



CITY AND BOROUGH OF SITKA

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

Meeting Agenda

City and Borough Assembly

*Mayor Matthew Hunter
Deputy Mayor Steven Eisenbeisz,
Vice Deputy Mayor Bob Potrzuski,
Aaron Bean, Kevin Knox, Dr. Richard Wein,
Benjamin Miyasato*

*Municipal Administrator: Keith Brady
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, December 12, 2017

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

[17-199](#) Reminders, Calendars and General Correspondence

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

V. CEREMONIAL MATTERS

None anticipated.

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

[17-191](#) Special Report: Planning Department - Smart Growth America

Attachments: [Smart Growth America Update.pdf](#)

VII. PERSONS TO BE HEARD

Public participation on any item off the agenda. All public testimony is not to exceed 3 minutes for any individual, unless the mayor imposes other time constraints at the beginning of the agenda item.

VIII. REPORTS

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

IX. CONSENT AGENDA

All matters under Item IX Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- A** [17-192](#) Approve the minutes of the November 28 Assembly meeting

 Attachments: [Consent and Minutes.pdf](#)
- B** [17-193](#) Approve a liquor license renewal application for House of Liquors Inc. dba House of Liquor at 705 Halibut Point Road

 Attachments: [House of Liquor.pdf](#)
- C** [17-194](#) Approve the Acting Municipal Administrator list for 2018

 Attachments: [2018 Acting Administrator List.pdf](#)
- D** [RES 17-25](#) Submitting City and Borough of Sitka FY2019 State Legislative Priorities to State of Alaska and 2018 Legislature

 Attachments: [Motion and Memo Res 2017-25.pdf](#)
 [Draft FY 19 Legislative Priorities.pdf](#)
 [Res 2017-25 FY19 Legislative Priorities.pdf](#)
 [FY 2019 CBS LEGISLATIVE CAPITAL PROJECT PREQUEST.pdf](#)

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- E** [17-195](#) Reappoint Michael Nurco to a three-year term on the Port and Harbors Commission and Appoint: 1) Jay Sweeney as a CBS Staff Liaison (non-voting, ex-officio member) to the Sitka Community Hospital Board and, 2) Keith Brady as a CBS Staff Liaison alternate (non-voting, ex-officio member)

 Attachments: [Motion appointments.pdf](#)
 [Nurco application.pdf](#)
 [Memo and Sweeney - Brady applications.pdf](#)

XI. UNFINISHED BUSINESS:

- F [ORD 17-39S](#) Amending Sitka General Code Chapter 15.01 "Electric Utility Policies" at Section 15.01.020 "Electrical Rates" by adding Subsection P "Commercial Electric Rate Temporary Incentive Program"

Attachments: [Motion and Ord 2017-39S.pdf](#)

- G [ORD 17-40](#) Adjusting the FY18 Budget (Crescent Harbor Playground Project)

Attachments: [Motion and Memo Ord 2017-40.pdf](#)

[Ord 2017-40.pdf](#)

[additional documentation.pdf](#)

- H [ORD 17-42](#) Adding a new Title 24 "Non-Discrimination" and a new Chapter 24.05 "Non-Discrimination"

Attachments: [Motion and Ord 2017-42.pdf](#)

XII. **NEW BUSINESS:**

New Business First Reading

- I [ORD 17-37S](#) Adjusting the FY18 Budget (Donation to St. Michael's Cathedral renovation project)

Attachments: [Motion and Memos Ord 2017-37S.pdf](#)

[Ord 2017-37S.pdf](#)

- J [ORD 17-41](#) Adjusting the FY18 Sitka Community Hospital Budget (Electronic Health Records Project)

Attachments: [Motion Ord 2017-41.pdf](#)

[SCH Memo.pdf](#)

[CERNER Attachment A -Answers to Questions.pdf](#)

[CBS Memo.pdf](#)

[Ord 2017-41.pdf](#)

- K [ORD 17-44](#) Adjusting the FY18 Budget (Pass thru grants, Justice Assistance Grant - Personnel)

Attachments: [Motion and Memo Ord 2017-44.pdf](#)

[Ord 2017-44.pdf](#)

- L [ORD 17-43](#) Adjusting the FY18 Budget (GPIP Site Clean Up Project)

Attachments: [Motion and Memo Ord 2017-43.pdf](#)

[Ord 2017-43.pdf](#)

Additional New Business Items

- M** [17-197](#) Approve an expanded scope of work for the Gary Paxton Industrial Park Dock Project to include: 1) the purchase and installation of dock security cameras with a not-to-exceed budget of \$25,000 and, 2) the establishment of a tariff schedule with a not-to-exceed budget of \$15,000
Attachments: [Motion and Memo GPIP dock scope of work.pdf](#)
- N** [17-187](#) Approve a month-to-month tideland permit between the City and Borough of Sitka and the Longliner Lodge & Suites, LLC for tidelands adjacent 485 Katlian Street
Attachments: [Motion and memo Longliner.pdf](#)
[Permit agreement Longliner.pdf](#)
[photos Longliner..pdf](#)
- O** [17-196](#) Discussion/Direction/Decision on the closure of the library expansion capital project and disposition of remaining project funds
Attachments: [Possible motions and memo Library.pdf](#)
[Library Commission letter.pdf](#)
[Friends of Sitka Public Library letter.pdf](#)
- P** [17-198](#) Discussion/Direction on the E911 system replacement
Attachments: [E911 memo.pdf](#)
[E911 DRAFT RFP.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

None anticipated.

XV. ADJOURNMENT

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

*Sara Peterson, CMC, Municipal Clerk
Publish: December 8*



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-199 **Version:** 1 **Name:**
Type: Item **Status:** AGENDA READY
File created: 12/8/2017 **In control:** City and Borough Assembly
On agenda: 12/12/2017 **Final action:**
Title: Reminders, Calendars and General Correspondence
Sponsors:
Indexes:
Code sections:
Attachments: [Reminders and Calendars.pdf](#)
[Library Director Report.pdf](#)

Date	Ver.	Action By	Action	Result
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REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Saturday, December 9	Assembly Visioning Session	9:00 AM
Tuesday, December 12	Regular Meeting	6:00 PM
Tuesday, December 26	Regular Meeting	6:00 PM



Assembly Calendar

2016 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2018

December 2017

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<u>26</u> Nov	<u>27</u>	<u>28</u>	<u>29</u>	<u>30</u>	<u>1</u> Dec	<u>2</u>
Potrzuski	Potrzuski	Potrzuski 12:00pm Health Needs & Human Services Commission Eisenbeisz 6:00pm <u>Regular Assembly Mtg</u>	Eisenbeisz	Eisenbeisz Knox	Eisenbeisz Knox CBS Holiday Party	Knox
<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>
Knox	Knox	6:00pm Special Meeting: Draft RFP for SCH - update/discuss/direct 7:00pm Planning	6:30pm Library Commission			9:00am - 12:00pm Assembly Visioning Session - Harrigan Centennial Hall
<u>10</u>	<u>11</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>15</u>	<u>16</u>
		12:00pm Parks & Rec 6:00pm <u>Regular Assembly Mtg</u>	2:00pm Health Needs & Human Services Commission 3:00pm GPIP Board of Directors 6:00pm Historic Preservation 6:15pm Port & Harbors Commission	12:00pm LEPC 12:00pm SEDA Board Meeting		
<u>17</u>	<u>18</u>	<u>19</u>	<u>20</u>	<u>21</u>	<u>22</u>	<u>23</u>
		12:00pm Tree/Landscape 7:00pm <u>Planning</u>				
<u>24</u>	<u>25</u>	<u>26</u>	<u>27</u>	<u>28</u>	<u>29</u>	<u>30</u>
	HOLIDAY	6:00pm <u>Regular Assembly Mtg</u>	6:00pm Police and Fire Commission	6:00pm Hospital Board Meeting		
<u>31</u>	<u>1</u> Jan	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
	HOLIDAY	Eisenbeisz 7:00pm Planning	Eisenbeisz 6:30pm Library Commission	Eisenbeisz 12:00pm SEDA Board Meeting	Eisenbeisz	Eisenbeisz

Assembly Calendar

2017 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2019

January 2018

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
31 <u>Dec</u>	1 <u>Jan</u>	2	3	4	5	6
	HOLIDAY	Eisenbeisz	Eisenbeisz 6:30pm Library Commission	Eisenbeisz 12:00pm SEDA Board Meeting	Eisenbeisz	Eisenbeisz
7	8	9	10	11	12	13
Eisenbeisz	Eisenbeisz	Eisenbeisz 12:00pm Parks & Rec 6:00pm <u>Regular Assembly Mtg</u>	Eisenbeisz 12:00pm Health Needs & Human Services Commission 6:00pm Historic Preservation 6:15pm Port & Harbors Commission	Eisenbeisz 12:00pm LEPC 7:00pm Planning	Eisenbeisz 3:00pm Investment Committee	Eisenbeisz
14	15	16	17	18	19	20
		12:00pm Tree/Landscape 7:00pm Planning	6:00pm Joint Work Session: Assembly and School Board - at Sitka High School Library			
21	22	23	24	25	26	27
		6:00pm <u>Regular Assembly Mtg</u>	6:00pm Police and Fire Commission	Knox 6:00pm Hospital Board Meeting	Knox	Knox
28	29	30	31	1 <u>Feb</u>	2	3
Knox	Knox			12:00pm SEDA Board Meeting		



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Library Director Report: November 2017

Highlights: The Film Noir Club event on 11/04/17 attracted 44 people, the highest attendance of the program to date. The author event featuring Jeff Budd attracted over 75 people. The youth program preview of The Alaska Nutcracker presented by Sitka Studio of Dance also attracted over 70 people to the Library. The Library is in the process of beginning a library awareness social media campaign to be presented next year.

Facility Update: The reinstallation of the door count device revealed an average of 365 people visiting the Library per day. Contracted work is scheduled in early December to complete the repair of the floor tiling. Rewiring of the light system in the Children's Room is anticipated soon.

Stats:

8,751 people visited the Library in November
8067 physical materials checked out
631 digital materials checked out
833 renewed items, 937 in-house used items
156 attendees at 3 Adult Programs
361 total public computer sessions
83 combined hours of public computer time usage
30 Meeting Room uses
38 Study Room uses
23 Teen Lab uses
1 test proctored

Notes: Youth programming figures to be amended when Youth Librarian returns from vacation. The Library was closed for 2.5 days during the week of Thanksgiving.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-191 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/6/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Special Report: Planning Department - Smart Growth America

Sponsors:

Indexes:

Code sections:

Attachments: [Smart Growth America Update.pdf](#)

Date	Ver.	Action By	Action	Result
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Planning Department Special Report:

Smart Growth America Update and Next Steps



Smart Growth America

Improving lives by improving communities




City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Mayor Hunter and Members of the Assembly
Keith Brady, Municipal Administrator

From: Michael Scarcelli, Planning and Community Development Department Director 
Samantha Pierson, Planner I

CC: Chris Spivey, Planning Commission Chair

Date: December 6, 2017

Subject: Smart Growth America Update & 9 Month Game Plan

Background:

In November 2016, the City and Borough of Sitka (CBS) was selected as one of six recipients of a free smart growth technical assistance workshop offered by Smart Growth America (SGA). CBS chose to focus the workshop on a sustainable land use code audit as a natural progression of our ongoing Comprehensive Plan process. As part of the Sustainable Land Use Code Audit, SGA's team of national experts visited Sitka on September 12-13, 2017 and made a short presentation to the City Assembly and conducted a community workshop. The Land Use Code Audit focused on three selected topic areas: 1) Housing Choices; 2) Downtown Development; and 3) Economic Development. All of these are very interrelated and offer synergistic opportunities.

Recently, our Department received the "Next Steps" memo from SGA that details the 3 topical areas, gives a brief overview of challenges and opportunities, and makes formal recommendations, including implementation strategies.

Summary of SGA's Topics of Recommendations:

- I. Housing Choices
 - a. Promoting Accessory Dwelling Units
 - b. Regulation and tracking of short-term rentals
 - c. Reduce Lot size and revise development standards
 - d. Off-street parking reductions
- II. Downtown Development
 - a. Explore increasing height maximum and setting a height minimum

Providing for today...preparing for tomorrow

- b. Incentives for multi-residential mixed use development
- c. Design Standards
- d. Create4 Bike and Walk friendly downtown
- e. Create Master Plan for downtown

III. Economic Development

- a. Address nonconforming lots, setbacks, and development standards (explore contextual standards).
- b. Study Parking and explore various options
- c. Create Master Plans for Jarvis/Price/Smith, Katlian, Downtown, Sheldon Jackson Campus, etc.
- d. Update Planned Unit Development Standards
- e. Protect Commercial and Industrial uses and areas.

Staff have reviewed the recommendations and presented this information to the Planning Commission and Administrator. Staff have suggested the following broad 9 month game plan to address some issues quickly that could have major positive impact but also offer less negative impacts, controversy, or major dedication of time or other resources. In essence, these are the short-term, easier means to make some powerful changes. This plan is open-ended and each topic will be more fully vetted and will include City Assembly discussion and ultimate approval.

Planning Commission Prospective Timeline for Next Steps

1. January - February 2018:
 - a. Conclude **monumentation** rewrite proposal.
 - i. This is a proposed amendment to Title 21 that would reduce and simplify the monumentation and flagging that are required for subdividing. This would save a developer anywhere from \$1,000 to \$10,000 for most subdivision, while also adequately 'marking' surveys and property lines.
 - b. **Notice Code**
 - i. This is an amendment to administrative provisions of Title 22 concerning due process notice requirements and that aim to reduce advertising costs, increase use of social media, and increase overall notice to community and affected properties of proposed developments or actions.
2. February - March 2018:
 - a. Reduce **Lot size and setbacks** in various zones to meet more realistic lot size. Draft **formulaic setback** for existing nonconforming lots of record. This will reduce lot development costs, increase density, promote affordable housing and compact design, and will save a lot of staff time that can be refocused on other community development topics; and
 - b. **Notice Code (back-up time)**. This provision is more complicated so more time is given in case it requires further work.
3. March - April 2018:
 - a. **Make ADUs more accessible** by permitting more by right, allowing ADUs in more zones as permitted, and removing barriers of 14 conditions. This would include amending parking standard for ADUs alone. This change will increase potential for ADUs and reduce staff time and municipal costs.
4. April - May 2018: **Horticulture** in Industrial zone and **small animal codes rewrite**.

- a. The industrial zone appears to be a place perfect for horticulture (not agriculture which includes animals).
 - b. In addition, there is the need to revisit our small animal code to address existing issues and also attempt to provide a reasonable local food production options that work for Sitka's community, while addressing potential negative impacts.
- 5. May - June 2018: **Parking Survey.**
 - a. Staff would conduct a Parking Code Audit/Survey of downtown, present suggested options to make efficient use of current available parking, potential code changes for various zones and uses, and other options.
- 6. June - July 2018: Review of CBD and Public Facilities – **Community and Pop-Up Type Uses.**
 - a. Staff would like to present options for temporary conditional uses such as 1 day farmer's/artisan markets on Lincoln, temporary pop-ups, other community uses of core community space.
- 7. July - August 2018. **Review of Business, Commercial, and Industrial uses and zones to promote business development (i.e. CBD and other commercial business areas and uses)**
 - a. Staff would explore and present additional long-term uses and strategies to protect and promote commercial and industrial uses and areas.



Smart Growth America

Improving lives by improving communities

City and Borough of Sitka, Alaska
Sustainable Land Use Code Audit
September 12-13, 2017
Report and Suggested Next Steps - Revised
Building Blocks for Sustainable Communities Program

To: Matthew Hunter, Mayor
City and Borough of Sitka Assembly
City and Borough of Sitka Planning Commission
Keith Brady, City and Borough of Sitka Administrator

From: Chris Duerksen, Clarion Associates
John Robert Smith, Smart Growth America

Date: November 15, 2017

Overview/Background

The City and Borough of Sitka, Alaska (CBS) submitted an application for and was selected to receive a sustainable land use code audit technical assistance workshop from Smart Growth America. The workshop was funded by a *Building Blocks for Sustainable Communities* grant from the US Environmental Protection Agency's Office of Sustainable Communities. The purpose of the audit was to identify potential revisions to the zoning code and other provisions of the city code to promote community sustainability goals related to housing choices, downtown development, and economic development. The audit was completed by Smart Growth America in consultation with CBS staff in June 2017 and was the focus of an all-day workshop in Sitka on September 13, 2017.

The Smart Growth America (SGA) / Clarion Associates team consisted of Mr. John Robert Smith, chair of T4America and senior policy advisor at Smart Growth America, and Mr. Chris Duerksen, a land use attorney and senior counsel at Clarion Associates, who drafted the audit. The team traveled to Sitka to conduct the workshop. On September 12th, CBS staff led them on a community tour to further familiarize them with the key sustainability issues on the ground. After the tour, Mr. Smith and Mr. Duerksen met with the CBS Assembly in a public presentation to discuss the code audit results. Their presentation summarized the main issues to be

discussed during the workshop on September 13 and the menu of options and recommendations from Smart Growth America that would be considered by the working group to address CBS's major sustainability topics of housing choices, downtown development, and economic development.

