are potential benefits to legal marijuana activity that are not being discussed, such as marijuana cultivators using leftover planting pots that would otherwise be sent to the landfill.

MOTION: M/S WINDSOR/POHLMAN moved to adjourn at 8:53 pm.

ACTION: Motion **PASSED** unanimously 4-0 on a voice vote.

Chris Spivey, Chair

Samantha Pierson, Secretary



CITY AND BOROUGH OF SITKA

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

Minutes - Final City and Borough Assembly

*Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Benjamin Miyasato
Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Michelle Putz*

*Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Sara Peterson, CMC*

Wednesday, May 27, 2015

6:00 PM

Assembly Chambers

WORK SESSION 5:00 PM

[15-083](#) Taxation Overview by Assessor, Wendy Lawrence

Assessor, Wendy Lawrence, provided an overview of taxation issues.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz

IV. CORRESPONDENCE/AGENDA CHANGES

[15-085](#) 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)

Tim Fulton, Sitka School Board Clerk, thanked the Assembly for their support and reported on recent events in the District.

VII. PERSONS TO BE HEARD

Linda Behnken, Director of Alaska Longline Fisherman's Association, reported the North Pacific Fishery Management Council would be in Sitka the week of June 1 to address the issue of Bering Sea halibut bycatch.

Robb Farmer, Director of Kettleson Memorial Library, informed the Assembly and public of upcoming events at the Library.

Cindy Litman, member of the Library Commission, read from the "Kettleson Memorial Library Information Sheet" which was prepared by the Library Commission. She spoke in opposition to reducing the hours of operation at the Library.

Linda Marlin stated the money from the sale of Blue Lake water should go to the people of Sitka.

VIII. REPORTS

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

Mayor - Attended an AML Board meeting in Anchorage which included participating in the Sustainable Alaska Committee formed of AML members providing recommendations to help make the State budget sustainable. McConnell also attended the final Sitka Branding Committee meeting and announced a public unveiling would be held at Harrigan Hall on May 28.

Administrator - Announced recent news of the reduction of community jail funding from the State, reported on Blue Lake Road access and Harbor Mountain Road repair, and announced travel to Washington DC in June to speak to the Delegation about exporting water.

Liaison Representatives - Putz reported on activities of the Tree and Landscape Committee and Investment Committee, Guevin attended Health Needs and Human Services Commission and added that the Commission goals would come before the Assembly for approval in the future, Miyasato attended the Parks and Recreation Committee meeting.

IX. CONSENT AGENDA

A [15-079](#) Approve the minutes of the May 12, 2015 Assembly meeting

This item was APPROVED on the Consent Agenda. The motion PASSED by a unanimous voice vote.

B [15-077](#) Approve a request filed by Dove Island Lodge for an expansion of licensed premises under liquor license #5126

Eisenbeisz and Putz expressed concern over safety issues of serving alcohol at the dock. Dove Island Lodge owner, Harold Duane Lambeth, offered it was a service provided to clients and will be closely monitored by staff of Dove Island Lodge.

A motion was made by Hunter to APPROVE this item. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Guevin, and Putz

No: 1 - Eisenbeisz

- C [RES 15-12](#) Setting the millage rates for the Fiscal Year July 1, 2015 through June 30, 2016
- Putz reminded the public how low Sitka's millage rate was and that of the 6 mills, 4 of those went to the schools leaving 2 mills for general purposes.
- A motion was made by Putz to APPROVE this Resolution on first and final reading. The motion PASSED by the following vote.**
- Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz
- D [15-076](#) ~~Award the Tree and Brush Clearing service contract to Marshall Albertson dba Absolute Tree Care not to exceed an amount of \$175,000 for the FY2016 budget - PULLED~~
- This item was PULLED from the agenda prior to the start of the meeting. No action was taken.
- E [15-080](#) Award a contract to MCG Constructors, Inc. in the amount of \$1,145,204.00 for completion of the Baranof Street and Monastery Street Utility and Street Improvements project
- Putz wondered if the level of work was necessary and if there might be a way to scale back to save money. Gorman offered this was a great deal for the citizens of Sitka as the funds were coming from the State. Gorman read the funding project revenue sources and noted the loan was at 1.5% interest. Hunter thanked staff for their work.
- A motion was made by Hunter to APPROVE this item. The motion PASSED by the following vote.**
- Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz
- X. **BOARD, COMMISSION, COMMITTEE APPOINTMENTS**
- F [15-078](#) Reappoint Roberta Littlefield and Ana Dittmar to three-year terms on the Historic Preservation Commission
- Putz thanked both individuals for their willingness to serve.
- A motion was made by Swanson that this Item be APPROVED. The motion PASSED by the following vote.**
- Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz
- XI. **UNFINISHED BUSINESS:**
- G [ORD 15-24A](#) Amending SGC Section 4.09.100 N entitled Over One Thousand Five Hundred Dollars on Sales and Rents of Tangible Personal Property and on Sales and Services to increase the taxable transaction limit from \$1,500 to \$3,000 (*third and final reading - effective date October 1, 2015*)
- Ann Wilkinson, Jennifer Robinson (Chamber of Commerce), Theresa Weiser and John Belcher, John Ohaus, Chuck McNamee, Greg Kain, Sharon Romine, Peggy Gipple, and Matt Donohoe spoke in support of the amendment to change the effective date to October 1, 2015.
- Robert Carlson offered that with decreased state and federal spending Sitka needed

to reevaluate its spending and taxation.

Dave Fowler and Volney Smith testified the cost of living in Sitka was continuing to rise and would affect all citizens not just the tourists.

Assembly members thanked those who had testified and offered their opinions on the ordinance. Some stated it was needed in order to fund the schools while others noted a larger conversation was needed to explore what services the community was willing to pay for.