At the September 13th all-day workshop, a working group of about 15 people (including an assembly member, appointed member of the CBS planning commission, CBS staff, and representatives from the Sitka Tribe of Alaska and business community) reviewed the recommendations for sustainable code amendments from the SGA/Clarion team.

Key Issues Addressed during the Site Visit

Based on the city's grant application and further discussions with CBS staff, the SGA / Clarion team focused on key sustainability topics for further detailed analysis in terms of potential zoning code amendments as discussed below. The CBS's goals in each of these areas are discussed in greater detail in the recent amendments to the CBS comprehensive plan, the 2010 Climate Action Plan, and other CBS documents and policies.

- Housing Choices—According to the State of Alaska, Sitka has the most expensive housing in the state. The median home price is almost \$350,000 and average rental is about \$1,200/month. Housing is barely affordable for most residents and unaffordable for those with an income of less than \$25,000. Various sources see a shortage of affordable homes and multi-family units for single young adults, young families, and senior citizens. Most of the housing built in Sitka over the last decade has been single-family units. Lack of housing choices is already having an impact on local employers like the hospital and school system as well as broader economic development efforts. Housing costs may also be a contributing factor to the projected decline in Sitka's population over the next 20 years.
- Downtown Development—Sitka has a vibrant downtown, especially during the tourist season, but one that is facing an increasing number of challenges. Because of a lack of affordable housing in the downtown, there is little activity in the evening with many shops closing early or for the season when the cruise ships stop visiting the port in winter. Multi-story buildings that might provide apartments are severely limited by zoning height restrictions, but even so there are many buildings that are only one story on sites that could accommodate more housing or commercial activity. Focusing development downtown and making use of existing CBS infrastructure is increasingly a critical issue as CBS and the state face serious budgetary constraints and cannot afford to extend and maintain infrastructure and services for new outlying development. Finally, like many small community central business districts, parking is another perceived perennial issue.

- **Economic Development**—There are a number of zoning-related issues that have or promise to have a significant impact on CBS's economic development efforts. As discussed above, lack of housing choices is one of the most critical. Another is the difficulty residents in older residential neighborhoods face when they desire to renovate or redevelop structures on lots that fail to meet current zoning code standards. Finally, there is increasing concern that CBS's very limited supply of industrial and heavier commercial land is being eroded by encroaching residential development.

The SGA / Clarion team conducted a detailed audit of the city's zoning and other land development regulations to determine where amendments should be considered to help implement the CBS's goals in each of these areas. The team's recommendations were offered to the working group in a PowerPoint presentation, which was followed by an in-depth discussion as recounted in the following section.

By way of introduction to the suggested revisions, the SGA team pointed out that Sitka has already taken a number of important steps that give the city a running head start to realize its sustainability goals, including:

- Adopting a progressive, well-written update of the CBS comprehensive plan;
- Adopting a Climate Action Plan in 2010;
- Taking steps that resulted in the community being designated as an Alaska Bike- and Walk-Friendly Community.

While CBS has taken these and other positive steps, the code audit points out many other actions Sitka has available to it to address its key sustainability issues.

The SGA / Clarion team also stressed that the audit was not intended to be a one-size-fits-all set of recommendations, but a menu of options and alternatives that the city would need to carefully consider, tailoring actions and implementation to the unique circumstances of Sitka.

Targeted Sustainable Code Issues and Recommendations Discussed during the Workshop

This section summarizes the key sustainability issues discussed at the September 13th workshop and recommendations for potential zoning code amendments. In each category, the working group discussed removing barriers in the existing codes, creating incentives, and filling regulatory gaps.

Housing Choices

Demographic experts widely agree that the nation has a huge oversupply of single-family homes and not enough multi-family and smaller single-family dwellings. They estimate that 90% of the demand for new housing in the next ten years will be by households without children and 47% will be by senior citizens many of whom are selling off their larger single-family homes. Of seniors who move, 60% will be moving into multi-family units. Sitka is already witnessing these trends and facing the challenges they bring. Moreover, Sitka has the most expensive housing market in the state. Many homes are being sold in the \$300,000-400,000 range and average rents are about \$1,200/month—unaffordable for many residents of the city.

Accessory Dwelling Units (ADUs): Other communities facing housing problems similar to Sitka such as Ketchikan, Portland, and Chula Vista, CA, have found that encouraging ADUs (e.g., basement apartments, carriage house/garage units) in single- and two-family residential areas can be a very good way to add housing choices near jobs and services without building large multi-family structures. Allowing ADUs can also help seniors and young homebuyers generate income to pay mortgages and make housing affordable.

Sitka's zoning code does not allow ADUs in large-lot single-family districts and only by conditional use in most others. ADUs are permitted by right in only the R1 and R2 zone districts, but the current standards in Section 22.20.160 and Table 22.20-1 (Development Standards) specifically applicable to almost all ADUs are quite restrictive. For example:

- Attached/basement ADU's are not allowed, although staff says they exist in the community but are not legal.
- No variances are allowed to accommodate ADUs on smaller lots unless the restrictive conditional use process is utilized.
- Accessory dwelling units in residential zones are limited to 25 feet or the height of the existing principal dwelling unit on the property, whichever is less. In commercial zones, the height limit is 16 feet.

Because of these limitations, according to staff most ADUs must seek approval through the restrictive conditional use process set forth in Section 22.24.010 and must satisfy the very vague list of planning commission findings in Section 22.30.160.C.

All of these regulations make it extremely difficult to legally get approval for and build an ADU. Not surprisingly staff reports that applicants can rarely meet all the requirements.

Recommendations for ADUs: While the CBS has reportedly within the past few years eased some of the requirements for ADUs, much more can be done to promote this potentially

important approach to providing additional affordable housing in Sitka. Attached/basement ADUs should be allowed by right and specific standards for ADUs should be adopted and applied in a streamlined administrative process by staff rather than being treated as conditional uses. These standards might include provisions such as requiring the owner of the ADU to reside in the principal structure to maintain better control over the ADU and simple specific design standards to ensure neighborhood compatibility (e.g., require roof pitch and other exterior elements similar to those of principal structure, location of entrances, etc.). The height limits applicable to ADUs should be removed, and ADUs be allowed to be as tall as principal structure in residential zones. Similarly, the prohibition of variances for ADUs in Section 22.20.160.C.14 should be repealed and normal variance rules applied.

Some working group members suggested opening ADUs for short-term rentals (STRs) and promoting larger primary dwelling units now used for STRs for long-term rentals that would be available for permanent residents. Short-term rental of ADUs is now prohibited in Section 22.20.160 of the zoning code. This idea may be worth exploring, but very carefully, as it could simply open the market for more STRs without any increase in the availability of long-term rentals for permanent residents. Moreover, such a policy would also require revising some of the current restrictions on STRs such as the requirement for two off-street parking spaces per unit, a condition that would be difficult to satisfy on many lots in Sitka.

Regulation of Short-Term Rentals: Short-term rentals (STRs) appear to be a growing issue in Sitka as in many other resort communities. Homeowners can make more money offering short-term rentals to tourists than longer-term rentals to locals, thus reducing the supply of affordable units and driving up the cost of existing housing for locals by reducing market supply. Sections 22.20.150 and 22.24.010.C of the zoning code make short-term rentals a conditional use. The standards are quite comprehensive, but they are apparently being ignored by a growing number of owners who utilize AirBnB and other online rental services. According to staff, there is no comprehensive city system to methodically track STRs, although the finance and planning departments reportedly attempt to track short-term rentals by quarterly review of popular STR websites.

Recommendations for short-term rentals: Some working group members did not feel short-term rentals were a serious issue and others suggested such rentals could be allowed in ADUs. Experience in other resort communities indicates that Sitka should increase its monitoring of short-term rentals, especially in light of the fact that tourist accommodations in Sitka are very expensive (\$200/night and up), thus making short-term rentals very attractive for owners and tourists alike. Some cities have utilized comprehensive annual licensing requirements for short-term rentals to better keep track of their number and location, ensure that safety requirements are being met, and that all relevant taxes are being paid. Other potential standards would be to

require owner occupancy of the primary unit on a site to provide more control over the short-term rental, and to place an overall cap on the number of short-term rentals in the community or in a particular neighborhood to limit potential adverse impacts such as parking and noise.

Minimum Residential Lot Size: The minimum lot size in the R1/R2 residential areas is 8,000 square feet—very high for a mature town with limited residential development areas. Six thousand square foot residential lots are allowed in the Waterfront and C1/C2 zone districts, but these are areas the city may desire to protect from more residential development given the desire to preserve commercial/ industrial development land. In mature towns, 6,000 square foot lots are standard, with a national trend to allow much smaller lots (down to 2,500 square feet) with neighborhood compatibility standards (height, setbacks, etc.). The recent Old City Shops development in Sitka allowed homes on 2,300-3,500 square foot lots. Excessive lot size requirements not only throttle new residential development but also create non-conforming lots that stifle renovations and redevelopment.

Recommendations for minimum lot size: Reduce the minimum lot size in all residential districts to 6,000 square feet and further in existing established neighborhoods where the predominant lot size is smaller. Draft new Planned Unit Development (PUD) standards allowing smaller lots in PUDs in exchange for provision of a specified percentage of affordable units (e.g., 20%).

Off-Street Parking: In addition to the parking recommendations set forth below in the economic development section of this memo, the CBS should consider reducing the off-street parking requirements for all projects qualifying as affordable. Studies in other jurisdictions such as Boulder, Colorado, demonstrated that affordable housing developments require less off-street parking.

Recommendation for off-street parking: Consider reducing the current requirement in Sitka's zoning code from 1.5 spaces per unit to 1 space per unit for affordable multifamily housing projects.

Promote Downtown Development

As noted above, Sitka has a vibrant downtown, especially during the tourist season, but one that is facing an increasing number of challenges such as lack of residential units. Importantly, Sitka's zoning code has several progressive provisions such as not requiring off-street parking downtown that help maintain a compact development pattern and reduce development costs. Similarly, residential units are permitted above ground-floor commercial uses, thereby enabling mixed-use buildings to be constructed. However, there are other shortcomings that need to be addressed.

Multi-Story, Multifamily Residential Buildings: Multi-story buildings featuring both commercial and residential units can increase pedestrian traffic and instill a greater sense of energy in a downtown, including a 24-hour presence. Downtown housing is particularly attractive to young Millennials who favor a more urban, walkable lifestyle—a key group that Sitka must attract and retain to deal with projected population decline as outlined in the comprehensive plan. Currently there is only one multi-story apartment building (Cathedral Arms) of 7 stories with 23 units in downtown Sitka, and it has a long waiting list according to CBS staff.

Recommendations for multi-story, multifamily residential buildings: The zoning code’s CBD district regulations restrict building height to 50 feet, which allows only a 3-4-story building. This should be increased substantially—perhaps to 75-100 feet—to encourage larger, multifamily projects as well as mixed-use developments in the downtown. The CBS might designate specific sites where taller buildings would be allowed in the downtown (e.g., the police department parking lot). In doing so, the CBS should consider enacting design standards for taller buildings so that they do not have undue adverse impacts on historic sites or surrounding residential areas (e.g., location of service functions/docks, lighting, views of the waterfront and mountains).

Incentives For Multi-Story Buildings: Despite the fact that current zoning allows 3-4 story buildings in the downtown, many structures are only one story. The comprehensive plan suggests steps be taken to encourage owners to redevelop these properties at higher densities/intensities more common in central business districts.

Recommendations for multi-story buildings: In addition to allowing taller buildings in the central business district as discussed above, granting a broader list of uses to multi-story buildings including some not now allowed such as microbreweries, could prove to be a potent incentive. As an adjunct, to prevent new construction of one-story buildings, Sitka might consider enacting a minimum height requirement (e.g., 28 feet) for all new buildings in the CBD.

Bicycle Racks and Other Bicycling Amenities: Sitka is a designated bike- and walk-friendly Alaskan community and the CBS comprehensive plan promotes bicycling throughout the community, especially in the downtown, as part of a well-balanced multimodal mobility system. Already the number of people cycling to work in Sitka is reportedly 10 times the national average. However, working group members noted there are few bike racks in the downtown and few “share lane” (also known as “sharrow”) markings painted on downtown streets or anywhere else in the community. With its rainy weather, lack of secure, sheltered bicycle parking facilities is a major hurdle to encouraging more biking in Sitka.

Recommendations for bicycle racks and other bicycling amenities: Currently the city zoning code has no requirements for exterior bike racks in new projects in downtown or elsewhere nor standards for bicycle storage for larger multifamily development projects. All new major development or renovation projects should be required to provide bicycle parking facilities either on-site or at an off-site CBS-approved location. The CBS should also consider providing (as illustrated in the code audit) a centrally located moveable pallet of secure, sheltered bicycle parking racks or lockers in the downtown (either replacing a parallel parking space on Lincoln Street or a space in a city owned lot). Finally, the planning department should work with the public works department and volunteers to paint “share lane” markings on preferred bicycling routes in and around the downtown.

Downtown Planning: Most communities intent on preserving and promoting their downtowns begin with a focused plan for the CBD that often features recommendations for design standards, preservation of historic buildings, and professional downtown management (e.g., uniform hours when businesses will be open, joint advertising, etc.). While the downtown is recognized in the updated comprehensive plan as a key asset of the community, Sitka does not have a detailed plan for downtown. According to working group members, Revitalize Sitka began work on a plan to create a downtown business historic district, but it was tabled and never completed. Subsequently, some historic facades were reportedly lost.

Recommendations for downtown planning: Assuming that the recommendations in this memo regarding nonconforming uses (that follow in the economic development section) are implemented, the CBS planning staff should have more time to focus on and produce area-specific plans for precincts of the city like downtown and Katlian Street. The downtown plan should comprehensively address issues such as downtown zoning updates (e.g., updated use list), design standards and renovation funding for building facades, preservation of historic structures, parking [signage, parking management, need for parking structure], professional management, and other issues.

Economic Development

The CBS’s current fiscal challenges makes it more important than ever to take care of its existing infrastructure as well as promoting infill and redevelopment that can rely on existing infrastructure instead of requiring expensive new investment to accommodate new outlying development. Moreover, the CBS is in competition with many other communities for economic development and must remove unnecessary barriers in its development code to economic activity.

Non-Conforming Lots and Structures: The SGA / Clarion team has rarely reviewed a zoning ordinance such as Sitka's wherein residential zone district regulations relating to minimum lot sizes and dimensional standards (e.g., structure height, setbacks) are so out-of-sync with existing lot sizes and site/building dimensional standards on the ground. Indeed, practically every lot and structure in the mature, attractive, and desirable neighborhoods around the downtown appear to be nonconforming, with the result that homeowners must jump through numerous process hoops to be able to renovate, expand, or replace existing residences. These processes can be time-consuming and expensive and can discourage homeowners from making improvements the CBS sees as desirable. Moreover, planning commission members and staff report that they spend the bulk of their time dealing with variance and other requests for relief relating to nonconformities rather than important broader strategic planning efforts.

Recommendations regarding nonconformities: Other mature communities have addressed this problem by allowing development on non-conforming lots if new structures meet contextual standards (for example, setbacks or heights based on the average setback or height of other established homes/structures on lots on the block/in the neighborhood.) Others have adopted more tailored zone districts for specific residential areas so that lot and dimensional standards more closely reflect what is actually on the ground. Either approach would help cut down on the time and expense landowners incur in seeking variances. Streamlining this process would also free up staff and planning commission time for other efforts that can promote economic development such as customized zoning for the Sheldon Jackson campus that allows accessory commercial and other uses closely related to the campus' current use as a vibrant art/educational center.

Off-Street Parking: The CBS zoning code takes a modern, progressive approach to parking in the downtown (no minimum off-street parking required in the CBD district). However, Sitka's off-street parking requirements everywhere else in the community are as high as those typically seen in newer suburban communities with significant greenfield development and plenty of land for parking--not those typical of an older mature city with an established downtown that wants to encourage infill and redevelopment. An off-street parking space can cost from \$5,000-\$15,000, adding substantially to the cost of housing and commercial development while also eating up land that could be used for other projects. For an excellent discussion of the true cost of parking, see the Transportation Element of Sitka's draft comprehensive plan.

Recommendations for off-street parking: Consider reducing off-street parking requirements for all multifamily residential and residential portions of mixed-use developments throughout the city, including those less than 5 units, from 2 per unit to 1.5 per unit. Studies show that mixed-use developments generate less traffic and have lower car ownership, thus requiring fewer off-street parking spaces.

Similarly, the CBS's parking standards for commercial/retail uses are high in comparison to other older communities. Retail stores and most offices must have one space per 300 square feet and could easily be reduced to 1 space per 400 square feet without any adverse impacts. Also, consider crediting retail businesses with adjacent on street parking as is done in hundreds of older cities (e.g., Oak Park, IL and Denton, TX).