A motion was made by Putz that this Ordinance be APPROVED on second reading. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz

H [ORD 15-31](#)

Clarifying Sitka General Code Title 2 Administration, at Chapter 2.40 Elections, Section 2.40.095 Candidate Biographical Information

A motion was made by Hunter that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz

XII. NEW BUSINESS:

New Business First Reading

I [ORD 15-34](#)

Amending Sitka General Code Title 23 "Parks and Recreation" by adding a new Chapter 23.40 entitled "Municipal Trees and Landscaping"

Putz and Guevin thanked the Tree and Landscape Committee and staff for their work. Lynne Brandon, Parks and Recreation Manager, and Joe D'Arienzo, Chair of the Tree and Landscape Committee came forward to summarize the ordinance. Brandon stated the main idea behind the ordinance was to manage the City's trees and park areas. Eisenbeisz stated he did not support the ordinance explaining he felt it increased the complexity of government and ultimately increased the cost of operations.

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

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Guevin, and Putz

No: 1 - Eisenbeisz

J [ORD 15-10](#)

Amending Title 15 of the Sitka General Code to increase water rates at Section 15.04.100 entitled "Service Connection Charge", 15.04.320 entitled "Rates and Fees" Sections 15.05.240A entitled "Service Connection Charge", 15.05.620 entitled "Rates and Fees" and to increase wastewater rates

Linda Marlin asked for clarification of rates during the Assembly's deliberation.

Mary Jo McNally encouraged the Assembly to stop raising rates and instead make

cuts in the City budget.

Putz offered that costs to provide services were increasing. She also noted that switching utilities over to a private entity would not be cheaper. Hunter understood the public sentiment regarding rate increases. He reminded the public the City hadn't saved for what was needed over the last 20-30 years and it was necessary to set aside money that paid for operations as well as future infrastructure repairs. Eisenbeisz spoke in opposition to the ordinance stating he didn't feel the public was ready for the increase and wanted to ensure the public was informed.

Swanson wondered how soon another rate increase would be needed. Jay Sweeney, Chief Finance and Administrative Officer, stated a rate increase would be needed each year to pay for identified infrastructure needs. Sweeney stated staff was recommending a 4.9% increase in wastewater rates for FY16 and a 10% fee increase in water rates.

A motion was made by Putz that this Ordinance be APPROVED on first reading. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Miyasato, Guevin, and Putz

No: 2 - Swanson, and Eisenbeisz

K [ORD 15-35](#)

Repealing Sitka General Code Chapter 4.09 "Sales Tax" Section 4.09.100Y. "Exemption for Persons Who Have Reached the Age of Sixty-Five" and establishing section 4.09.130 "Rebate of a portion of Sales Tax for Certain Persons Who Have Reached the Age of Sixty-Five and are Experiencing Financial Hardship"

Matt Hunter, one of the ordinance sponsors, offered a summary of the ordinance which would repeal the exemption and instead institute a rebate program where any senior that currently qualified for the tax exemption would qualify for a rebate. As part of the application process the individual would need to identify themselves as experiencing a financial hardship.

Valorie Nelson, former Assembly member and Mayor, felt past Assemblies were being blamed for not raising rates.

Ann Wilkinson, Debbie Brettsfield, Matt Donohoe, Lawrence SpottedBird, William Kanosh, Robert Carlson, Shirley Robards, Michael Baines, Volney Smith, Mary Jo McNally, Patricia Steadlack, Linda Marlin, Alene Henning, and Amanda Roberts spoke in opposition to the ordinance.

Cindy Litman spoke in support of the ordinance.

Assembly members offered their opinions and ideas on how the ordinance might be edited. Ultimately, members decided to form a three person working group (Hunter, Eisenbeisz, Guevin) and work with staff to bring a substitute ordinance back before the Assembly on June 23, 2015.

A motion was made by Putz that this Ordinance be POSTPONED to June 23, 2015. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz

L [ORD 15-36](#)

Placing a Ballot Question on the Regular Election on October 6, 2015 to amend the Home Rule Charter of the City and Borough of Sitka at Article

13.03 entitled "Property Tax Limit" to increase the millage rate limit by one tenth of one percent (.001), which would be seven tenths of one percent (.007), or seven (7.0) mills to be used to support the Sitka School District

Mary Wagner, Superintendent of the Sitka School District, spoke to the District's success and thanked the community for their support.

Ann Wilkinson expressed the need for future planning.

Jennifer McNichol spoke in support of the ordinance.

Putz offered that a one mill increase was short-sighted and unrealistic. Putz wished to see an increase of more than one mill with one mill going to the schools and one mill for general purposes.

Assessor, Wendy Lawrence, provided a brief summary of material covered in the worksession on taxation. Lawrence recommended a budget driven mill rate or a revenue capped mill rate.

Administrator, Mark Gorman, stated the City needed to be looking at comprehensive tax reform.

Guevin reminded the Assembly and the public the average mill rate for Alaska was 11.33% - double from Sitka's rate. He encouraged the Assembly and the public to take some time and engage in a more comprehensive approach.

A motion was made by Miyasato that this Ordinance be APPROVED on first reading. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Miyasato, Eisenbeisz, and Guevin

No: 2 - Swanson, and Putz

A motion was made by Hunter to extend the meeting to 11pm. The motion PASSED by the following vote.

Yes: 7 - Guevin, Putz, McConnell, Eisenbeisz, Swanson, Hunter, Miyasato

M [ORD 15-32](#)

Adjusting the FY15 Budget

A motion was made by Hunter that this Ordinance be APPROVED on first reading. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Guevin, and Putz

No: 1 - Eisenbeisz

N [ORD 15-33](#)

Adopting budgets for the Fiscal Year July 1, 2015 through June 30, 2016

Putz asked for clarification of the \$700,000 deficit. Administrator, Mark Gorman, confirmed the deficit and added the amount was approaching \$1 million given the recent news of the reduction in State funding for the jails.