With regard to downtown, as noted there are no parking requirements in Sitka's CBD (ZO 22.20.100.B), despite pressure from some business owners to provide more parking. The CBS already provides several municipal-owned public parking lots in and around the downtown and has literally millions of dollars in valuable land tied up in free parking in the community. Parking is a perennial issue in most downtowns. But before requiring off-street parking there, the CBS should undertake a study of existing parking capacity in the CBD and related issues. These other issues may include providing better directional signage to existing lots as well as the feasibility of and funding for a public parking structure instead of more scattered off-street parking lots that can detract from a pedestrian-oriented, compact downtown.

Protection of Commercial and Industrial Development Areas: Sitka is severely constrained physically by the surrounding mountains and sea, thus placing a premium on suitable sites for residential, commercial, and industrial development. The draft economic development chapter of the comprehensive plan discusses the importance of providing adequate land appropriate for needed commercial and industrial development in Sitka as well as protecting existing commercial and industrial zone districts from intrusion by incompatible uses.

During the tour of the community, the SGA / Clarion team visited several areas zoned for commercial and industrial development (such as in the Price/Jarvis/Smith area) where residential development scattered throughout the area was creating conflicts with commercial and industrial uses. Both the C1/C2 zones allow for residential development as well as heavy commercial and light industrial uses without any requirement for buffering between potentially incompatible uses. Also, the team toured the Alice Loop development near the airport where land that was prime for waterfront-related commercial growth was allowed to be developed for high-end residential uses. Older mature communities like Pittsburgh, PA, with limited commercial and industrial-zoned land, have taken steps to protect those areas from encroachment by residential and other potentially incompatible uses (such as entertainment venues or apartments in old warehouses) by prohibiting or limiting such uses in those zoning districts.

Recommendations for protection of commercial and industrial development areas: As suggested in the draft comprehensive plan update, the CBS should take steps to protect existing commercial and industrially zoned land from intrusion by or conversion to residential

and other potentially incompatible uses. A first priority should be to reexamine the C1/C2 Districts and consider eliminating or limiting residential development in those areas.

A next step would be to undertake detailed plans for areas that have potential for additional commercial/industrial/waterfront development. Candidate areas pointed out by staff include along Katlian Street and the waterfront in the Price/Jarvis/Smith area.

The draft economic development chapter of the updated comprehensive plan also recommends several specific rezonings to provide additional areas for commercial, professional office, and mixed-use development. The former campus of the Sheldon Jackson College is an example of where limited commercial development directly related to the area's function as an arts education center might be allowed in a location now zoned residential. These rezonings should be undertaken upon adoption of the updated comprehensive plan.

Updating Planned Unit Development (PUD) Provisions: Sitka's zoning ordinance (Section 22.24.030) contains provisions common to most zoning ordinances allowing "planned unit developments." Planned unit development regulations were adopted in many communities beginning in the 1960s to provide more flexibility in dealing with large developments that were difficult to address with traditional zoning and its rigid zone districts and development standards. In return for flexibility and a more efficient development layout for the developer, the goal was to achieve higher quality projects while providing compensating community benefits such as more open space, better landscaping, and community facilities like schools. Over time, PUDs fell out of favor with both developers and municipal officials because they became a free-for-all process for negotiation without any guidance which led to long review time frames and uncertainty in the process and outcomes. To address these shortcomings, modern PUD provisions now have more extensive sections that make clear what type of standards are negotiable (e.g., height, setbacks, uses) and which are not (e.g., relating to environmental protection). They also make clear the type of compensating community benefits such as open space, affordable housing, and infrastructure improvements that must be provided.

Recommendations regarding updating planned unit development provisions: According to staff, the CBS has a significant amount of municipally owned land that could be made available for development. PUDs could be a valuable and suitable vehicle for putting these parcels to appropriate economic use rather than a more free-form "let's make a deal" approach that apparently has been the norm in the past. The existing PUD regulations provide very little guidance to staff or prospective developers as to what the city goals are for PUDs or to guide negotiations. The CBS staff and planning commission should consider updating Section 22.24.030 as soon as possible so that they might be utilized more effectively in planning and

developing larger parcels in Sitka for economic development purposes, both privately and municipally owned. Good examples of modern PUD provisions can be found in the zoning ordinances of Henderson, NV.

Implementation Strategies

The working group concluded its deliberations with a discussion of strategies for implementing the audit recommendations. Group members were asked by the SGA / Clarion team which of the recommended steps they had discussed should be pursued as “low-hanging fruit” to show immediate progress towards sustainability goals in the target sustainability areas and which should be considered as longer-term initiatives. There was a general consensus that the following items should be targeted for immediate or short-term action (within 3-6 months):

- Reducing the minimum lot size in residential districts from the current 8,000 square feet to a size that better reflects existing lot sizes in many of Sitka’s neighborhoods.
- Revising current off-street parking requirements and tailoring them to a more mature, established community (e.g., reducing the existing one space / 300 square feet of retail to one space / 400 square feet).

The working group also discussed key items that should be pursued in parallel with the “low-hanging fruit,” but with the expectation that implementation would take longer given the potentially controversial nature of the code revisions or the need for the staff and planning commission to more fully explore the issue in greater detail.

- Revising the current regulations for accessory dwelling units that are unduly restrictive (as discussed in the code audit) with standards to ensure neighborhood compatibility. While allowing ADUs in established residential neighborhoods can be controversial, working group members felt that, given the increasingly pressing need for affordable housing, the community was ready to address the issue again after having made some revisions a few years ago. In tackling this issue, the CBS should also consider whether to allow short-term rental use of ADUs.
- Revamping residential zone district dimensional standards (e.g., height, lot width, setbacks, etc.) to better reflect the dimensional standards found on existing lots in older established residential neighborhoods. This should greatly reduce the time spent by staff and the planning commission in reviewing applications for variances and other forms of relief for nonconforming lots and structures.
- Protecting land designated for commercial/industrial area, for example, by restricting further residential development in the C1/C2 zone districts.

- Undertaking focused small-area plans for precincts of the CBS that present important development opportunities (e.g., Katlian Street, Price/Jarvis/Smith)

Working Group Members

Assembly Member Kevin Knox
Darrell Windsor, CBS Planning Commission
Mary Miller, STE Director, Sitka Tribe of Alaska
Lisa Gassman, General Manager, Sitka Tribe of Alaska
Doug Osborne, Sitka Community Hospital
Anne Pollnow, CBS Historic Preservation Commission
Gary White, Sitka Economic Development Association
Michael Scarcelli, CBS Planning
Samantha Pierson, CBS Planning
Keith Brady, CBS Administrator
Maegan Bosak, CBS Community Affairs
Michael Harmon, CBS Public Works Director
Gerry Hope, Transportation Director, Sitka Tribe of Alaska
Desiree Jackson, Southeast Alaska Regional Health Consortium

SGA / Clarion Team

John Robert Smith
Chris Duerksen

US EPA (Seattle Office)

Robert Tan

Assistance provided with grant support from U.S. EPA's Office of Sustainable Communities under their Building Blocks for Sustainable Communities Program





CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-192 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/6/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Approve the minutes of the November 28 Assembly meeting

Sponsors:

Indexes:

Code sections:

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

Date	Ver.	Action By	Action	Result
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CONSENT AGENDA

POSSIBLE MOTION

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

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
November 28th Assembly meeting.



CITY AND BOROUGH OF SITKA

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

Minutes - Draft

City and Borough Assembly

*Mayor Matthew Hunter
Deputy Mayor Steven Eisenbeisz,
Vice Deputy Mayor Bob Potrzuski,
Aaron Bean, Kevin Knox, Dr. Richard Wein,
Benjamin Miyasato*

*Municipal Administrator: Keith Brady
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, November 28, 2017

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

IV. CORRESPONDENCE/AGENDA CHANGES

17-189 Reminders, Calendars and General Correspondence

No agenda changes.

V. CEREMONIAL MATTERS

None.

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

17-183 Special Report: Alaskan Command - Debrief of 2017 Northern Edge Exercise

CAPT Earl McDowell, ALCOM J5, Tim Croft, ALCOM J7, and Jon "Dock" Montague, Native Affairs gave an update on the May 2017 Northern Edge exercise and told of an Arctic Edge exercise slated for March 12 through 23, 2018. Croft responded that

monitoring devices and active management protocol were used and that further data would be released. McDowell stated that no bombs or missiles were used in the exercise from May 2017. Knox encouraged to have dialogue prior to the Northern Edge exercise in 2019 and told of potential impacts. Croft encouraged folks to send in data in order to mitigate impacts.

VII. PERSONS TO BE HEARD

Dr. Richard Wein, speaking as a member of the public, encouraged Sitka Community Hospital staff attend Assembly meetings to give updates to the Assembly.

VIII. REPORTS

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

Mayor - Hunter thanked Sitka Tribe and Sitka Veterans group for the parade to honor Veterans and Native American Heritage Month.

Administrator - Brady reported on the Alaska Managers Conference and Alaska Municipal League meetings and met with Lobbyist, Larry Markely. Brady told of his newly formed group to address economic development. Members include SEDA, STA, Chamber of Commerce, and USDA. He stated that Public Works was working with the contractor regarding recycling and encouraged the public to go to the city website as more information would be available when applicable. He mentioned an opportunity for non matching grants for TWIC readers, and reported on local purchasing.

Attorney - Hanson stated he had been and would be preparing for the December 5th Special Assembly Meeting regarding the RFP for Sitka Community Hospital.

Liaison - Miyasato reported on Investment Committee meeting. Wein reported on Local Emergency Planning Committee, Tree and Landscape Committee, Police and Fire Commission, and Health Needs and Human Services Commission. Bean stated quorum was not met for the Port and Harbors Commission. Knox reported on Parks and Recreation Committee, stated the Planning Commission had no quorum for the meeting, and of an aquaculture farm permit application comment period.

Clerk - Henshaw reiterated there was an informational update and discussion/direction of the Sitka Community Hospital RFP Special Assembly Meeting on December 5, 2017 at 6:00 p.m. in Harrigan Centennial Hall.

Other - Dr. Wein reported on the Alaska Municipal League Newly Elected Official training he attended. Bean mentioned he was unaware of the effort being made to seek a location and design for a new Police Department.

IX. CONSENT AGENDA

A 17-184 Approve the minutes of the November 7 Assembly meeting

Wein stated that Mr. Allen did not have his contract extended as it would need to be approved by the Assembly prior to the extension.

A motion was made by Miyasato that the Minutes from the November 7, 2017 be PASSED AS AMENDED. The motion passed by the following vote.

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

A motion was made by Wein that the November 7, 2017 minutes be AMENDED to delete, "...and informed the Assembly the Chief Executive Officer (CEO) contract had been extended through October 2018."

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

B 17-185 Appoint Shauna Thornton to an unexpired term on the Port and Harbors Commission

Miyasato thanked the applicant. Mayor Hunter was in support of the applicant.

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

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

XI. UNFINISHED BUSINESS:

C ORD 17-37 Adjusting the FY18 Budget (*Donation to St. Michael's Cathedral renovation project*)

Potrzuski thought the Ordinance may require specifying the intended use of funds.

Wein inquired of any legal issues of funds. Municipal Attorney, Brian Hanson told of donations by the municipality that fit under the establishment clause. Wein would like to be included in the conversation if able to and stated he had researched the establishment clause.

A motion was made by Potrzuski that this Ordinance be POSTPONED for second and final reading. The motion PASSED by the following vote.

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

D ORD 17-38 Adjusting the FY18 Budget (*Display cabinets for the William Stortz Gallery*)

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

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

XII. NEW BUSINESS:

- E ORD 17-39S** Amending Sitka General Code Chapter 15.01 "Electric Utility Policies" at Section 15.01.020 "Electrical Rates" by adding Subsection P "Commercial Electric Rate Temporary Incentive Program" - *1st reading*
- Christopher Brewton thought much of the ordinance already existed in code and policies and encouraged the Assembly to put the information in the rate structure.

Wein told of revisions to the ordinance and stated it put the onus on the Administrator rather than the Assembly and did not state how the public would be noticed. Bean, although had concerns, was in support and thought there was transparency. Hunter was in support and stated it worked for current staff and efforts. Knox thought that codifying it was actively recruiting businesses and it could help grow economy.

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

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

- F ORD 17-40** Adjusting the FY18 Budget (Crescent Harbor Playground Project) - *1st reading*
- A motion was made by Potrzuski that this Ordinance be APPROVED ON FIRST READING. The motion PASSED by the following vote.**

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

- G ORD 17-42** Adding a new Title 24 "Non-Discrimination" and a new Chapter 24.05 "Non-Discrimination" - *1st reading*
- Wein was in support of the ordinance, although felt the wording was complicated. He would like to have a summary in the meeting packet materials, and invited the public to read the ordinance. Bean had concerns, echoed he was in support, and encouraged the public to review it.

Municipal Attorney, Brian Hanson confirmed he looked at City and Borough of Juneau's ordinance and that this ordinance had been investigated and examined extensively. Knox gave history with regards to the structure of the ordinance. He thought it fit in with Sitka's code and that it was important for Sitka. Potrzuski told of the municipal equality index with regards to how communities support the LGBTQ community and thought Sitka should. Hunter told of staff time that would be required to complete the survey from the municipal equality index and because Sitka did not respond, Sitka received a zero rating. Hunter spoke in support of the ordinance.

Bean inquired of line 300 of the ordinance for clarification. Hanson stated that 3.4 of the Personnel Policy was referenced as a protection however, did not change this ordinance. Bean stated he would like the public and private businesses to set the same standards. Wein mentioned that this ordinance was redundant, and that under federal and state statutes there was a non discrimination policy, however, this ordinance places it under city law. Bean referenced Alaska State Statute 18.80.200

and reminded of the commission dedicated to discriminatory matters. Knox mentioned this ordinance broadened the LGBTQ protections.

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

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

H 17-186 Legal matter - claim on a contract

The Assembly met in executive session from 7:26 p.m. to 8:17 p.m.

A motion was made by Knox to go into Executive Session with the Municipal Attorney to discuss a legal matter affecting the municipality, as a result of a contract claim, the immediate knowledge of which would adversely affect the finances of the municipality, and invite in Utility Director Bryan Bertacchi.

Yes: 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

Absent: 1 - Eisenbeisz

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

A motion was made by Bean to APPROVE an appropriation in the amount of \$50,000.00 to Channel Construction of Juneau to settle a claim in exchange for release of liability and a nonadmission of liability. The motion PASSED by the following vote.

Yes: 5 - Potrzuski, Hunter, Knox, Bean, and Wein

No: 1 - Miyasato

Absent: 1 - Eisenbeisz

XV. ADJOURNMENT

A motion was made by Potrzuski to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:19 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-193 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/6/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Approve a liquor license renewal application for House of Liquors Inc. dba House of Liquor at 705 Halibut Point Road

Sponsors:

Indexes:

Code sections:

Attachments: [House of Liquor.pdf](#)

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

POSSIBLE MOTION

I MOVE TO approve a liquor license renewal application for House of Liquors Inc. dba House of Liquor and forward this approval approval to the Alcoholic Beverage Control Board without objection.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
Keith Brady, Municipal Administrator

From: Sara Peterson, Municipal Clerk

Date: December 4, 2017

Subject: Approve a liquor license renewal application for House of Liquor

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

License #: 1366
DBA: House of Liquor
License Type: Package Store
Licensee: House of Liquors Inc.
Premises Address: 705 Halibut Point Road

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

Recommendation:

Approve a liquor license renewal application for House of Liquors Inc. dba House of Liquor and forward this approval to the Alcoholic Beverage Control Board without objection.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

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

From: Sara Peterson, Municipal Clerk

Date: December 1, 2017

Subject: Liquor License Renewal Application – House of Liquor

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

Lic #: 1366
DBA: House of Liquor
License Type: Package Store
Licensee: House of Liquors Inc.
Premises Address: 705 Halibut Point Road

Please notify no later than **noon on Tuesday, December 5th** of any reason to protest this renewal request.

Thank you.



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

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

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

December 1, 2017

City and Borough of Sitka

Attn: Sara Peterson, Municipal Clerk

Via Email: sara.peterson@cityofsitka.org
melissa.henshaw@cityofsitka.org

Re: Notice of 2018/2019 Liquor License Renewal Application

License Type:	Package Store	License Number:	1366
Licensee:	House of Liquors Inc.		
Doing Business As:	House of Liquor		

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

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

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

Sincerely,

A handwritten signature in cursive script that reads "Erika McConnell".

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov



Alcohol and Marijuana Control Office

550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

alcohol.licensing@alaska.gov

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

Alaska Alcoholic Beverage Control Board

Master Checklist: Renewal Liquor License Application

License Type:	Package Store	License Number:	1366
Doing Business As:	House of Liquor		
Examiner:		Transaction #:	1017788

Document	Received	Completed	Notes
AB-17: Renewal Application	11/28/17	11/30	
App and License Fees	11/28/17	11/28	

Supplemental Document	Received	Completed	Notes
Tourism/Rec Site Statement			
AB-25: Supplier Cert (WS)			
AB-29: Waiver of Operation			
AB-30: Minimum Operation			
Fingerprint Cards & Fees / AB-08a: Crim. History			
Late Fee			

Names on FP Cards:	
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Yes No

Selling alcohol in response to written order (package stores)?