Jay Sweeney, Chief Finance and Administrative Officer, explained the process and timeline for passing the budget.

Guevin expressed a desire to reduce the deficit prior to passing the budget.

Assembly members offered it would be worthwhile to put the proposed reduction list before the public and solicit comments.

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

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Guevin, and Putz

No: 1 - Eisenbeisz

Additional New Business Items

- O** [15-081](#) Approve moving forward with a land swap concept between the City and Borough of Sitka and Sound Development, LLC above Emmons Street in the Whitcomb Heights Subdivision
- Gorman clarified the highlighted lots in the packet were those the City needed for infrastructure. The land selected for the swap would go before the Planning Commission for discussion and then ultimately come before the Assembly for final approval.
- Jeremy Twaddle of Sound Development, LLC explained they were trying to swap the land the City needed for infrastructure back for a comparable amount of land.
- Eisenbeisz wondered if a right of way could be placed on the land. Municipal Attorney, Robin Koutchak, said there could be but that the City was trying to come to a mutual agreement between all parties involved. She added this was a very equitable solution.
- A motion was made by Putz that this Item be APPROVED. The motion PASSED by the following vote.**
- Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz
- P** [15-082](#) Approve a final subdivision plat for a Planned Unit Development Subdivision at 100 Indian River Road filed by the Baranof Island Housing Authority
- Putz thanked Baranof Island Housing Authority for their work to make affordable housing available to Sitkans.
- A motion was made by Putz that this Item be APPROVED. The motion PASSED by the following vote.**
- Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz
- Q** [15-084](#) Approve the formation of a Citizens' Revenue Taskforce and select members
- No action was taken on this item. After further discussion, Assembly members directed the Municipal Administrator to come back to the Assembly with a revised framework for the taskforce.**

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. Hearing no objection the meeting ADJOURNED at 10:53pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

Date: 11/25/2015

From: Michael Scarcelli, Senior Planner, and Samantha Pierson, Planner I

To: Planning Commission

Re: P15-13 BIHA PUD Major Amendment to P 15-02 at 100 Indian River Road

GENERAL INFORMATION

Applicant: Baranof Island Housing Authority

Property Owner: Same as above

Property Address: 100 Indian River Road

Legal Description: Lot 3AA-1,-2, & -3,
Indian River Resub. No. 3

Parcel ID Number: 18565003

Size of Existing Lot: Lot 3AA: 135,218 sq. ft.

Zoning: R-2 MHP

Existing Land Use: Multi-family residential

Utilities: City water and sewer

Access: This parcel has access directly from Indian River Road

Surrounding Land Use: Single family and multi-family residential

MEETING FLOW

- Report from Staff
- Applicant comes forward
- Applicant identifies him/herself – provides comments
- Commissioners ask applicant questions
- Staff asks applicant any questions
- Floor opened up for Public Comment
- Applicant has opportunity to clarify or provide additional information
- Comment period closed - brought back to the board
- Findings
- Motion to approve the final plat

ATTACHMENTS

Attachment A: April 30, 2015 Staff Report in support of P 15-02

Attachment B: Aerial Vicinity Map

Attachment C: Parcel Pictures

Attachment D: Final Subdivision Plat

Attachment E: Parking Plan
Attachment F: Application
Attachment G: Site Plan
Attachment H: Current Proposed Revised Plat
Attachment I: Zoning Map
Attachment J: Mailing List
Attachment K: Proof of Payment
Attachment L: Warranty Deed

BACKGROUND

The BIHA Multi-family housing PUD was granted approval by the Planning Commission on May 5, 2015, on a 4-0 vote. The Assembly approved the final plat on May 27, 2015 on a 7-0 vote. It included a three phase development process. At the time of originally approval, lots 3AA-2 and lots 3AA-3 were approved for a four-plex on each individual lot at an angled orientation, with a total of 8 units in phase 3 (see Attachment E: Parking Plan for old orientation and Attachment G for Site Plan for proposed orientation)

PROJECT DESCRIPTION

The Applicant has proposed an orthogonal or rectangular 8-plex that crosses across the shared property line of lots 3AA-2 and 3AA-3. The buildings would be separated by a common fire wall approved by the Building Official and Fire Marshal. In addition, the proposed major amendment would reduce phase three from eight (8) two bedroom units to 4 two bedroom units and 4 one bedroom units divided in half on each lot. There are no proposed changes to parking. While the number of bedrooms has changed from 16 total bedrooms to 12 bedrooms, the total number of dwelling units has remained the same.

ANALYSIS

Project/Site:

PUD Requirements CBS 21.28.010 General provisions for planned unit developments (PUD).

It is the intent of the city and borough to encourage **imaginative and innovative design** in the application of subdivision and improvement standards for subdivision developments proposed as planned unit cluster development projects, commercial centers, industrial parks, and shopping centers. Planned unit development proposals shall be subject to requirements of all existing city and borough ordinances, except as modified by this chapter to create development qualities different from those that result from conventional design. Projects developed under the provisions of this chapter should:

- A. Encourage the enhancement and conservation of lands which have scenic, environmental, cultural, and historical significance;
- B. Enable the development of property other than by the strict application of subdivision standards in order to allow for mixed uses and mixed densities, and provide a greater level of design features and site amenities;

C. Provide for more efficient use of land, resulting in better coordinated networks of utilities and safer networks of streets, promoting greater opportunities for public and private recreational open space, and resulting in lower construction and maintenance costs to the general public;

D. Encourage harmonious and coordinated development of the site, considering the natural features, community facilities, pedestrian and vehicular circulation in conformance with overall transportation plans, and the land use relationship with surrounding properties and the general community.

Departure from the subdivision regulations and standards requires demonstration that adequate provisions will be made for sufficient light and air, that the density of development is compatible with surrounding land uses, that pedestrian and vehicular traffic circulation systems are safe and efficient, that the development will progress in orderly phases, and that the public health, safety, and general welfare will be protected. (Ord. 03-1729 § 4 (part), 2003.)

Procedure: Planned Unit Developments shall follow the same process for major subdivision review and shall include approval by both Planning Commission and City Assembly and follow section 21.32.¹ In this case, this would require Planning Commission review and approval of the preliminary and also final plat, with additional review and action on the Final Plat by the City Assembly.² It can be argued that only Planning Commission approval is required for a change in concept that does not alter the overall nature of the Planned Unit Development.³ However, due to the unique nature of the change, the fact that this goes beyond a concept plat, and that Section 21.52.015 grants to the City Assembly the authority to for final approval of the Planned Unit Development and final plat, it is staff's opinion that the three step process for approval of this major amendment be followed (two steps at P.C. and one final step at C.A.).

Traffic: Proposal arguably reduces traffic impacts by decreasing bedrooms while maintaining same level of parking. There would most likely be fewer trips due to fewer occupants resulting from fewer bedrooms.

Parking: Parking is remaining the same and same requirements apply, but proposal will have a positive impact due to fewer bedrooms.

1. Residential Uses. For each dwelling unit up to and including four-family buildings: two parking spaces per unit. For five-unit buildings and above: one and one-half spaces per unit.⁴ Each dwelling unit must have parking spaces independently accessed.

M. Handicapped Parking Spaces. Any building or use required to have more than nine off-street parking spaces shall designate at least one space for handicapped parking. Any parking lot with thirty-five or more spaces shall have at least three handicapped spaces.⁵

Noise: Common fire wall will mitigate any noise between the two halves, but should not be any greater than existing multi-plex units that do not have a common fire wall.

Public Health or Safety: No further effects than approved PUD.

¹ Section 21.28.040—Procedure.

² Section 21.32.010—General Outline of Procedure for Major Plat Approval.

³ Section 21.28.070—Changes in Concept Plan.

⁴ Section 22.20.100.G.1—Residential Uses

⁵ Section 22.20.100.M—Handicapped Parking Spaces.

Habitat: No further effects.

Property Value or Neighborhood Harmony: Same as prior approval.

Comprehensive Plan:

The proposal is consistent with the Comprehensive Plan section 2.4.1, which states, “To guide the orderly and efficient use of private and public land in a manner that maintains a small-town atmosphere, encourages a rural lifestyle, recognizes the natural environment, and enhances the quality of life for present and future generations.”

FINDINGS:

Staff recommends the following findings:

- 1) That the proposed amendment complies with the comprehensive plan by providing for the enhancement of the quality of life in Sitka through the development of affordable housing options;
- 2) That the major amendment, though creative and unique, is in line with the prior approved Planned Unit Subdivision; and
- 3) That the major amendment would not be injurious to the Publics’ healthy, safety, and welfare.

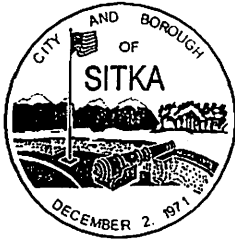
RECOMMENDATION

It is recommended that the Planning Commission adopt the Senior Planner’s analysis and move to approve the amendment to Planned Unit Development 15-02 for the preliminary plat subject to the access and utility easements being slightly modified to incorporate the parking and utilities that cross lot 3AA-1 into lots 3AA-2 and 3AA-3; and that a binding plat note stating no lot may be sold independently of the other lots.⁶

RECOMMENDED MOTION

Move to approve the preliminary plat for a major amendment to a planned unit development subdivision permit requested by the Baranof Island Housing Authority (BIHA) at 100 Indian River Road. This approval is subject to the access and utility easements being slightly modified to incorporate the parking and utilities that cross lots 3AA-1 into lots 3AA-2 and 3AA-3; and that a binding plat note stating no lot may be sold independently of the other lots. The property is also known as Lot 3AA, Indian River Subdivision No. 2. The request is to allow a multiplex residential structure across lot lines. The owner of record is the Baranof Island Housing Authority.

⁶ Supported by SGC Section 21.28.030 Ownership



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Planning and Community Development Department

Date: 4/30/2015

From: Maegan Bosak, PCDD

To: Planning Commission

Re: BIHA P 15-02 PUD Final Plat at 100 Indian River Road

GENERAL INFORMATION

Applicant: Baranof Island Housing Authority

Property Owner: Same as above

Property Address: 100 Indian River Road

Legal Description: Lot 3AA, Indian River Resubdivision No. 2

Parcel ID Number: 18565003

Size of Existing Lot: Lot 3A: 135,218 sq. ft.

Zoning: R-2 MHP

Existing Land Use: Multi-family Residential

Utilities: City water and sewer

Access: This parcel has access directly from Indian River Road.

Surrounding Land Use: Single family and multi-family residential

MEETING FLOW

- Report from Staff
- Applicant comes forward
- Applicant identifies him/herself – provides comments
- Commissioners ask applicant questions
- Staff asks applicant any questions
- Floor opened up for Public Comment
- Applicant has opportunity to clarify or provide additional information
- Comment period closed - brought back to the board
- Findings
- Motion to approve the preliminary plat

ATTACHMENTS

Attachment A: Vicinity Map

Attachment B: Aerial Vicinity Map

Attachment C: Parcel Pictures

Attachment D: Final Subdivision Plat

Providing for today...preparing for tomorrow

Attachment E: Parking Plan
Attachment F: Application
Attachment G: Site Plan
Attachment H: Current Plat
Attachment I: Zoning Map
Attachment J: Mailing List
Attachment K: Proof of Payment
Attachment L: Warranty Deed

PROJECT DESCRIPTION

Baranof Island Housing Authority is proposing a preliminary plat for a planned unit development at 100 Indian River Road. The property has acted as a PUD historically with two 4 plexes built in 2007 and two additional built in 2010. This request is to facilitate grant funding and proceed with phase 3.