☐ ☒

Mailing address different than one in database?

☐ ☒

In "Good Standing" with CBPL (skip this and next question for sole proprietor)?

☒ ☐

Officers and stockholders match CBPL and database (if "No", determine if transfer necessary)?

☒ ☐



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

Alaska Alcoholic Beverage Control Board

Package Store License

Form AB-17b: 2018/2019 Renewal License Application

What is this form?

This renewal license application form is required for all individuals or entities seeking to apply for renewal of an existing package store liquor license that will expire on December 31, 2017. All fields of this form must be complete and correct, or the application will be returned to you in the manner in which it was received, per AS 04.11.270 and 3 AAC 304.105. The Community Council field only should be verified/completed by licensees whose establishments are located within the Municipality of Anchorage or outside of city limits within the Matanuska-Susitna Borough.

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

Section 1 – Establishment and Contact Information

Enter information for the business seeking to have its license renewed. If any populated information is incorrect, please contact AMCO.

Licensee:	House of Liquors Inc.	License #:	1366
License Type:	Package Store	Statute:	AS 04.11.150
Doing Business As:	House of Liquor		
Premises Address:	705 Halibut Point Rd		
Local Governing Body:	City & Borough of Sitka		
Community Council:	None		

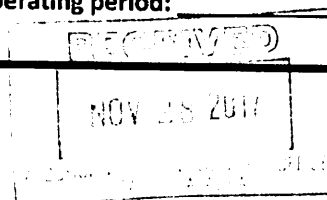
Mailing Address:	705 Halibut Point Rd, Ste D		
City:	Sitka	State:	AK
		ZIP:	99835

Enter information for the individual who will be designated as the primary point of contact regarding this application. This individual must be a licensee who is required to be listed in and authorized to sign this application.

Point of Contact:	Steven J Reeder		
Contact Phone:	1202-549-7468	Business Phone:	1202-549-7468
Contact Email:	stevree@aol.com		

Seasonal License? ☐ Yes ☒ No

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





Alaska Alcoholic Beverage Control Board

Package Store License

Form AB-17b: 2018/2019 Renewal License Application

Alcohol and Marijuana Control Office

550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

alcohol.licensing@alaska.gov

<https://www.commerce.alaska.gov/web/amco>

Phone: 907.269.0350

Section 2 – Authorization

Communication with AMCO staff:

Yes No

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

☒ ☐

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

Deborah Reeder - Bookkeeper/Assistant

Section 3 – Sole Proprietor Ownership Information

This section must be completed by any sole proprietorship who is applying for license renewal. Entities should skip to Section 4. If more space is needed, please attach a separate sheet with the required information.

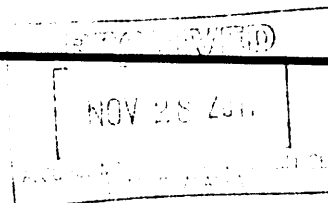
The following information must be completed for each licensee and each affiliate (spouse).

This individual is an: ☐ applicant ☐ affiliate

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

This individual is an: ☐ applicant ☐ affiliate

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





Alcohol and Marijuana Control Office
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Alaska Alcoholic Beverage Control Board

Package Store License

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Section 4 – Entity Ownership Information

This subsection must be completed by any licensee that is a corporation or LLC. Corporations and LLCs are required to be in good standing with the Alaska Division of Corporations, Business & Professional Licensing (CBPL). You may view your entity's status or find your CBPL entity number by visiting the following site: <https://www.commerce.alaska.gov/cbp/main/search/entities>
Partnerships may skip to the second half of this page. Sole proprietorships should skip to Section 5.

Alaska CBPL Entity #:	41004D
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You must ensure that you are able to certify the following statement before signing your initials in the box to the right: Initials

I certify that this entity is in good standing with CBPL and that all current entity officials and stakeholders (listed below) are also currently and accurately listed with CBPL.

SR

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

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

Entity Official Name:	Steven J Reeder				
Title(s):	President	Phone:	1002-549-7418	% Owned:	50
Mailing Address:	P.O. Box 476				
City:	Skagway	State:	AK	ZIP:	99840

Entity Official Name:	Sallie J. Reeder				
Title(s):	Sec Treas	Phone:	1002-549-7538	% Owned:	50
Mailing Address:	P.O. Box 476				
City:	Skagway	State:	AK	ZIP:	99840

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



Alaska Alcoholic Beverage Control Board

Package Store License

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Phone: 907.269.0350

Section 5 – License Operation

Check a single box for each calendar year that best describes how this liquor license was operated:

2016 2017

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

☒☒

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

☐☐

The license was only operated to meet the minimum requirement of 30 days each year, 8 hours each day.

☐☐

If this box is checked, a complete copy of Form AB-30: Proof of Minimum Operation Checklist, and all necessary documentation must be provided with this application.

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

☐☐

If this box is checked, a complete copy of Form AB-29: Waiver of Operation Application and corresponding fees must be submitted with this application for each calendar year during which the license was not operated for at least the minimum requirement.

Section 6 – Violations and Convictions

Applicant violations and convictions in calendar years 2016 and 2017:

Yes No

Have any notices of violation (NOVs) been issued to this licensee in the calendar years 2016 or 2017?

☐☒

Has any person or entity named in this application been convicted of a violation of Title 04, of 3 AAC 304, or a local ordinance adopted under AS 04.21.010 in the calendar years 2016 or 2017?

☐☒

If "Yes" to either of the previous two questions, attach a separate page to this application listing all NOVs and/or convictions.

Section 7 – Alcohol Server Education

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

Initials

I certify that all licensees, agents, and employees who sell or serve alcoholic beverages or check identification of a patron have completed an alcohol server education course approved by the ABC Board and keep current, valid copies of their course completion cards on the licensed premises during all working hours, as required under AS 04.21.025 and 3 AAC 304.465.

512



Alaska Alcoholic Beverage Control Board

Package Store License

Form AB-17b: 2018/2019 Renewal License Application

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550 W 7th Avenue, Suite 1600
Anchorage, AK 99501
alcohol.licensing@alaska.gov
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Phone: 907.269.0350

Section 8 – Written Orders

Written orders in calendar years 2016 and 2017:

Yes No

Did you sell alcoholic beverages in response to written orders in calendar years 2016 or 2017?

☐☒

Section 9 – Certifications

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

Initials

I certify that all current licensees (as defined in AS 04.11.260) and affiliates have been listed on this application.

SR

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

SR

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

SR

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

SR

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

Steven J Reeder
Signature of licensee



Morgan Huff
Notary Public
Maricopa County, Arizona
My Comm. Expires 03-16-2021

Morgan Huff
Signature of Notary Public

Steven J Reeder

Printed name of licensee

Notary Public in and for the State of Arizona

My commission expires: 03-16-2021

Subscribed and sworn to before me this 24 day of November, 2017.

License Fee:	\$ 1500.00	Application Fee:	\$ 200.00	TOTAL:	\$ 1700.00
Late Fee of \$500.00 – if received or postmarked after 01/02/2018:					
Miscellaneous Fees:					
GRAND TOTAL (if different than TOTAL):					1700.00

Department of Commerce, Community, and Economic Development
Division of Corporations, Business and Professional
Licensing

State of Alaska > Commerce > Corporations, Business, & Professional Licensing > Search & Database Download > Corp. > Corporation Details

NAME(S)

Type	Name
Legal Name	HOUSE OF LIQUORS, INC.

ENTITY DETAILS

Entity Type: Business Corporation
 Entity #: 41004D
 Status: Good Standing
 AK Formed Date: 10/21/1987
 Duration/Expiration: Perpetual
 Home State: ALASKA
 Next Biennial Report Due: 1/2/2019
 Entity Mailing Address: 705 HALIBUT POINT RD, STE D, SITKA, AK 99835
 Entity Physical Address: 705 HALIBUT PT RD, STE D, SITKA, AK 99835

REGISTERED AGENT

Agent Name: NATIONAL REGISTERED AGENTS, INC.
 Registered Mailing Address: 9360 GLACIER HWY STE 202, JUNEAU, AK 99801
 Registered Physical Address: 9360 GLACIER HWY STE 202, JUNEAU, AK 99801

OFFICIALS

AK Entity #	Name	Titles	<input type="checkbox"/> Show Former Owned
	Sallie J Reeder	Director, Shareholder, Secretary, Treasurer	50
	Steven J Reeder	Director, President, Shareholder	50

FILED DOCUMENTS

Date Filed	Type	Filing	Certificate
10/21/1987	Creation Filing	Click to View	
1/23/1989	Biennial Report		
1/24/1991	Biennial Report		
2/29/1992	Biennial Report		
1/29/1993	Biennial Report	Click to View	
2/20/1995	Biennial Report	Click to View	
12/25/1996	Biennial Report	Click to View	
10/22/1999	Biennial Report	Click to View	
1/02/2001	Biennial Report	Click to View	
1/29/2003	Biennial Report	Click to View	
1/10/2005	Biennial Report	Click to View	
12/31/2006	Biennial Report	Click to View	
12/06/2008	Biennial Report	Click to View	
1/03/2011	Biennial Report	Click to View	



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-194 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/6/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Approve the Acting Municipal Administrator list for 2018

Sponsors:

Indexes:

Code sections:

Attachments: [2018 Acting Administator List.pdf](#)

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

POSSIBLE MOTION

I MOVE TO approve the
Acting Administrator list for 2018.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
From: Keith Brady, Municipal Administrator *KCB*
Date: December 1, 2017
Subject: Approval of the Acting Administrator list for 2018

Following is the updated Acting Administrator list for the calendar year 2018. These Department heads are authorized to serve in my capacity, in no particular order, should I be absent.

1. Bryan Bertacchi, Electric Utility Director
2. Maegan Bosak, Community Affairs Director
3. Ron Duvall, Information Technology Director
4. Michael Harmon, Public Works Director
5. Dave Miller, Fire Chief
6. Sara Peterson, Municipal Clerk
7. Jay Sweeney, Chief Finance and Administrative Officer

2.08.015 Selection of acting administrator.

No later than January 15th of each calendar year, the administrator shall provide in writing to the assembly a list of at least three department heads from which the administrator can select a person to serve as acting administrator for a given period of time during the next twelve months. The administrator will select from that list, unless unforeseen circumstances require the administrator to select another person not on the list. If another person is selected, the assembly will be informed as soon as possible. The assembly by majority vote may direct the administrator to change the list or the selection. (Ord. 14-39A § 4, 2014; Ord. 03-1755 § 4, 2003.)



CITY AND BOROUGH OF SITKA

Legislation Details

File #: RES 17-25 Version: 1 Name:

Type: Resolution Status: AGENDA READY

File created: 12/6/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Submitting City and Borough of Sitka FY2019 State Legislative Priorities to State of Alaska and 2018 Legislature

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Memo Res 2017-25.pdf](#)
[Draft FY 19 Legislative Priorities.pdf](#)
[Res 2017-25 FY19 Legislative Priorities.pdf](#)
[FY 2019 CBS LEGISLATIVE CAPITAL PROJECT PREQUEST.pdf](#)

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

POSSIBLE MOTION

I MOVE TO approve Resolution 2017-25 on first and final reading.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Mayor Hunter and Members of the Assembly

From: Keith Brady, Municipal Administrator
Maegan Bosak, Community Affairs Director

Subject: Resolution 2017-25 - DRAFT Fiscal Year 2019 CBS Legislative Priorities

Date: November 29, 2017

Enclosed are the draft Fiscal Year 2019 CBS Legislative Priorities for Assembly review. Most of these requests for state initiatives or capital project funding are from previous years or centered on community priorities. Sitka's legislators have requested a limited selection of projects, specifically highlighting matching grant funds in case a rare opportunity for funding becomes available.

The capital project requests outlined in the draft fiscal year 2019 Legislative Priorities focus on high priority CBS projects and include developing an Alternative Water Source and Harbor Facility infrastructure upgrades, which if not co-funded by the state will have to be eventually completed with CBS funding. If legislative funding was awarded, CBS does not accept any grant monies without Assembly approval and authorization to match, most of which rely on CBS enterprise funds (Harbor, Electric, Water and Waste Water) to cover the match.

Both capital project requests have previously been approved by the Assembly. The "Shovel Ready Project" list (Resolution 17-12) included both the Alternative Water Source Project (dedicated water transmission line) and the Crescent Harbor Float Replacement Project, which was approved on June 27, 2017. On July 11, 2017 the Assembly approved Resolutions of submittal and execution of a Municipal Harbor Facility Grant Application for Crescent Harbor Float Replacement and Eliason Harbor Electrical Replacement.

This year's Legislative Priorities approach is streamlined and similar to prior years. Having spoken with CBS Lobbyist Larry Markley, he continues to recommend a one sheet to help keep information top of mind for state officials. In addition, a full report and necessary engineering attachments for each project will be submitted into the Alaska Division of Legislative Finance Capital Projects database (CAPSIS) in early 2018.

Our goal is to focus on matching funds projects and state initiatives that create long term stability and gives CBS direction as we develop future budgets. Strategically, staff believes it is important to continue to make Legislative Priority requests. At some point in the future, funding will resume and we want to make sure Sitka's projects are top priority.



CITY AND BOROUGH OF SITKA

2019 LEGISLATIVE PRIORITIES

CBS

HIGHWAY TO SITKA...

PROVIDE EQUITABLE ALASKA MARINE HIGHWAY SERVICE

CBS requests the AMHS provide adequate and consistent service to our 9,000 residents and the visitors of our community. The AMHS acts as Sitka's highway, providing core service critical to our economy. Ferry service needs to be increased to the same level as other mainline ports in Southeast Alaska.

STATE FUNDING FOR STATE FACILITIES...

SUPPORT FOR STATE SERVICES AT SITKA JAIL FACILITIES

CBS requests the State of Alaska to fund the Community Jail Contract at its previous level of \$695,000. By law, the State is responsible for caring for persons charged under State law: 89% of our inmates fall into this category. Costs for personnel, food and laundry services have all risen sharply. Sitka's contract is not sufficient to sustain jail operations.

ADOPTION OF A SUSTAINABLE BUDGET...

WORK TOGETHER TO PROVIDE A LONG TERM FISCAL POLICY

CBS requests that Alaska Legislators work together to develop a sustainable and balanced budget that allows municipalities to plan for the future. Lack of a comprehensive budget plan has adversely impacted public safety, infrastructure maintenance, education and other key services.

CONTINUED STATE SUPPORT TO MUNICIPALITIES...

LONG TERM FUNDING SOURCE TO SUSTAIN COMMUNITY ASSISTANCE REVENUE

CBS requests the State of Alaska continue the current level of the Community Assistance Program and develop a long term funding source on which municipalities can rely. Prolonged budget level uncertainties are causing severe difficulties for Sitka and other local governments.

MANAGING THE LOCAL GOVERNMENT WORKFORCE...

NO INCREASE TO PUBLIC EMPLOYEES RETIREMENT SYSTEM CONTRIBUTIONS

CBS requests the State of Alaska maintain the current level of 22% of the PERS/TRS unfunded liability. Municipalities currently pay the amount set by the State but requiring a larger percentage could drastically impact already stressed municipal budgets.

LANDS NEEDED FOR COMMUNITY DEVELOPMENT...

STATE PARCELS SELECTED FOR FUTURE GROWTH

CBS requests the State of Alaska transfer ownership of four land parcels located adjacent the Sitka road system. These parcels have been identified as prime areas for community development. The parcels are known as Millersville, DOE parcel at the end of Seward Avenue, Indian River Valley parcel and Starrigavan/Katlian Bay parcel.

FUNDING FOR SITKA SCHOOLS...

SCHOOL BOND DEBT REIMBURSEMENT

CBS requests the State of Alaska resume fully funding the School Bond Debt reimbursement program. The drastic decrease has left many communities, including Sitka, struggling to come up with revenue to balance the general obligation bonded debt.

ECONOMIC DEVELOPMENT IN COASTAL COMMUNITIES...

SUPPORT FOR THE MUNICIPAL HARBOR GRANT PROGRAM

CBS requests the State of Alaska fully fund the Municipal Harbor Facility Grant Program in the FY 2019 State Capital Budget to ensure enhanced safety and economic prosperity for coastal communities. Municipalities have committed significant match for projects of local importance.

QUALITY EDUCATION IS OUR FUTURE...

FULLY FUND BASE STUDENT ALLOCATION

CBS requests the State of Alaska fully fund base student allocation (BSA). Sitka's schools are struggling economically and BSA is critical in determining future staffing, class size and curriculum.

**PREPARING CRITICAL
SERVICE FOR TIMES OF
MAINTENANCE OR
EMERGENCY ...**

ALTERNATIVE WATER SOURCE

CBS requests \$10,000,000 to develop an alternative water source. Currently, CBS utilizes a single pipe to provide water to both the new hydroelectric generation facility and the water treatment plant.