The large lot will be broken into 4 smaller lots.

Lot A will consist of 93,978 sq. ft. and feature Phase 1 and 2 as well as parking, access and greenspace.

Lot B will consist of 6,685 sq. ft. and will feature one new four plex as part of phase 3.

Lot C will consist of 6,149 sq. ft. and will feature one new four plex as part of phase 3.

Lot D will consist of 28,417 sq. ft. and will be reserved for future development in phase 4.

Access and greenspace requirements listed in the subdivision code, are included in Lot A.

ANALYSIS

PUD Requirements CBS 21.28.010 General provisions for planned unit developments (PUD).

It is the intent of the city and borough to encourage imaginative and innovative design in the application of subdivision and improvement standards for subdivision developments proposed as planned unit cluster development projects, commercial centers, industrial parks, and shopping centers. Planned unit development proposals shall be subject to requirements of all existing city and borough ordinances, except as modified by this chapter to create development qualities different from those that result from conventional design. Projects developed under the provisions of this chapter should:

- A. Encourage the enhancement and conservation of lands which have scenic, environmental, cultural, and historical significance;
- B. Enable the development of property other than by the strict application of subdivision standards in order to allow for mixed uses and mixed densities, and provide a greater level of design features and site amenities;
- C. Provide for more efficient use of land, resulting in better coordinated networks of utilities and safer networks of streets, promoting greater opportunities for public and private recreational open space, and resulting in lower construction and maintenance costs to the general public;
- D. Encourage harmonious and coordinated development of the site, considering the natural features, community facilities, pedestrian and vehicular circulation in conformance with overall transportation plans, and the land use relationship with surrounding properties and the general community.

Departure from the subdivision regulations and standards requires demonstration that adequate provisions will be made for sufficient light and air, that the density of development is compatible with surrounding land uses, that pedestrian and vehicular traffic circulation systems are safe and efficient, that the development will progress in orderly phases, and that the public health, safety, and general welfare will be protected. (Ord. 03-1729 § 4 (part), 2003.)

Staff feels that submitted plans showcase a complete planned unit development according to the requirements above. This development will accommodate a high density use will maximizing greenspace and shared infrastructure.

Parking Staff is requesting a parking plan from applicant. CBS code 22.20.100 off street parking requirements states:

1. Residential Uses. For each dwelling unit up to and including four-family buildings: two parking spaces per unit. For five-unit buildings and above: one and one-half spaces per unit. Each dwelling unit must have parking spaces independently accessed.

M. Handicapped Parking Spaces. Any building or use required to have more than nine off-street parking spaces shall designate at least one space for handicapped parking. Any parking lot with thirty-five or more spaces shall have at least three handicapped spaces.

Development Review Committee The Development Review Committee met with the applicants on 4/14 (consisting of public works, electric, wastewater, building and planning departments) to vet any major concerns. There were none. Utility and access easements were the main topics of conversation.

Staff recommends a binding plat note that states no lot may be sold independently.

RECOMMENDATION

It is recommended that the Planning Commission adopt the Director's analysis and move to approve the preliminary plat.

5/5/15 – Update:

To date there have been no changes from the preliminary plat. Included in your packets is the parking plan as requested in a condition tied to the motion of approval.

It is recommended that the Planning Commission adopt the Director's analysis and move to approve the final plat.



CITY AND BOROUGH OF SITKA

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
GENERAL APPLICATION FORM

1. Request projects at least FOURTEEN (14) days in advance of next meeting date.
2. Review guidelines and procedural information.
3. Fill form out completely. No request will be considered without a completed form.
4. Submit all supporting documents and proof of payment.

APPLICATION FOR:

VARIANCE CONDITIONAL USE
 ZONING AMENDMENT PLAT - P.U.D. AMENDMENT

BRIEF DESCRIPTION OF REQUEST: Amend approved BIHA Multi-Family Housing PUD located at 100 Indian River Road.

Easements added (increased) per recommendation of Planning Department. Also, minor changes to PUD subdivision lot lines approved by Planning Commission on Dec. 1, 2015. This PUD was first approved by Sitka Planning Commission at May 5, 2015 meeting.

PROPERTY INFORMATION:

CURRENT ZONING: R2-MHP PROPOSED ZONING (if applicable): same
 CURRENT LAND USE(S): multi-family housing PROPOSED LAND USES (if changing): same
(AFFORDABLE RENTALS)

APPLICANT INFORMATION:

PROPERTY OWNER: Baranof Island Housing Authority
 PROPERTY OWNER ADDRESS: 245 Katlian Street
 STREET ADDRESS OF PROPERTY: 100 Indian River Road
 APPLICANT'S NAME: Baranof Island Housing Authority (contact: Cliff Richter)
 MAILING ADDRESS: 245 Katlian Street
 EMAIL ADDRESS: cliff@bihasitka.org DAYTIME PHONE: 907-747-5088

PROPERTY LEGAL DESCRIPTION:

TAX ID: Parcel ID: 18565003 LOT: 3AA BLOCK: -- TRACT: --
 SUBDIVISION: Indian River Resubdivision No. 2 US SURVEY: --

OFFICE USE ONLY

COMPLETED APPLICATION		SITE PLAN	
NARRATIVE		CURRENT PLAT	
FEE		PARKING PLAN	

BIHA
 PUD Major Amendment
 100 Indian River Road

REQUIRED SUPPLEMENTAL INFORMATION:

ALL REQUIRED SUPPORT DOCS
SUBMITTED w/ ORIGINAL
P.U.D. APPLICATIONS

- Completed application form
- Narrative
- Site Plan showing all existing and proposed structures with dimensions and location of utilities
- Proof of filing fee payment
- Proof of ownership
- Copy of current plat
- Topographic information (If Pertinent to Application)
- Landscape Plan (If Pertinent to Application)
- Drainage and Utility Plan (If Pertinent to Application)
- Parking Plan (For Conditional Use Permit)
- Floor Plan (For Conditional Use Permit)
- Three (3) copies of concept plat (For Plat)
- Plat Certificate from a title company (For Plat)

CERTIFICATION:

I hereby certify that I am the owner of the property described above and that I desire a planning action in conformance with Sitka General Code and hereby state that all of the above statements are true. I certify that this application meets SCG requirements to the best of my knowledge, belief, and professional ability. I acknowledge that payment of the review fee is non-refundable, is to cover costs associated with the processing of this application, and does not ensure approval of the request. I understand that public notice will be mailed to neighboring property owners and published in the Daily Sitka Sentinel. I further authorize municipal staff to access the property to conduct site visits as necessary.


Owner

01/19/2016
Date

Applicant (If different than owner)

Date

BIHA
PUD Major Amendment
100 Indian River Road

CITY AND BOROUGH OF SITKA
 PLANNING DEPARTMENT
 SUBDIVISION PLAT APPLICATION

	Boundary Line Adjustment	\$25.00
	Major Subdivision	\$50.00
	Minor Subdivision	\$50.00
X	Planned Unit Development Subdivision - MAJOR AMENDMENT	\$50.00
	Subdivision Replat	\$50.00
* Plus current sales tax *		

BARANOF ISLAND

Applicant's Name: HOUSING AUTHORITY
 Address: 245 KATHAN STREET
SITKA, AK 99835

Phone: 907-747-5088

Owner's Name: _____
 (If different from applicant)
 Address: _____

Phone: _____

Legal Description: Lot 3AA Block - U.S. Survey No. -
 Existing Subdivision INDIAN RIVER RESUBDIVISION NO. 3 (P.U.D.)
 Project Address 100 INDIAN RIVER ROAD
 Number of Lots Created _____ Smallest _____ sq.ft. Largest _____ sq.ft.

IMPORTANT - PLEASE READ AND REVIEW

- Check if there are any easements on the property and show them on all concept and preliminary plats.
- Check if there are any drainage or storm water facilities on the property and show them on all concept and preliminary plats.
- Check if there are any encroachments on current or proposed easements and show them on all concept and preliminary plats.
- Check if there are any public or private utilities on the property and show them on all concept and preliminary plats.

(Formerly No. 2)

NOTE: DRAFT DRAWINGS ATTACHED.
 FINAL DRAWINGS & WRITTEN NARRATIVE TO FOLLOW.

ITEMS TO REMEMBER:

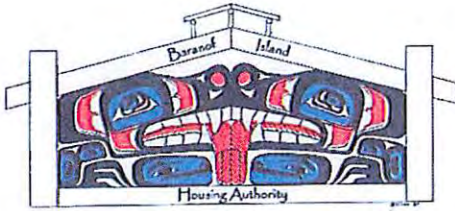
1. Application and two copies of plat are to be submitted at least 13 days prior to the next Planning Commission meeting.
2. Taxes must be current before an application is processed. All L.I.D.'s (if any) must be paid in full prior to the recording of any final plat.
3. Minor subdivisions and boundary line adjustments require submittal of owner's Deed of Trust.
4. Review your subdivision with both the Electrical and Engineering Departments to avoid unnecessary delays.
5. A filing fee of \$50.00 plus current sales tax is required for replats, planned unit developments, and minor and major subdivisions which covers recording as well as notice and postage costs. A fee of \$25.00 plus current sales tax is required for boundary line adjustments.
6. Plats shall contain the information above and all other information required in the Sitka General Code, Title 21 Subdivisions.
7. Lot areas are net of access easements.
8. EXISTING AND PROPOSED UTILITY LINES MUST BE PROTECTED BY EASEMENTS. THE APPLICANT IS REQUIRED TO HAVE A SURVEYOR LOCATE EXISTING LINES AND SHOW THE PROPOSED EASEMENTS.

Applicants are encouraged to obtain a Plat Certificate from a title company prior to having the subdivision plat prepared. The certificate verifies ownership, easements, and other recorded documents that affect the property. Obtaining a plat certificate and providing it to the surveyor and the municipality may prevent future title problems.

In applying for and signing this application, the pration, the property owner hereby grants permission to Municipal staff to access the property before arty before and after the Planning Commission's review for the purposes of inspecting the prcting the proposed and/or approved parcels.

Applicant's Signature: [Signature] Date: 11/17/2015

Owner's Signature: _____ Date: _____
 (If different from applicant)



Baranof Island Housing Authority
245 Katlian Street
Sitka AK 99835
(907) 747-5088 • fax (907) 747-5701

November 20, 2015

Re: Major Amendment to PUD 15-02 (BIHA Multi-Family Housing PUD at 100 Indian River Road)

To the Sitka Planning Department & Members of the Sitka Planning Commission:

The purpose of this letter is to request an amendment to Baranof Island Housing Authority's (BIHA's) PUD 15-02, which was first reviewed and approved by the Sitka Planning Commission on May 5, 2015. The property is located at 100 Indian River Road on Lot 3AA of Indian River Re-Subdivision No. 2.

Our plans for upcoming Phase 3 development – consisting of 8 affordable rental units – hit a snag this past summer when our most recent construction estimate came back at a dollar figure that was significantly over our target range. Since we received that news, we've gone "back to the drawing board" with our Architect on more than one occasion and revisited the design of Phase 3. As a result of this re-design process, we have identified some significant project changes and meaningful cost reductions that will put us in a much better position to actually afford to build the project when we go out to bid in 2016.