In 2013 and 2014, CBS spent \$145,000,000 to raise the height of the Blue Lake Dam from 145 feet to 228 feet and increase power generation by 16 megawatts. To protect this investment in the hydroelectric project, CBS will at 5-year intervals shut down the shared pipe for maintenance and cleaning. During these maintenance periods, CBS will be without a source of raw water.

As Blue Lake is a surface water source, in order for CBS to maintain filtration avoidance, State and Federal water quality regulations must be met. Since the dam elevation was raised, CBS has experienced several high source water turbidity readings during large storm events. Future high turbidity readings may necessitate filtration of Blue Lake water to meet State and Federal drinking water requirements.

CBS has completed an analysis outlining various alternative water source solutions including an alternative water transmission line, a permanent treatment facility or a groundwater secondary water supply.

Funding for this critical infrastructure project ensures that the citizens of Sitka will have access to water in times of necessary infrastructure maintenance or emergency.

Total Project Cost...\$20,000,000 (100%)
FY 2019 State Funding Request...\$10,000,000(50%)
Additional Funding Required (CBS Water Fund)...\$10,000,000 CBS (50%)

**MAINTENANCE OF
CRITICAL HARBOR
INFRASTRUCTURE...**

**MUNICIPAL HARBOR FACILITY
GRANT PROGRAM**

CBS requests that the State provide \$5,000,000 for Phase I of the Crescent Harbor Float Replacement Project or \$1,500,000 for Eliason Harbor Electrical Replacement under the Municipal Harbor Facility Matching Grant Program.

Crescent Harbor was designed and constructed by AKDOT/PF in several phases between 1965 and 1970, and was deeded to the City in two parts in 2001 and 2004. The Crescent Harbor Float Replacement Project includes complete replacement of the float system, new ADA-compliant gangways, reconstruction of access trestles, and replacement of potable water, fire, electrical and lighting systems to bring each up to current code standards.

Eliason Harbor was designed by AKDOT/PF and constructed in two phases in the late 1990s. While the facility overall has been deemed in good condition, the electrical system requires substantial rehabilitation within the next 5 years. The Electrical Replacement Project includes replacement of main service equipment, main distribution panelboard and load centers on the floats, and main cables between these components and the new pedestals.

Funding for either project will ensure that these critical pieces of harbor infrastructure remain in service to help support a healthy and vibrant commercial fishing and visitor industry in Sitka and Southeast Alaska.

Crescent Harbor Phase I...\$13,500,000 (100%)
FY 2019 State Funding Request...\$5,000,000(37%)
Additional Funding Required (CBS Harbor Fund)...
\$8,500,000 CBS (63%)

Or
Eliason Harbor Electrical
Replacement...\$3,800,000 (100%)
FY 2019 State Funding Request...\$1,500,000 (39%)
Additional Funding Required (CBS Harbor Fund)...
\$2,300,000 (61%)



**CITY AND BOROUGH OF SITKA
RESOLUTION NO. 2017-25**

**A RESOLUTION BY THE CITY AND BOROUGH OF SITKA
SUBMITTING CITY AND BOROUGH OF SITKA
FY 2019 STATE LEGISLATIVE PRIORITIES
TO STATE OF ALASKA AND 2018 LEGISLATURE**

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

WHEREAS, the attached City and Borough of Sitka FY 2019 Legislative Requests will enable the municipality and State of Alaska to continue to cooperate to make our communities and State more sustainable; and

WHEREAS, City and Borough of Sitka continues to support cooperation between cities and State of Alaska to achieve our common goals.

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the City and Borough of Sitka, Alaska, adopts the attached FY 2019 City and Borough of Sitka State Legislative Priorities and urges the Alaska State Legislature to support them to the maximum extent possible.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, on this 12th day of December, 2017.

Matthew Hunter, Mayor

ATTEST:

Sara Peterson, CMC
Municipal Clerk

1st and final reading 12/12/17

FY 2019 CBS LEGISLATIVE CAPITAL PROJECT PREQUEST

Project Title: ALTERNATIVE WATER SOURCE

Total Project Cost: \$20,000,000

FY 2016 State Funding Request: \$10,000,000

City and Borough of Sitka Federal Tax ID Number: 92-0041163

The City and Borough of Sitka (CBS) requests \$10,000,000 from the State of Alaska to develop an alternative water source. Currently, CBS utilizes a single pipe to provide water to both the new hydroelectric generation facility and water treatment plant.

In 2013 and 2014, CBS spent approximately \$145,000,000 to raise the height of the Blue Lake Dam from 145 feet to 228 feet and increase power generation by 16 megawatts. To protect this investment in the hydroelectric project, CBS will at 5-year intervals shut down the shared pipe for maintenance and cleaning. During these maintenance periods, CBS will be without a source of raw water.

As Blue Lake is a surface water source, in order for CBS to maintain filtration avoidance, State and Federal water quality regulations must be met. Since the dam elevation was raised, CBS has experienced several high source water turbidity readings during large storm events. Future high turbidity readings may necessitate filtration of Blue Lake drinking water to meet State and Federal drinking water requirements.

CBS has completed an analysis outlining various alternative water source solutions including an alternative water transmission line, a permanent water treatment facility or a groundwater secondary water supply.

Funding for this critical infrastructure project ensures that the citizens of Sitka will have access to water in times of necessary infrastructure maintenance or emergency.

FY 2019 CBS LEGISLATIVE CAPITAL PROJECT PREQUEST

Project Title: Crescent Harbor Float Replacement Project- Phase I

Total Project Cost: **\$13,500,000**

FY 2016 State Funding Request: **\$5,000,000**

City and Borough of Sitka Federal Tax ID Number: **92-0041163**

The City and Borough of Sitka (CBS) requests \$5,000,000 from the State of Alaska Municipal Harbor Facility Matching Grant Program for the Crescent Harbor Float Replacement Project – Phase I.

Crescent Harbor was designed and constructed by the State of Alaska, Department of Transportation and Public Facilities (AKDOT/PF) in several phases, beginning in 1965 and completed in 1970.

Crescent Harbor has undergone numerous repair projects in the past 50 years. Supplemental floatation has been added at least three times over the past 27 years to increase freeboard of the floats in an effort to get the structural members and fasteners out of the water. Numerous failing timber piling were replaced over the past several years. Approximately 50 percent of the timber finger floats on floats 1, 2 and 3 were replaced in 2002, and the electrical system was renovated in 2005. In spite of these repair projects, the facility is near the end of its safe and useable life. Float structural stringers are rotten, such that multiple fasteners are required in each deck board in order to secure them down. Harbor staff have been forced to recently switch from deck nails to 6" long screws for this same reason.

Crescent Harbor was evaluated as a part of the Harbor System Master Plan in late 2011 and was included in the Capital Improvement Project (CIP) Plan with a proposed two-phase replacement. The Master Plan concluded that due to the numerous repair and expansion phases that the harbor has undergone during its lifespan, some components are in fair to good condition. However, the majority of the facility, and many critical structural components, has exceeded its life expectancy and is in need of replacement. The Master Plan went on to state that the 1965 harbor facilities (i.e. concrete floats) have a remaining safe and useable service life of approximately 5 years and that the 2002 improvements (i.e. timber floats) have a safe and useable life of approximately 15 years.

The updated cost estimate puts the replacement cost of the entire facility to be approximately \$18,000,000 (2017 dollars). Under the Master Plan, the concrete floats (floats 5, 6 and 7) at Crescent Harbor were to be replaced in 2016 with a second phase consisting of replacement of the timber floats occurring in 2026. However, Harbor Staff has concerns with this plan and feels that it is more critical to replace the timber floats now as opposed to the concrete floats. While supplemental floatation can be added to the concrete floats to extend their service life, once the timbers floats rot, the addition of supplemental floatation can force the floatation up through the rotten timber damaging the float and electrical cable tray. Following that line of thinking, Public Works and Harbor Staff modified the CIP to include a more robust Crescent Harbor project for 2019 to include replacement of the timber floats or as much scope as can be accomplished for \$13,500,000 total project cost. A \$13,500,000 project will maximize the value of the one-time Tier I grant. Since the program covers only up to \$5,000,000 in eligible construction costs, the City and Borough cost of the project would be \$8,500,000 to cover the remainder of construction and design, permitting, management and contingencies. It is assumed that a future Phase II project will replace the remainder of the harbor (i.e. concrete floats) in 2026.

Crescent Harbor is the next grant-eligible Tier I project for the CBS Harbor Department under the Harbor System Master Plan CIP. Staff applied for this grant for FY16-18, however the project scored third (FY16-17) and second place (FY18) respectively, and funding was not provided. Securing grant funding for this project would allow the City and Borough to replace a portion of this aging facility with a significant subsidy from the State.

Funding of the Crescent Harbor Float Replacement Project Phase I will ensure that these critical pieces of harbor infrastructure remain in service to help support a healthy and vibrant commercial fishing and visitor industry in Sitka and Southeast Alaska.

FY 2019 CBS LEGISLATIVE CAPITAL PROJECT PREQUEST

Project Title: Eliason Harbor Electrical Replacement Project

Total Project Cost:	\$3,800,000
FY 2016 State Funding Request:	\$1,500,000
City and Borough of Sitka Federal Tax ID Number:	92-0041163

The City and Borough of Sitka (CBS) requests \$1,500,000 from the State of Alaska Municipal Harbor Facility Matching Grant Program for the Eliason Harbor Electrical Replacement Project.

Eliason Harbor, once referred to as New Thomsen Harbor, was designed by the State of Alaska, Department of Transportation and Public Facilities (ADOT/PF) and constructed in two phases. Phase I construction began in 1996 and Phase II construction was completed in 1999.

Eliason Harbor was evaluated as a part of the Harbor System Master Plan in late 2011. While the overall harbor facility was deemed in good condition with a remaining safe and useable life of approximately 20 years, the consultants noted that the electrical system required substantial rehabilitation within the next five years. Significant issues within the Eliason electrical system include feeder cable abrasion/failure and rusting panels and load centers to the point of structural failure. In addition, new electrical code requirements mandate ground fault protection be provided when any significant work is done to the system.

Crescent Harbor is the next grant-eligible project for the CBS Harbor Department under the Harbor System Master Plan CIP originally planned to be completed in 2017. Unfortunately, Crescent Harbor Phase I has not received grant funding in three prior application cycles which has also resulted in a deferral of Eliason Harbor Electrical. Harbor, Electric, and Public Works Staff have worked to develop a scope of work that includes the replacement of the components of the harbor which are in the worst condition: main service equipment, main distribution panelboard and load centers on the floats, and the main cables between these components and the new pedestals. The total estimated cost of this scope is approximately \$3,800,000 to include construction, design, permitting, management and contingencies. The State grant would cover 50% of construction costs not to exceed \$1,500,000.

Securing Tier II grant funding for this project would allow the City and Borough to complete the necessary electrical replacement with State of Alaska cost-sharing thereby reducing the burden on the local rate payers.

Funding of the Eliason Harbor Electrical Replacement Project will ensure that these critical pieces of harbor infrastructure remain in service to help support a healthy and vibrant commercial fishing and visitor industry in Sitka and Southeast Alaska.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-195 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/6/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Reappoint Michael Nurco to a three-year term on the Port and Harbors Commission and Appoint: 1) Jay Sweeney as a CBS Staff Liaison (non-voting, ex-officio member) to the Sitka Community Hospital Board and, 2) Keith Brady as a CBS Staff Liaison alternate (non-voting, ex-officio member)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion appointments.pdf](#)
[Nurco application.pdf](#)
[Memo and Sweeney - Brady applications.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTIONS

- 1) **I MOVE TO** reappoint Michael Nurco to a three-year term on the Port and Harbors Commission.
- 2) **I MOVE TO** appoint Jay Sweeney as a CBS Staff Liaison to the Sitka Community Hospital Board and Keith Brady as a CBS Staff Liaison alternate to the Sitka Community Hospital Board.



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

Board/Commission/Committee: PORTS & HARBORS
Name: MICHAEL NURCO Daytime Phone: 907-738-0927
Address: 617 KATLIAN ST. A-6 Evening Phone: _____
Email Address: albatrossalaskacharters@gmail.com Fax Number: _____
Length of Residence in Sitka: FOURTEEN YRS. Registered to vote in Sitka? ☒ Yes ☐ No
Employer: SELF EMPLOYED
Organizations you belong to or participate in: _____

Explain your main reason for applying:

RE-APPLYING
ON BOARD SINCE 11-15

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

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: 12-5-17 Signature: M. NURCO

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



PORT AND HARBORS COMMISSION

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
MICHAEL NURCO PO Box 6443	738-0927 albatrossalaskacharters@gmail.com	11/11/15	7/8/17	CHAIR <i>Davis term</i>
MELISSA GREENHALGH PO Box 25	738-1320 melissarae1984@yahoo.com	2/11/15 5/24/16	3/26/16 5/24/19	VICE CHAIR
JOSH ARNOLD 106 Shotgun Alley	738-0854 747-0545 oceanlure@gmail.com	5/13/14 5/23/15	5/22/15 5/23/18	
BRENDAN JONES PO Box 6265	738-8209 brendanisaacjones@gmail.com	2/9/16 6/14/16	6/11/16 6/14/19	
DAVE GORDON 717 Lake Street	738-0515 sitkadgordon@gmail.com	12/13/16	12/13/19	
KEN CREAMER 101 Sunset Drive	738-0223 747-8903 k.creamer@gci.net	9/12/17	10/27/18	<i>Skousen's term</i>
SHAUNA THORNTON PO Box 2156	598-1171 shaunat@gci.net	11/28/17	3/24/18	<i>Knox's term</i>
Stan Eliason Office: 617 Katlian Street	747-3439 w 738-0832 stan.eliason@cityofsitka.org			Harbormaster Non-voting
Aaron Bean 1111 Halibut Point Road	738-8923 assemblybean@cityofsitka.org			Assembly Liaison
Matthew Hunter 102 Remington Way	738-6851 c assemblyhunter@cityofsitka.org			Alternate Assembly Liaison
Kristi Jones Harbor Office Manager	747-3439 w kristi.jones@cityofsitka.org			Secretary

7 members from the public, 3-year terms

Established by Resolution 88-375

Nine meetings per year, September – May, 2nd Thursday 6:00 p.m.

Harrigan Centennial Hall, 300 Harbor Drive

Revised: December 4, 2017



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
From: Keith Brady, Municipal Administrator
Cc: Jay Sweeney, CFAO
Date: 12-7-17
Subject: Appointments to Sitka Community Hospital Board

Executive Summary

Michael Scarcelli has recently sent in a letter of resignation as the appointed CBS staff ex officio member to the SCH Board. To fill the position, and make sure that we are adhering to Sitka General Code, I am appointing Jay Sweeney as the ex officio member to the SCH board and Keith Brady as the alternate.

Recommendation

Approve appointment of Jay Sweeney as the CBS staff ex officio member to the SCH board and Keith Brady as the alternate.

Fiscal Note

\$0

Details

Sitka General Code:

2.12.010 City and borough of Sitka hospital board.

There shall be a board known as the city and borough of Sitka hospital board which shall consist of five voting members none of whom will be employees of Sitka Community Hospital:

- A. The city and borough of Sitka municipal administrator will appoint a nonvoting, ex officio member of the CBS senior staff as well as an alternate. This position will be approved by the assembly. This person will not hold any board office, such as chair or secretary. This term will not expire.



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

Board/Commission/Committee: SCH Hospital Board (CBS Staff Liaison)
Name: John P (Jay) Sweeney Daytime Phone: 747-1808
Address: 500 CHARTERIS Evening Phone: _____
Email Address: JAY.Sweeney@City of Sitka Fax Number: _____
Length of Residence in Sitka: 19 1/2 years Registered to vote in Sitka? ☒ Yes ☐ No
Employer: CITY AND Borough of Sitka
Organizations you belong to or participate in: ROTARY
ISLAND ARTISTS GALLERY

Explain your main reason for applying: Applying AT The request of The CBS
ADMINISTRATOR

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

Prior member of SCH BOARD, approximately 1999-2005, CHAIRMAN 2004.

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: 5 Dec 17 Signature: John P Sweeney

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



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

Board/Commission/Committee: SCH Board - City ex officio alternate
Name: Keith Brady Daytime Phone: 907-738-7047
Address: 100 Lincoln St Evening Phone: _____
Email Address: keith.brady@cityofsitka.org Fax Number: _____
Length of Residence in Sitka: < 1 yr Registered to vote in Sitka? X Yes ___ No
Employer: City and Borough of Sitka
Organizations you belong to or participate in:
None at the moment

Explain your main reason for applying:

SGC states that the administrator shall appoint an ex officio member to the SCH Board from senior staff and an alternate. I am offering myself as an alternate to the appointee.

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

I have served on several local, county & state boards. I enjoy being involved & knowing what's going on and the process in which it happens.