Description of Proposed Changes to PUD

Below is a summary of the proposed major changes to be made to the PUD, and more specifically, work related to upcoming Phase 3 development:

- Change 4-plex building orientations from skewed (angled) layout to an orthogonal (simple rectangular) design. This simplified layout is more suitable for the existing site and will result in reduced site work, foundation work and building square footage. More right angles minimizes the complexity of the design and simplifies construction layout! It also improves setbacks distances in nearly all directions.
- Join the two 4-plexes together with a shared common wall to be located on the property line to be shared between proposed new Buildings A and B on Lots 3AA-2 and 3AA-3. Refer to updated site plan and floor plan drawings submitted with the application. This change would result in a reduction in the side setbacks to zero feet on Lots 3AA-2 (southeast side setback only) and 3AA-3 (northwest side setback only). The common wall would be appropriately fire rated as determined by the applicable building code. This approach has been confirmed with the Sitka Building Department.
- Previous Phase 3 plans included construction of eight (8) two-bedroom rental units, 4 units on Lot 3AA-2 and 4 units on Lot 3AA-3. In an effort to decrease building square footage, and therefore overall project cost, we are now proposing to construct two (2) two-bedroom units and two (2) single-bedroom units on Lot 3AA-2 and likewise two (2) two-bedroom units and two (2) single-bedroom units on Lot 3AA-3.
- Note that no changes are proposed to the original parking plan (approved May 5, 2015). The same number of parking spaces shall be provided; however, parking demand should see some relief as a result in the change from two-bedroom units to single bedroom units.

Rationale and Justification of Proposed Changes

As mentioned at the start of this letter, the reason for the proposed changes to the project are based primarily on cost. Our initial target construction budget was set at \$2 million (for Phase 3 only). Our sky high cost estimate, prepared by an independent, professional estimating consultant, came back at \$3.4 million - not exactly our idea of "affordable" housing. These major changes, along with several other minor changes, should work to cut that difference in half. We hope to do even better than that. We really need the construction cost to come in at or below \$2.5 to \$2.7 million range for BIHA to consider the project to be feasible. We feel that approval of this PUD Amendment will provide us the opportunity to bring down the project cost in a big way without really sacrificing a whole lot. The proposed changes will allow our organization to continue to construct safe and sanitary affordable housing of modest design, just as BIHA has done in Sitka for more 30 years.

I believe it is reasonable for this change to be considered as an Amendment to the original PUD 15-02 on the basis that the primary scope of the PUD/project has not changed. The same number of total dwelling units – all rental units – shall be provided. Furthermore, the same number of dwellings per lot shall not be changed from what was originally proposed and approved in May 2015.

Also it is my understanding that one of the primary purposes of a Planned Unit Development (P.U.D.) as described in Title 21 and 22 of the Sitka General Code is to provide a means to allow for creative flexibility in site design, housing types, layouts, lot sizes, reduced setbacks, shared walls, etc. This request seems to meet the spirit of the law in terms of what a PUD is and why they exist in the General Code.

In conclusion, affordable housing in Sitka is, unfortunately, a rare commodity. Some would argue that it does not exist! We as a community have learned (and are still learning) that creativity and flexibility is required in solving the affordable housing puzzle. There is no quick fix. And we must work together to fix this problem. Please consider this request in light of the local economy and the housing crunch that pretty much everyone in Sitka is impacted by one way or another.

Thank you for your consideration of this request for PUD Amendment. For more information, please refer to the project drawings submitted with this application along with the plans and sketches submitted earlier this year with the original PUD application. I can be reached at cliff@bihasitka.org or by calling BIHA's main office at (907)747-5088 if you have any questions prior to the upcoming Planning Commission meeting.

Regards,

Cliff Richter, P.E. 
Development Coordinator

Parcel ID: 18557000
BARANOF ISLAND HOUSING AUTHORITY
SMCR COTTAGES NEAR AST
BARANOF ISLAND HOUSING AUTHORITY
245 KATLIAN AVE
SITKA AK 99835

Parcel ID: 18560001
STATE OF ALASKA
PUBLIC SAFETY ACADEMY
ALASKA, STATE OF
6860 GLACIER HIGHWAY
JUNEAU AK 99801

Parcel ID: 18560002
STATE OF ALASKA
PUBLIC SAFETY ACADEMY
ALASKA, STATE OF
6860 GLACIER HIGHWAY
JUNEAU AK 99801

Parcel ID: 18560003
SITKA ANB, INC.
SITKA ANB, INC.
P.O. BOX 72
SITKA AK 99835-0072

Parcel ID: 18562000
ALASKA ARTS SOUTHEAST, INC.
ALASKA ARTS SOUTHEAST, INC.
110 COLLEGE DR, STE 111
SITKA AK 99835

Parcel ID: 18562055
SITKA TRIBE OF ALASKA
CEMETERY/BURIAL GROUNDS
SITKA TRIBE OF ALASKA
456 KATLIAN AVE
SITKA AK 99835

Parcel ID: 18563002
DEBORAH SONNENBURG
SONNENBURG, DEBORAH
103 KAASDA HEEN CIRCLE
SITKA AK 99835

Parcel ID: 18563003
WILLIAM/SHERYL LANTZ
LANTZ, WILLIAM, III/SHERYL, L.
P.O. BOX 35393
JUNEAU AK 99803-5393

Parcel ID: 18563004
MARGARET PARSONS
PARSONS, MARGARET, A.
P.O. BOX 6263
SITKA AK 99835-6263

Parcel ID: 18563005
KEITH/MARGARET HARGER/AUSTIN
HARGER, KEITH/AUSTIN, MARGARET
104 KAASDA HEEN CIRCLE
SITKA AK 99835

Parcel ID: 18563006
MARGARET PARSONS
PARSONS, MARGARET, A.
P.O. BOX 6263
SITKA AK 99835-6263

Parcel ID: 18563007
JARED/ALLISON BAYNE/L
BAYNE, JARED/LAWRIE, A.
100 KAASDA HEEN CIRCLE
SITKA AK 99835

Parcel ID: 18565002
RIVERS EDGE PROPERTY, INC.
RIVERS EDGE PROPERTY, INC.
701 INDIAN RIVER RD
SITKA AK 99835

Parcel ID: 18565003
BARANOF ISLAND HOUSING AUTHORITY
BARANOF ISLAND HOUSING AUTHORITY
245 KATLIAN AVE
SITKA AK 99835

Parcel ID: 30295000
THE ALASKA RAPTOR REHABILITATION CENTER
ALASKA RAPTOR REHABILITATION CENTER
1000 RAPTOR WAY
SITKA AK 99835