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

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

None at this moment

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: 12/7/17 Signature: [Signature]

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

Hospital Board Roster

Board Member	Phone	Address, E-mail	Seat	First Appointed	Term Expires
Bryan Bertacchi President	747-1870 w	PO Box 1373 bryan.bertacchi@cityofsitka.org	At-Large	1/12/16	1/12/18
Connie Sipe Secretary	966-4232 w	700 Katlian Street, Suite B csipe@cfc.org	Financial	1/12/16	1/12/19
Robert Hattle	738-2230	PO Box 2676 rhattle@mac.com	At-Large	10/24/17	1/12/18 Gage's term
Mary Ann Hall	747-7265 h	2037 Halibut Point Road	At-Large	1/12/16	1/12/18
David Lam	738-4068 c	PO Box 1324 dave@shamanmedicalconsulting.com	Healthcare	1/12/16	1/12/19
<i>CBS Staff Liaison*</i> Michael Scarcelli	747-1815 w	100 Lincoln Street michael.scarcelli@cityofsitka.org	Planning & Community Development Director	6/28/16	Resigned 12/5/17
<u>Chief Medical Staff Liaison*</u> Kimberly Bakkes	747-3241 w	Sitka Community Hospital 209 Moller Avenue kbakkes@sitkahospital.org		December of each year
<u>Vice Chief Medical Staff Liaison*</u> Debra Brushafer	747-3241 w	Dr.Brushafer@sitkahospital.org			
<u>Assembly Liaison*</u> Steven Eisenbeisz	738-9075 c	208 Lincoln Street assemblyeisenbeisz@cityofsitka.org			October (each year after election)
<u>Alternate</u> Richard Wein	738-0577 c	PO Box 2424 assemblywein@cityofsitka.org			
<u>Hospital Staff</u> Rob Allen Denise DenHerder	747-1738 w 747-1725 w	CEO Exec Asst/Recording Secretary	rallen@sitkahospital.org ddenherder@sitkahospital.org		

* Non-Voting – Vice Chief Medical Staff Liaison to fill in when the Chief Medical Staff Liaison not in attendance.

Hospital Board meets the **fourth Thursday of each month at 6:00 p.m.** in the Hospital Classroom.

All voting members will be approved by the Assembly. Five Members from Public:

- | | |
|---|-------------|
| 1 Member Professional Financial Experience | 3-year term |
| 1 Member Professional Healthcare Experience | 3-year term |
| 3 Members At-Large | 2-year term |

Non-Voting:

- | | |
|---|---|
| 1 Member Sitka Community Hospital Chief Medical Staff | Elected each December by SCH medical staff |
| 1 Member from the Assembly | Appointed each October |
| 1 Member from CBS Senior Staff | Approved by the Assembly with No Expiration |
- Re-Established by Ordinance 2015-37A

OATH OF OFFICE REQUIRED

Revised: December 5, 2017



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-39S Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 11/1/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Amending Sitka General Code Chapter 15.01 "Electric Utility Policies" at Section 15.01.020 "Electrical Rates" by adding Subsection P "Commercial Electric Rate Temporary Incentive Program"

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Ord 2017-39S.pdf](#)

Date	Ver.	Action By	Action	Result
11/28/2017	1	City and Borough Assembly		
11/7/2017	1	City and Borough Assembly	REFERRED	Pass

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-39S on
second and final reading.

CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2017-39S

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL
CODE CHAPTER 15.01 "ELECTRIC UTILITY POLICIES" AT SECTION 15.01.020
"ELECTRICAL RATES" BY ADDING SUBSECTION P "COMMERCIAL ELECTRIC RATE
TEMPORARY INCENTIVE PROGRAM"

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.
2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.
3. **PURPOSE.** The purpose of this ordinance is to add a subsection to the Sitka General Code which would create a program that would offer reduced temporary electric rates as an incentive to new commercial customers or existing commercial customers with a new load for the purpose of reducing rates to all customers and promoting job growth and other economic benefits to the municipality.
4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Chapter 15.01 "Electric Utility Policies" is amended at section 15.01.020 "Electrical rates" by adding subsection P "Commercial Electric Rate Temporary Incentive Program" (new language underlined):

Chapter 15.01
ELECTRIC UTILITY POLICIES

* * *

Section:

15.01.020 Electrical rates.

P. Commercial Electric Rate Temporary Incentive Program – New Commercial Customers or Existing Commercial Customers with a New Load

1. The administrator may authorize and approve a temporary incentive electric rate for a new commercial customer or an existing commercial customer with a new load. The customer must submit an application and qualify for the rate.
2. To apply, the customer must submit an application to the electric department, on a form supplied by the electric department. The application must include a power system "one-line" diagram of the proposed new load, along with an estimate of the annual kWh for the proposed new load stamped by a certified Alaska engineer.
3. To qualify, the customer must meet the following requirements:
 - a. The load for the proposed new service must be new, not a conversion of an existing load;

b. The annual customer billings for the proposed new service, as estimated by the electric department under the existing general service rate service class, must exceed \$75,000 per year; and

c. The customer must be commercial.

4. Once the customer is qualified, the administrator must authorize the application by finding that granting a temporary incentive rate is in the best interests of the city and borough and that the rate does not create an unreasonable competitive advantage over existing commercial customers.

5. Once the application is authorized by the administrator, the electric department shall negotiate a temporary incentive electric rate agreement with the customer; and, when signed by the customer, it shall be submitted to the administrator for approval by signature. In no case will the rate be applied to a customer for more than three years. In all agreements, the customer shall be required, at the customer's expense, to provide a separate meter and a new service connection.

6. Upon signing the agreement, the administrator shall provide the assembly with a copy of the agreement. A copy of the agreement shall be available to the public at all times through the municipal clerk at the Sitka City Hall.

7. Once the agreement is approved by the administrator, the customer shall request a connection from the utility office, advise the attending utility officer that the new service is a "temporary incentive electric rate" class, and is required to provide the attending utility officer a copy of the agreement. The electric department shall be responsible for terminating the rate pursuant to the terms of the agreement.

8. If the customer fails to install or operate the new service equipment according to the approved power system "on-line" diagram, or otherwise comply with the approved agreement, the temporary incentive electric rate may be revoked by the administrator upon thirty days prior written notice to the customer.

* * *

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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 12th day of December, 2017.

Matthew Hunter, Mayor

ATTEST:

Sara Peterson, CMC
Municipal Clerk

1st reading 11/28/17

2nd reading 12/12/17



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-40 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 11/21/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Adjusting the FY18 Budget (Crescent Harbor Playground Project)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Memo Ord 2017-40.pdf](#)
[Ord 2017-40.pdf](#)
[additional documentation.pdf](#)

Date	Ver.	Action By	Action	Result
11/28/2017	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-40 on
second and final reading.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
Keith Brady, Municipal Administrator *FOB*

From: Dan Tadic, P.E., Municipal Engineer *DT*
Melisa Haley, Controller *MH*

Cc: Jay Sweeney, Chief Finance and Administrative Officer
Michael Harmon, P.E., Public Works Director
Brian Hanson, Municipal Attorney *BH*

Date: November 20, 2017

Subject: Sitka Community Playground Budget Ordinance 2017-40
Contingent Appropriation of Grant Funds

Background

The Sitka Community Playground project will replace the current deficient playground with an Americans with Disabilities Act compliant, universally inclusive playground designed to excite and engage children in active and imaginative play. The project has been identified as a community goal in the Outdoor Recreation Plan, Parks and Recreation Committee, Sitka Health Summit, and Assembly Legislative Priorities.

The Assembly approved the City to be the applicant (on behalf of the Sitka Community Playground Volunteer Group and Southeast Alaska Independent Living - the non-profit umbrella for the project) for two separate Land and Water Conservation Fund (LWCF) grants (\$212,515 total) and a Rasmuson grant (\$275,000). The CBS has received and executed a grant agreement for LWCF Phase I grant and has received a Notification of Grant Award letter for LWCF Phase II grant indicating the funds will be available in Spring 2018. Rasmuson has been very positive about that grant application and more feedback is anticipated in late November with grant award possibly by years end.

Analysis

The Sitka Playground Volunteer Group has done a remarkable job planning, designing, and fundraising for the project while keeping the City informed and engaged along the way. They have developed an aggressive project schedule with grand opening planned

for Memorial Day weekend 2018. While no procurements will be made before grant funds (and necessary match funds) have been secured, the procurements need to be made expeditiously once funds are available to keep the project on schedule. CBS Staff feel that, in order to be as responsive as possible, a contingent appropriation is necessary to achieve the goals established by the Volunteer Playground Group.

All procurements utilizing grant funds received and managed by CBS will adhere to CBS Procurement Policies. In addition, a Memorandum of Understanding is being developed by Staff and will be in place before any grant or match funds are expended.

Fiscal Note

CBS requests an additional appropriation of \$362,516, contingent upon receiving approval of the full amounts requested from LWCF and Rasmuson. This additional appropriation would bring the full amount appropriated for the capital expenditure on the Crescent Harbor Playground to \$527,515. Contingently appropriating these expenditures now will ensure that the CBS, in coordination with the Volunteer Playground Group, will be able to begin project implementation upon award and execution of the prospective grants.

Recommendation

Staff recommends that the Assembly approve Ordinance 2017-40, appropriating an additional \$362,516 contingent upon award of grants from the Land and Water Conservation fund and the Rasmuson Foundation.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2017-40

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY18 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 FY18 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY18 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, 2017 and ending June 30, 2018 is hereby adjusted as follows:

<u>FISCAL YEAR 2018 EXPENDITURE BUDGETS</u>
CAPITAL PROJECTS
Fund 700 – Crescent Harbor Playground Project #90834: This is to recognize grant revenue expected from the Rasmuson Foundation and the Land and Water Conservation Fund totaling the amount of \$362,516 and request to increase appropriations for \$362,516 contingent upon receiving such Grants for the Crescent Harbor Playground Project.

EXPLANATION

Necessary revisions in the FY 2018 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 12th Day of December, 2017.

ATTEST:

Matthew Hunter, Mayor

Sara Peterson, CMC
Municipal Clerk

1st reading 11/28/17
2nd reading 12/12/17

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2016-19

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA
AUTHORIZING THE APPLICATION FOR A GRANT TO THE LAND AND
WATER CONSERVATION FUND FOR CRESCENT HARBOR PLAYGROUND
RENOVATION**

WHEREAS, the Land and Water Conservation Fund, administered by Alaska Department of Natural Resources, was created to assist local governments by financing up to 50% of the cost (\$25,000 - \$125,000) for the development of outdoor recreation facilities; and

WHEREAS, the guiding document for LWCF projects, the Statewide Comprehensive Outdoor Recreation Plan, lists upgrade of existing high-demand recreational facilities, in particular playgrounds, as the highest priority; and

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

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

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

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

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

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

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

WHEREAS, Crescent Harbor Playground renovation project is a collaborative, partnership project between the City Parks Division, the citizen Community Playground group, Rotary and

Southeast Alaska Independent Living, organizations which recognize the importance of playground that engages Sitka's 1669 children under 13 years old in active and imaginative play; and


WHEREAS, the City and Borough of Sitka in partnership with the Playground Steering Committee will commit to a 50:50 match to grant funds with in-kind labor, in-kind services and donations to complete the Crescent Playground renovation.

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

PASSED, APPROVED, AND ADOPTED by the City and Borough of Sitka Assembly on the 11th day of October, 2016.


Mim McConnell, Mayor

ATTEST:


Sara Peterson, CMC
Municipal Clerk

1st and final reading 10/11/16

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

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

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

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

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

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

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

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

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

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


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

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

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


Matthew Hunter, Mayor

ATTEST:


Sara Peterson,
Municipal Clerk

1st and final reading 3/28/17

**CITY AND BOROUGH OF SITKA
RESOLUTION NO. 2017-08**

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA
AUTHORIZING THE APPLICATION FOR A GRANT TO THE LAND AND
WATER CONSERVATION FUND FOR CRESCENT HARBOR PLAYGROUND
RENOVATION**

WHEREAS, the Land and Water Conservation Fund (LWCF), administered by Alaska Department of Natural Resources, was created to assist local governments by financing up to 50% of the cost (\$25,000 - \$125,000) for the development of outdoor recreation facilities; and

WHEREAS, the guiding document for LWCF projects, the Statewide Comprehensive Outdoor Recreation Plan, lists upgrade of existing high-demand recreational facilities, in particular playgrounds, as the highest priority; and

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

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

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

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

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

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

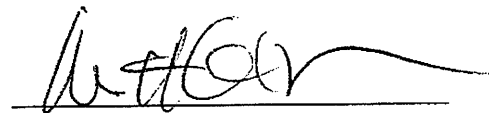
WHEREAS, the new playground will be built from sustainable and safe materials that will require minimal maintenance in the years to come; and

WHEREAS, Crescent Harbor Playground renovation project is a collaborative, partnership project between the City Public Works Department, the citizen Community Playground group, and Southeast Alaska Independent Living (SAIL) and over 145 businesses, organizations and individuals who recognize the importance of playground that engages Sitka's 1418 children under 13 years old in active and imaginative play; and

WHEREAS, the City and Borough of Sitka in partnership with the Playground Committee will commit to a 50:50 match to grant funds with in-kind labor, in-kind services and donations to complete the Crescent Playground renovation.

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

PASSED, APPROVED, AND ADOPTED by the City and Borough of Sitka, Alaska, on this 13th day of June, 2017.


Matthew Hunter, Mayor

ATTEST:



Melissa Henshaw, CMC
Acting Municipal Clerk

1st and final reading 6/13/17



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-42 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 11/21/2017 In control: City and Borough Assembly
On agenda: 12/12/2017 Final action:
Title: Adding a new Title 24 "Non-Discrimination" and a new Chapter 24.05 "Non-Discrimination"
Sponsors:
Indexes:
Code sections:
Attachments: [Motion and Ord 2017-42.pdf](#)

Date	Ver.	Action By	Action	Result
11/28/2017	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-42 on
second and final reading.

CITY AND BOROUGH OF SITKA
ORDINANCE NO. 2017-42

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA ADDING A NEW TITLE 24 "NON-DISCRIMINATION" AND A NEW CHAPTER 24.05 "NON-DISCRIMINATION"

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.
2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.
3. **PURPOSE.** The purpose of this ordinance is to add a new title to Sitka General Code, Title 24, entitled "Non-Discrimination", which addresses and clarifies the concept of inappropriate discrimination in the municipality, as provided for and defined in the sections under Chapter 24.05 entitled "Non-Discrimination".
4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code is amended by adding Title 24, "Non-Discrimination" (new language underlined; deleted language stricken):

Title 24
Non-Discrimination

Chapter: 24.05 Non-Discrimination

Sections:

- 24.05.010 Definitions
- 24.05.020 Policy
- 24.05.030 Discrimination in employment
- 24.05.040 Discrimination in the provision of housing or realty
- 24.05.050 Discrimination in public accommodations
- 24.05.060 Lawful Practices
- 24.05.070 Unlawful intimidation or retaliation
- 24.05.080 Aiding, abetting, or coercing a violation
- 24.05.090 Cause of action

24.05.010 Definitions.

For purposes of this chapter:

A. Disability means, with respect to a person:

1. a physical or mental impairment which substantially limits one or more of a person's major life activities;
2. a record of having such impairment; or
3. being regarded as having such an impairment. "Disability" does not include current, illegal use of or addiction to a controlled substance in violation of applicable state law. However, a person may be considered to be disabled if that person:

- 56 a. has successfully completed a supervised drug rehabilitation program, and
57
58 i. is no longer engaging in the illegal use of a controlled substance;
59
60 ii. is not currently addicted to a controlled substance; or
61
62 iii. has otherwise been rehabilitated successfully and is no longer engaging in
63 use of a controlled substance and is not currently addicted;
64
65 b. is participating in a supervised rehabilitation program and is no longer engaging in
66 illegal use of controlled substances; or
67
68 c. is erroneously regarded as currently illegally using, or being addicted to, a
69 controlled substance.
70

71 B. Employer includes any person who employs four or more persons exclusive of that person's parents,
72 spouse or children.
73

74 C. Employment agency includes any person undertaking for compensation to procure opportunities to
75 work or to procure, recruit, refer or place employees.
76

77 D. Familial status means marital status, changes in marital status, pregnancy, or parenthood.
78

79 E. Financial institution means bank, banking organization, mortgage company, insurance company,
80 investment company, or other lender to whom application is made for financial assistance for the
81 purchase, lease, acquisition, construction, rehabilitation, repair, maintenance, or improvement of real
82 property, or an individual employed by or acting on behalf of or as agent of any of these.
83

84 F. Gender identity means a person's gender-related self-identity appearance, expression, or behavior,
85 regardless of the person's assigned sex at birth. A person's gender identity may be shown by evidence
86 of medical history, care or treatment of the gender identity, consistent and uniform assertion of the
87 gender identity, or other evidence that the gender identity is sincerely held, core to a person's gender-
88 related self-identity, and not being asserted for an improper purpose.
89

90 G. Gender expression means the external appearance of one's gender identity, usually expressed
91 through behavior, clothing, haircut or voice, and which may or may not conform to socially defined
92 behaviors and characteristics typically associated with being either masculine or feminine.
93

94 H. Housing for older persons means housing:
95

- 96 1. provided under any state or federal program that the Secretary of the United States
97 Department of Housing and Urban Development has determined is specifically designed
98 and operated to assist elderly persons;
99
100 2. intended for, and solely occupied by, persons 55 years of age or older; or
101
102 3. intended and operated for occupancy by at least one person 55 years of age or older per
103 unit.
104

105 I. Individual means one or more Individuals.
106

J. Labor organization includes any organization which exists for the purpose, in whole or in part, of collective bargaining or of dealing with employers concerning grievances, terms or conditions of employment, or for other mutual aid or protection in relation to employment.

K. National origin includes ancestry.

L. Person includes one or more individuals, partnerships, associations, unincorporated organizations, corporations, mutual companies, joint-stock companies, legal representatives, trusts, trustees, trustees in bankruptcy, and receivers.

M. Place of public accommodation means all places or businesses offering or holding out to the general public services or facilities for the comfort, health and safety of the general public, including public places providing food, shelter, recreation and amusement.

N. Sexual orientation means actual or perceived heterosexuality, homosexuality, bisexuality, or asexuality.

24.05.020 Policy.

It is the policy of the city and borough to eliminate unlawful discrimination based on race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin. Such discrimination poses a threat to the health, safety and general welfare of the citizens of the city and borough.

24.05.030 Discrimination in employment

A. It shall be a prohibited discriminatory employment practice:

1. For an employer to fail or refuse to hire, to discharge, bar from employment, or otherwise to discriminate against any individual with respect to compensation or the terms, conditions, or privileges of employment because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin;

2. For a labor organization to exclude or expel from membership, or otherwise to discriminate against any applicant or member, because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin of any applicant or member;

3. For an employment agency to fail or refuse to refer for employment, or otherwise to discriminate against any individual because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin of said individual;

4. For an employer, labor organization, or employment agency to print or circulate or cause to be printed or circulated any statement, advertisement, or publication, or to make any inquiry in connection with prospective employment, which expresses directly or indirectly a preference, limitation, specification, or discrimination because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin, unless based upon a bona fide occupational qualification;

5. For an academic, professional or vocational school to exclude or expel from enrollment, or otherwise to discriminate against any applicant or student, because of the student's race, color,

religion, familial status, disability, sexual orientation, gender identity, gender expression, or national origin;

6. For an academic, professional or vocational school to print or circulate or cause to be printed or circulated, a statement, advertisement or publication, or to use any form of application for admission to said school, or to make any inquiry in connection with prospective enrollment in said school, which expresses directly or indirectly a preference, limitation, specification, or discrimination because of race, color, religion, sexual orientation, gender identity, gender expression, familial status, disability, or national origin;

B. Nothing in this chapter shall be interpreted to require an employer, employment agency, labor organization, or joint labor-management committee subject to this ordinance to grant or accord preferential treatment to an individual or group because of the race, color, religion, sexual orientation, gender identity, gender expression, familial status, disability, or national origin of such individual or group because of an imbalance that may exist with respect to the total number or percentage of persons of any race, color, religion, sexual orientation, gender identity, gender expression, familial status, disability, or national origin employed by an employer, referred or classified for employment by an employment agency or labor organization, admitted to membership or classified by a labor organization, or admitted to or employed in an apprenticeship or other training program in comparison with the total number or percentage of persons of such race, color, religion, sexual orientation, gender identity, gender expression, familial status, disability, or national origin in this community or in the available work force in this community.

24.05.040 Discrimination in the provision of housing or realty.

A. It shall be a prohibited housing or realty practice:

1. For a person, including a banking, money lending, credit securing or other financial institution, or an officer, agent or employee thereof, to discriminate against an individual because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin, with respect to the granting or withholding of credit or financial assistance, or modifying of rates, terms, conditions, privileges or other provisions of credit or financial assistance, in connection with the transfer or prospective transfer of any interest whatsoever in realty, or in connection with the construction, repair, improvement, or rehabilitation of realty;

2. For a real estate broker, salesperson, or agent, or an employee thereof, or any other person seeking financial gain thereby, directly or indirectly to induce or solicit, or attempt to induce or solicit, the transfer of any interest whatsoever in realty, by making or distributing, or causing to be made or distributed, a statement or representation concerning the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin;

3. For a person to refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate the sale or rental of, or otherwise make unavailable or deny a dwelling to a person because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin;

4. For a person to discriminate against another person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin;

5. For a person to make, print, or publish, or cause to be made, printed, or published a notice, statement, or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, national origin, or an intention to make any such preference, limitation, or discrimination;

6. For a person to represent to another person because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin that a dwelling is not available for inspection, sale, or rental when such dwelling is, in fact, available for such purpose; and

7. For a person to deny another person access to or membership or participation in a multiple-listing service, real estate brokers' organization, or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against another person in the terms or conditions of such access, membership or participation on account of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin.

B. For purposes of this section, with respect to persons with disabilities, the term prohibited discriminatory practices includes:

1. Refusal to permit, at the expense of a person with a disability, or another person on behalf of a person with a disability, reasonable modification of existing premises occupied by or to be occupied by the person with disabilities if the modification may be necessary or desirable to afford the person with a disability full enjoyment of the premises, except that, in the case of a rental unit the landlord may, where it is reasonable to do so, condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted; and

2. A refusal to make reasonable accommodations in rules, policies, practices, or services, when accommodation may be necessary to afford the person an equal opportunity to use and enjoy a dwelling.

24.05.050 Discrimination in public accommodations.

A. It shall be a prohibited discriminatory public accommodation practice for any person, including any owner, lessee, manager, proprietor, custodian, agent, or employee of a place of public accommodation to discriminate against any individual because of race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin, with respect to the terms, conditions, and privileges of access to or with respect to the uses, services, and enjoyment of a place of public accommodation.

B. To publish, circulate, issue, display, post, or mail a written or printed communication, notice, or advertisement that states or implies

1. that any of the services, goods, facilities, advantages, or privileges of the public accommodation will be refused, withheld from, or denied to a person of a certain race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin; or

2. that the patronage of a person belonging to a particular race, color, age, religion, sex, familial status, disability, sexual orientation, gender identity, gender expression, or national origin is unwelcome, not desired, or solicited.

C. Notwithstanding (a) of this section, a physical fitness facility may limit public accommodation to a single gender to protect the privacy interests of its users. Public accommodation may be limited under this subsection only to those rooms in the facility that are primarily used for weight loss, aerobic, and other exercises, or for resistance weight training. Public accommodation may not be limited under this subsection to rooms in the facility primarily used for other purposes, including conference rooms, dining rooms, and premises licensed under AS 04.11. This subsection does not apply to swimming pools or golf courses.

24.05.060 Lawful practices.

A. Nothing in this chapter shall be construed to preempt federal law with respect to a federally recognized Tribe granting preference in employment or housing to Tribal members.

B. The provisions of SGC 24.05.040.A.3 shall not apply to rental of a room or rooms in a dwelling unit actually occupied by the owner or lessee as the owner's or lessee's residence, or actually occupied by a member of the owner's or lessee's immediate family as the family member's residence. For purposes of this section, "immediate family member" means the owner's or lessee's spouse, minor child, dependent, or a regular member of the owner's or lessee's household, provided that the owner or lessee rents not more than three rooms within the residence.

C. The provisions of SGC 24.05.040 and SGC 24.05.050 regarding age and familial status shall not apply with respect to housing for older persons.

D. Nothing in this chapter prohibits a religious organization, association, or society, or a nonprofit institution or organization operated, supervised, or controlled by a religious organization, association, or society, from limiting the sale, rental or occupancy of dwellings it owns or operates for other than a commercial purpose to persons of the same religion, or from giving preference to such a person. Neither shall anything in this chapter prohibit a private club not in fact open to the public, which as an incident to its primary purpose or purposes provides lodgings which it owns or operates for club purposes and not for profit, from limiting the rental or occupancy of such lodgings to its members or from giving preference to its members.

E. This chapter shall not apply with respect to the employment of individuals whose positions would fall within the "ministerial exemption" as described by the United States Supreme Court in Hosanna-Tabor Evangelical Lutheran Church and School v. EEOC, 132 S.Ct 694 (2012).

F. Nothing in this chapter shall be construed to diminish the protections afforded employees of the city and borough under City and Borough of Sitka Personnel Policies Handbook section 3.4.

G. Notwithstanding the prohibition against employment discrimination on the basis of familial status under SGC 24.05.030,

1. an employer may, without violating SGC 24.05.030, provide greater health and retirement benefits to employees who have a spouse or dependent children than are provided to other employees;

2. a labor organization may, without violating SGC 24.05.030, negotiate greater health and retirement benefits for employees of an employer who have a spouse or dependent children than are provided to other employees of the employer.

H. Nothing in this chapter shall prohibit the establishment of a same-sex shelter or residential facility for the care and lodging of persons in need of special medical, rehabilitative, social, or psychological support, including, but not limited to: emergency shelters for victims of domestic violence and sexual assault; half-way houses; drug treatment centers; detoxification facilities; and shelters for the homeless, provided that such establishment does not discriminate based on race, color, age, religion, familial status, disability, sexual orientation, gender identity, gender expression, or national origin.

I. It shall not be an unlawful practice for any financial institution or other commercial institution extending credit from engaging in any practice permitted by federal statute or regulation applicable to financial or credit transactions of the same character as those covered by SGC 24.05.040.A.1.

24.05.070 Unlawful intimidation or retaliation.

It shall be a prohibited discriminatory practice for a person, directly or indirectly, to discriminate, coerce, intimidate, threaten, interfere with, or retaliate against a person because the person has:

1. _____ opposed any practice made unlawful by this chapter; or
2. _____ exercised the person's rights, or encouraged another to exercise his or her rights under this chapter.

24.05.080 Aiding, abetting, or coercing a violation.

It is unlawful for any person to aid, abet, incite, compel, or coerce the doing of an act forbidden under this chapter or to attempt to do so.

24.05.090 Cause of action.

A. A person aggrieved by a discriminatory practice prohibited under this chapter may, within 300 days of any violation of this chapter, petition in court to enjoin a violation of this chapter or seek remedy for a violation.

B. Remedy may include such relief as the court deems just and proper, and may include one or more of the following:

1. _____ requiring training concerning discriminatory practices;
2. _____ an accommodation for a person with a disability;
3. _____ removal of or changes to a personnel record;
4. _____ posting of signs;
5. _____ back pay;
6. _____ the hiring, reinstatement, or upgrading of an employee with or without back pay;
7. _____ the payment of front pay for a period of not more than one year if hiring, reinstatement, or upgrading of an employee is inappropriate because a vacancy does not exist, the employer's discriminatory practice rendered the employee incapable of returning to work, or the relationship between the employer and employee has so deteriorated as to make working conditions intolerable;

8. restoration to membership in a labor organization;

9. admission to or participation in an apprenticeship training program, on-the-job training program, or other retraining program;

10. restoration of seniority;

11. the sale, lease, or rental of the housing accommodation to the aggrieved person if it is still available, or the sale, lease, or rental of a like accommodation owned by the respondent if one is still available, or the sale, lease, or rental of the next vacancy in a like accommodation, owned by the respondent; and

12. actual damages incurred as a result of the unlawful practice or violation.

C. An order for back pay or front pay under SGC 24.050.090.B.5-7 of this section must be reduced by the amount the employee could have earned or could earn by making reasonably diligent efforts to obtain similar employment.

* * *

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 12th day of December, 2017.

Matthew Hunter, Mayor

ATTEST:

Sara Peterson, CMC
Municipal Clerk

1st reading 11/28/17

2nd reading 12/12/17



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-37S Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 11/1/2017 In control: City and Borough Assembly
On agenda: 12/12/2017 Final action:
Title: Adjusting the FY18 Budget (Donation to St. Michael's Cathedral renovation project)
Sponsors:
Indexes:
Code sections:
Attachments: [Motion and Memos Ord 2017-37S.pdf](#)
[Ord 2017-37S.pdf](#)

Date	Ver.	Action By	Action	Result
11/28/2017	1	City and Borough Assembly		
11/7/2017	1	City and Borough Assembly	PASSED ON FIRST READING	Pass

POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-37S on
first reading.

Note: At the November 28th Assembly meeting, Ordinance 2017-37 was postponed for further work. This is a substitute ordinance.



City and Borough of Sitka

LEGAL DEPARTMENT

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

TO: Mayor and Assembly Members

FROM: Brian E. Hanson
Municipal Attorney

DATE: December 6, 2017

SUBJECT: St. Michael's Cathedral Renovation Donation Ordinance

With respect to the propriety of the municipality donating \$5,000 towards the renovation of St. Michael's Cathedral, it is my opinion that such a donation, under its particular circumstances, is permissible and not violative of the First Amendment Establishment Clause of the State and Federal Constitutions. My conclusion is based on an examination of relevant case law and legal commentaries.

The general rule as to permissible involvement of government in religious actions and causes was first enunciated in *Lemon v. Kurtzman*, 403 U.S. 602 (1971), when the U.S. Supreme Court adopted a three-part test for examining Establishment Clause cases, stating:

First, the legislature must have adopted the law with a secular purpose. Second, the statute's principal or primary effect must be one that neither advances nor inhibits religion. Third, the statute must not result in excessive entanglement of government with religion.

Here, the religious action and cause is the renovation of St. Michael's Cathedral. The proposed governmental involvement is the donation of \$5,000 towards that renovation project. Applying the *Lemon* test: First, the purpose of the donation is secular (public), i.e., to renovate and preserve a historic and iconic building in the center of downtown Sitka which promotes community and business for the benefit of all the citizens of Sitka. Second, the donation's principal or primary effect neither advances nor inhibits religion; rather, the donation advances the public purpose. Third, the donation does not result in an excessive entanglement with religion, as it is a relatively small one-time donation, placed in a renovation fund, ear-marked for exterior renovation, and which doesn't require administration by the municipality.

In summary, I believe it is constitutionally permissible for the municipality to donate \$5,000 towards the renovation of St. Michael's Cathedral because (1) the donation is for a secular (public) purpose, (2) the donation neither advances nor inhibits religion, and (3) the donation does not result in excessive entanglement of the municipality with religion.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
Keith Brady, Municipal Administrator

From: Assembly Member Steven Eisenbeisz
Assembly Member Bob Potrzuski

Date: October 31, 2017

Subject: Approval of appropriation for a donation to the St. Michael's Cathedral renovation project

Issue:

We are requesting a supplemental appropriation for a donation to help with the cost of renovating St. Michael's Cathedral.

Facts:

1. St. Michael's Cathedral is undergoing renovation and repainting. Funds are being solicited from the public to help defray the cost.
2. The Municipality levies a 6% hotel, motel, and bed and breakfast transient room rental tax. The proceeds from the room rental tax are deposited in the Visitor Enhancement Fund.
3. The Visitor Enhancement Fund can be used, per SGC 4.24.070 (D), as follows:

D. The proceeds contained in the visitor activities enhancement fund may be appropriated by the assembly for any purpose related to the enhancement of tourism and visitor-related activities in the municipality, to include but not be limited to contractual funding of a convention and visitor's bureau, funding of travel of municipal officials to travel-related conventions and trade shows, and procurement of tourism-related advertising. All such procurements shall be subject to municipal procurement regulations in accordance with Title 3.

4. As of June 30, 2017, the Visitor Enhancement Fund ended the fiscal year with an unencumbered fund balance of \$304,039.

Discussion:

1. St. Michael's Cathedral is a significant historical and cultural landmark in downtown Sitka. The Cathedral figures prominently in many promotional materials for Sitka as a visitor destination.
2. Keeping St. Michael's Cathedral a well-maintained facility benefits all Sitkans. Its landmark status contributes to the attractiveness of Sitka as a visitor destination which, in turn, contributes to the vibrancy of the local economy.
3. As sufficient funds exist in the Visitor Enhancement Fund, a small donation to the St. Michael's Cathedral renovation project is appropriate.

Recommendation:

1. Approve the supplemental budget ordinance for a donation to the St. Michael's Cathedral renovation project.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2017-37S
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY18 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 FY18 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY18 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, 2017 and ending June 30, 2018 is hereby adjusted as follows:

FISCAL YEAR 2018 EXPENDITURE BUDGETS	
SPECIAL REVENUE FUND	
Visitor Enhancement Fund - Operations: An appropriation shall be made in the amount of \$5,000 as a donation to St. Michael's Cathedrals' renovation fund. This donation is made on the conditions that the donation will be deposited in a renovation fund account separate from the church's general fund account and the donation will be used only for exterior renovation of the building. The purpose of this donation is public by renovating and preserving a historic and iconic building in the center of downtown Sitka which promotes community and business for the benefit of all the citizens of Sitka.	

EXPLANATION

Necessary revisions in the FY 2018 budget were identified. These changes involve the increase of expenditure accounts and causes decreased cash flows to the fund balance of various funds.

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 26th Day of December, 2017.