Assembly Mailing
January 29, 2016

BIHA
Planned Unit Development
100 Indian River Road



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

Notice of Public Hearings

The Assembly of the City and Borough of Sitka will hold a public hearing during a regular meeting scheduled Tuesday, February 23, 2016 on the following item:

- A. **Public hearing and consideration of a major amendment to a planned unit development subdivision permit requested by the Baranof Island Housing Authority (BIHA) at 100 Indian River Road. The property is also known as Lot 3AA, Indian River Subdivision No. 2. The owner of record is the Baranof Island Housing Authority.**

The Assembly may take action on February 23, 2016. The Assembly meeting will begin at 6:00 pm at University of Alaska Southeast, 1332 Seward Avenue, Room 229 in Sitka.

Interested residents are encouraged to make comments during the meeting and written comments can be submitted to the Municipal Clerk at 100 Lincoln Street.

S-06-6865

WHEN RECORDED RETURN TO:

Name: BARANOF ISLAND HOUSING AUTHORITY
Address: P.O.Box 517
Sitka, Alaska 99835

WARRANTY DEED

THIS INDENTURE, made and entered into this 14th day of September, 2006 by and between

SHELDON JACKSON COLLEGE, a non-profit corporation

whose mailing address is: 801 Lincoln Street, Sitka, AK 99835, **GRANTOR**, and

BARANOF ISLAND HOUSING AUTHORITY

whose mailing address is: P.O.Box 517, Sitka, AK 99835, **GRANTEE**,

WITNESSETH:

That the said Grantor, for and in consideration of the sum of \$10.00 and other good and valuable consideration, does by these presents convey and warrant unto said Grantee, all of the following described property, to wit:

Lot 3A, Lot 3B, Lot 3C, and Lot 3D, INDIAN RIVER RESUBDIVISION, according to the plat thereof filed December 15, 2005 as Plat No. 2005-23, Sitka Recording District, First Judicial District, State of Alaska

SUBJECT TO covenants, conditions, easements, restrictions, reservations and rights-of-way of record, if any.

TO HAVE AND TO HOLD the premises, with the appurtenances unto the said Grantee, and to its heirs and assigns forever.

Dated: September 14th, 2006

SHELDON JACKSON COLLEGE

BY:
David Dobler
President

BY: _____

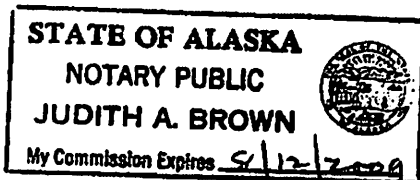
STATE OF ALASKA

)
) ss.
)

FIRST JUDICIAL DISTRICT

On this day personally appeared before me: David Dobler, President of SHELDON JACKSON COLLEGE to me known to be the individual(s) described in and who executed the above and foregoing instrument, and acknowledged to me that they signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal this 14th day of September, 2006.



Notary Public in and for the State of Alaska
My com



CITY & BOROUGH OF SITKA
100 LINCOLN STREET
SITKA, AK 998357540

Merchant ID: 00000002754907
Term ID: 04090014
409200114885

City and Borough of Sitka, AK
100 Lincoln St
Sitka, AK 99835

Date: 11/17/2015
Receipt: 2016-00025763
Cashier: Front Counter
Received From: CLIFF RICHTER FOR BIHA

Sale

MC

XXXXXXXXXXXX3021

Entry Method: Swiped

Apprvd: Online Batch#: 000780

11/17/15 12:05:10

Inv #: 000007 Appr Code: 017923

Total: \$ 50.00

PLAN - Planning Permits/Zoning	50.00
Receipt Total	50.00
Total other	50.00
Total Remitted	50.00
Total Received	50.00

Customer Copy

BIHA
Planned Unit Development
100 Indian River Road



Legislation Details

File #: 16-031 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 2/16/2016 In control: City and Borough Assembly

On agenda: 2/23/2016 Final action:

Title: Discussion/Direction on the development of the FY17 budget including extraordinary requests

Sponsors:

Indexes:

Code sections:

Attachments: [FY17 budget.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Discussion/Direction on the development of the
FY17 budget including extraordinary requests.



Memo

Thru: Mark Gorman, Municipal Administrator
To: City and Borough of Sitka Assembly
From: Jay Sweeney, Chief Finance and Administrative Officer
Date: February 15, 2016
Re: **FY2017 Extraordinary Budget Requests**

Mayor McConnell and Assembly Members,

Staff is anticipating an extremely tight and difficult fiscal climate in FY2017, in which difficult decisions will need to be made as to the allocation of resources and funding of various services and acquisitions.

Given this climate, the Administrator has set forth his guidance as to how extraordinary, or non-reoccurring, funding requests will be handled in the upcoming FY2017 budget approval process.

All extraordinary FY2017 budget requests will be addressed at the 1st FY2017 budget work session with the Assembly, tentatively scheduled for April 21, 2016. The requests will be divided into two categories:

- Internal requests (i.e., requests within the existing CBS organizational structure)
- External requests (i.e., requests by external agencies or individuals)

This policy does not apply to FY2017 grants to non-profit agencies; that process will transpire as normal after the start of the fiscal year. The policy would, however apply to any agency making a request to be funded outside of, or in addition to, the non-profit grant process. An example is The RIDE. Information has already been provided to representatives of The RIDE that their request for direct funding will be considered on April 21.