ATTEST:

Matthew Hunter, Mayor

Melissa Henshaw, CMC
Acting Municipal Clerk

1st reading 12/12/17
2nd reading 12/26/17



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-41 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 11/21/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Adjusting the FY18 Sitka Community Hospital Budget (Electronic Health Records Project)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2017-41.pdf](#)
[SCH Memo.pdf](#)
[CERNER Attachment A -Answers to Questions.pdf](#)
[CBS Memo.pdf](#)
[Ord 2017-41.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-41 on
first reading.



MEMORANDUM

To: Members of the Assembly,
Keith Brady, City Administrator

From: Rob Allen, CEO Sitka Community Hospital

Date: November 20, 2017

Subject: Final Approval of the Cerner Electronic Health Record Project

Executive Summary

At its last meeting on October 26, 2017, the Hospital Board voted unanimously to recommend Assembly approval of the Hospital's Cerner Electronic Health Record ("EHR") project. This summary provides an overview of the process and the SCH request.

Following a competitive request for proposal process, Cerner CommunityWorks was selected in October, 2016 as the Hospital's first choice for its new EHR provider. The original plan for the Cerner implementation called for a capital investment of \$1,582,656 for the Cerner software alone. The plan required an initial outlay of \$500,000 with the balance to be paid over seven years. Monthly maintenance costs were \$27,517 subject to annual increases.

Realizing how the large up-front costs would impact our cash flow while recognizing the urgent need to replace our Hospital's EHR system, SCH asked Cerner for additional options. As a result, Cerner offered a *Software as a Service* ("SaaS") contract as an alternative. A key distinction of the newly proposed agreement is that SCH will not be acquiring a software license or ownership from Cerner. Instead, SCH will make monthly payments to use the system as a technical service. The newly proposed agreement will allow SCH to begin implementation immediately upon execution of the contract without a large lump sum payment. Instead, SCH will incur a monthly subscription expense of \$45,738 which will remain fixed, with no increase, for seven years. This portion of the new EHR project will be funded out of operations and can be absorbed within the SCH FY18 approved budget.

Capital costs for the project include hardware upgrades, interfaces, project management and system design. The capital costs to be paid during FY18 will be funded out of the approved SCH FY18 capital budget.

In addition, Cerner has agreed to two escape clauses in response to concerns raised by the Assembly during prior discussions about the project. One clause would allow the Hospital to terminate the Cerner agreement in the event that SCH merges with another organization. The second clause limits the liability

to the City should SCH go out of business altogether, or if there ceases to be an adequate appropriation in the future to cover the operations of the Hospital or the cost of the project.

Please see the *Fiscal Note* section of the memo for additional details on accounting treatment, FY18 appropriations and termination clauses.

Details

The procurement of an EHR solution is exempt from a requirement for competitive bidding under the City's general code because it is the procurement of a technical service. However, SCH did utilize a competitive, open, and matrix scoring-driven selection process to ensure selection of the best system at the lowest possible cost. Proposals were received from five different EHR vendors. The scoring process narrowed the selection down to three finalists, including Cerner, Athena Health, and Meditech. Cerner was determined to have the system that best suits the needs of the Hospital and its healthcare professionals. While Cerner was second of three finalists on a strict cost comparison basis, our team determined that it offers the best value to the Hospital and the community.

Sitka Community Hospital has no choice but to proceed with the implementation of a new EHR system. In 2014, SCH implemented a product known as *Centriq*. The Hospital's doctors, nurses and administrators are in universal agreement that the *Centriq* project was a poor implementation of a seriously flawed system. We are not alone in this conclusion. We have heard from our colleagues at other rural hospitals who have had very similar experiences with *Centriq*. In fact, the EHR market has reached the same conclusion. The company that developed *Centriq* was recently acquired by a competitor, and the version of *Centriq* that SCH is using is no longer supported by the vendor. The lack of functionality in our current system cripples the Hospital's ability to function at an efficient level, and more importantly creates serious challenges to our ability to deliver healthcare to our patients effectively and in a consistently safe manner.

If we are unable to proceed with the Cerner project, the Hospital will have no choice but to incur capital and operating expenses associated with an upgrade to the current version of *Centriq* immediately. Expenses would include a major upgrade in the Hospital's hardware infrastructure to ensure that the system would be minimally functional. In addition, the upgrade would require expenses for implementation, similar to the process that would be required to implement Cerner.

Our internal assessment estimates that this option would cost in excess of \$1,000,000 for the necessary hardware upgrades, interfaces and other implementation costs. Our monthly maintenance costs for *Centriq* would continue and increase. These significant expenses would simply yield a supported version of our current system and one that is far inferior to Cerner. Moreover, the company that now owns *Centriq* has announced that *Centriq* will be phased out altogether after 2022. Once that occurs, should we fail to transition to Cerner, we would be required to undertake a new implementation of an alternative EHR provided by the company. This would likely be *Evident*, a system that was rejected in our selection process as unsuited to the Hospital's needs. The cost of this implementation, combined with the *Centriq* 12.0 upgrade costs, would be comparable to or exceed the cost of the project with Cerner.

Fiscal Note

Accounting Treatment

The SCH Board originally approved the Cerner Project with a total capital cost of \$2,906,627 and ongoing monthly costs of \$27,517 which would be subject to annual increases. The capital costs included Cerner software of \$1,582,676, financial software of \$70,000 and related implementation costs of hardware, data archiving, interfaces, Cerner travel costs and a 10% contingency.

As outlined above, Cerner has agreed to provide SCH with a hosted SaaS solution. This changes the structure of the deal whereby SCH would not acquire the software but would instead pay a monthly fee to utilize the software. This type of arrangement has become quite common as entities have come to rely more and more on cloud-based solutions.

Because of this shift to SaaS arrangements, the Financial Accounting Standards Board ("FASB") issued new Generally Accepted Accounting Principles ("GAAP") guidance that clarifies accounting treatment for SaaS arrangements. Under this guidance, entities that do not acquire a license of software ownership, account for the contract as a service arrangement.

As SCH will not own the Cerner software, SCH believes it appropriate to account for the monthly payments as a service arrangement to be funded out of operations. We have discussed the accounting treatment with our auditors, Elgee Rehfeld Mertz ("ERM") and they concur that our understanding of the accounting treatment of SaaS agreements in general is accurate. We have provided a copy of the existing contract to ERM and asked for a review of the specifics of our agreement. Cerner has agreed to modify the agreement for language changes that may result from our auditor review.

Impact on FY18 Appropriations

SCH is able to fund both the operating and capital costs out of existing, approved appropriations.

With a start date of February 1, 2018, the FY18 increase to operating expense will be \$146,713. (See Line 10 of Attachment 2). This increase in expense is more than offset by \$401,592 of positive budget variances from USAC and Health Insurance (See line 4 of Attachment 2).

As we disclosed during our FY18 budget presentation to the Assembly and which was subsequently approved, we included an increase in USAC expense in FY18 due to possible decreased federal funding for our internet service. Though we felt positive we would be able to gain approval for full funding, we felt it prudent to include the worst-case scenario in the budget. Indications are that we will receive full funding and we are just days away from that confirmation. The positive variance in our FY18 budget for USAC is \$201,588.

Also, as we disclosed during our FY18 budget presentation to the Assembly and which was subsequently approved, we budgeted health insurance expense to increase by 17.5% - which was the anticipated increase at the time. Final negotiated rates, after budget approval, were 14.1%. In addition, our actual enrollment was lower than anticipated. The lower than anticipated rates and enrollment have created a positive variance in our FY18 budget of approximately \$200,000.

Through October 31, 2018 these two items total approximately \$134,000. As a comparison, through October 31, 2018, our actual expenses are roughly \$130,000 less than budget.

As you can see on Attachment 3, the capital costs for FY18 are budgeted to be \$380,785. This amount is a bit conservative because of the dollar amount and timing of contingency. Even so, the conservative total can be absorbed within the approved SCH capital budget of \$464,881. To date, capital costs incurred have been minimal. This does mean that Cerner capital costs will be “substituted” for other planned capital expenditures. However, SCH has determined that the EHR replacement is a top priority.

In future years, the monthly service contract amounts will be folded into operations and capital will be funded by cash flow generated from operations including known pick-ups from Operation Urgent Care (Stroudwater) which have not been included as benefits in this analysis.

This analysis also does not include the reimbursement benefit of increased costs. As a cost-based critical access hospital, we are reimbursed by Medicare for both operating and capital costs - approximately 30% of our costs. We also receive Medicaid reimbursement as well. In fact, FY18 is a rebasing year for Medicaid purposes which means that additional costs incurred this year will be reflected in new rates that go into effect in FY20. If we wait until FY19 to begin the implementation, costs will not be reflected in rates until FY24 because Medicaid rates are rebased every four years.

Termination Clauses

The termination clauses that SCH negotiated with Cerner to protect the City’s investment in the event of a change in circumstances are as follows: Clause 1 allows SCH to terminate its agreement at any time after 36 months from the initiation of the contract should SCH merge with or be sold to another organization, regardless of the EHR platform the new organization chooses to transition to. Clause 2 allows SCH to terminate its agreement with Cerner at any time following the initiation of the contract if SCH goes out of business, OR in the case of a lapse in future municipal appropriations, provided that SCH pay for all products and services provided through the end of the City fiscal year prior to the lapse of appropriation.

Recommendation

SCH medical providers, Administration and Board of Directors have selected Cerner CommunityWorks as the EHR system of choice following a competitive, open and scores-based selection process. SCH has negotiated an agreement that will not require any large up-front cash payments to Cerner and both the FY18 operating and capital costs can be absorbed through already approved appropriations for FY18. At the behest of the Assembly, SCH has negotiated two significant limitations on long- term risk to the City. The alternative to implementing Cerner at this time will result in a significantly worse product at similar cost. We therefore recommend that the Assembly affirm the unanimous recommendation of the Board of Directors by adopting a resolution authorizing SCH to enter into a contract with Cerner contingent upon final contract language acceptable to the Hospital’s commercial attorney and the City Attorney.

**Sitka Community Hospital
Cerner Implementation
Financial Summary
October, 2017**

As noted in the narratives included in the Board package, Cerner has agreed to provide their Community Works Electronic Health package to SCH under a "Software as a Service" (SAAS) agreement.

How does this change the previously presented and approved project from a financial perspective?

Project Components	Originally Approved	Revised Agreement
System/Software/Implementation	1,582,676	-
Multiview ERP Software/Implementation	70,000	70,000
Cerner Implementation & Travel	202,380	132,470
Project Management - Implementation	403,000	403,000
Equipment	100,000	100,000
Capstone Legacy Data Archive	133,571	133,571
E.H.R. System Interfaces	150,000	150,000
Contingency	265,000	265,000
Total	2,906,627	1,254,041
Monthly Operating Costs	27,517	45,738

As outlined on the following pages, SCH could fund the FY18 Cerner projects costs from already approved operating and capital budgets through line-item reallocation with a start date of February, 2018 or later.

Ongoing operating costs would then be built into operations going forward and capital for FY19 would be funded by cash flow from operations including known pick-ups from Operation Urgent Care which have not been included as benefits in this analysis.

The project contingency was calculated as 10% of the original project cost. We left the contingency in place as the original amount. Since the monthly fee is all inclusive, it reduces the likelihood of a surprise with software costs. We could drop the contingency to 100,000 which would be 10% of the remaining capital budget.

Cerner Implementation

FY18 Impact	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
1. FY18 Budgeted Expenses	2,465,198	2,416,526	2,372,748	2,299,931	2,226,448	2,280,288	2,263,774	2,105,591	2,264,259	2,242,484	2,269,665	2,284,501	27,491,413
Budget Assumption Adjustments													
2. USAC	(16,799)	(16,799)	(16,799)	(16,799)	(16,799)	(16,799)	(16,799)	(16,799)	(16,799)	(16,799)	(16,799)	(16,799)	(201,588)
3. Health Insurance	(16,667)	(16,667)	(16,667)	(16,667)	(16,667)	(16,667)	(16,667)	(16,667)	(16,667)	(16,667)	(16,667)	(16,667)	(200,004)
4. Total Budget Assumption Adjustments	(33,466)	(33,466)	(33,466)	(33,466)	(33,466)	(33,466)	(33,466)	(33,466)	(33,466)	(33,466)	(33,466)	(33,466)	(401,592)
5. FY18 Budgeted Expenses - Revised	2,431,732	2,383,060	2,339,282	2,266,465	2,192,982	2,246,822	2,230,308	2,072,125	2,230,793	2,209,018	2,236,199	2,251,035	27,089,821
6. Actual Higher (lower) than Revised Budget	(77,670)	(85,429)	(21,426)	183,107									(1,418)
7. FY18 Projection (Actual YTD + Revised Budget)	2,354,062	2,297,631	2,317,856	2,449,572	2,192,982	2,246,822	2,230,308	2,072,125	2,230,793	2,209,018	2,236,199	2,251,035	27,088,403
Change to Expense for Cerner													
8. Support Included in FY18 Budget								(11,000)	(11,000)	(11,000)	(11,000)	(38,517)	(82,517)
9. Cerner Operational Agreement								45,738	45,738	45,738	45,738	45,738	228,690
10. Total Increase in Expense for Cerner	-	-	-	-	-	-	-	34,738	34,738	34,738	34,738	7,221	146,173
11. FY18 Projected Expense with Cerner	2,354,062	2,297,631	2,317,856	2,449,572	2,192,982	2,246,822	2,230,308	2,106,863	2,265,531	2,243,756	2,270,937	2,258,256	27,234,576
12. FY18 Approved Expense Budget	2,465,198	2,416,526	2,372,748	2,299,931	2,226,448	2,280,288	2,263,774	2,105,591	2,264,259	2,242,484	2,269,665	2,284,501	27,491,413
13. FY18 Budget Surplus after Cerner	111,136	118,895	54,892	(149,641)	33,466	33,466	33,466	(1,272)	(1,272)	(1,272)	(1,272)	26,245	256,837

Sitka Community Hospital
Cerner Implementation
February, 2018

Capital Costs

	Software License	Multiview Capital	Capstone Legacy System	Eqpmnt	Interfaces	Project Mgmt	Cerner Team Travel	Contingency	Total Capital	Total Annually
02/01/18	0	5,833				31,000			36,833	
03/01/18	0	5,833	10,000	15,000		31,000		20,385	82,218	
04/01/18	0	5,833			30,000	31,000		20,385	87,218	
05/01/18	0	5,833				31,000	5,080	20,385	62,298	
06/01/18	0	5,833		25,000	30,000	31,000		20,385	112,218	380,785
07/01/18	0	5,833				31,000	24,500	20,385	81,718	
08/01/18	0	5,833		15,000	30,000	31,000		20,385	102,218	
09/01/18	0	5,833				31,000	23,380	20,385	80,598	
10/01/18	0	5,833			30,000	31,000		20,385	87,218	
11/01/18	0	5,833		25,000		31,000		20,385	82,218	
12/01/18	0	5,833				31,000		20,385	57,218	
01/01/19	0	5,833			30,000	31,000	21,960	20,385	109,178	
02/01/19	0		123,571			31,000		20,385	174,956	
03/01/19	0			20,000			21,960	20,385	62,345	
04/01/19	0						26,990		26,990	
05/01/19	0								-	
06/01/19	0						8,600		8,600	873,256
	-	70,000	133,571	100,000	150,000	403,000	132,470	265,000	1,254,041	1,254,041

FY18 0 29,167 10,000 40,000 60,000 155,000 5,080 81,538 380,785
FY19 0 40,833 123,571 60,000 90,000 248,000 127,390 183,462 873,256

Note: Accounting Treatment for Proj Mgmt and Cerner Travel will be evaluated as incurred (operating vs capital).



Timeline for EHR Project

- May 2014
 - Go live of current system, Healthland Centriq
 - Problems with system from the start including data integrity, system flow, and billing.
- December 2014
 - Cash crises at SCH. CBS expands SCH Line of Credit from \$500,000 to \$1,500,000. Line drawn down immediately.
 - Subsequent analysis shows major billing issues contributed to cash flow crises. Bills could not be processed in a timely matter due to problems with Centriq.
 - During and after implementation process the relationship with Healthland deteriorated so as to be basically non-functional.
- Summer 2015
 - New CEO, Rob Allen, (hired end of January 2015) consistently heard about the non-functionality of Centriq from every department that used it as part of daily business. Providers, in particular, expressed grave concerns about the system and their lack of trust in it and patient's being at risk. Every department had to develop numerous work arounds and system checks. There are documented episodes of close calls with patient care.
 - A consultant was hired to review the system. It was conducted by Joe Wivoda of Rural Health Innovations.
- Operation Reboot
 - A committee and plan developed from the consultant's report to improve the functionality of Centriq and revamp the relationship with Healthland and re-engage staff and Healthland in the process.

- Part of this project included renegotiating the balance due to Healthland of around \$450,000 for the initial implementation. The decision was made to hold this payment until progress was made on getting the system to work better and proper support of Centriq by Healthland.
- As a result of the project, there were slight improvements to the functionality of Centriq, better support was obtained from Healthland, the amount owed and a payback schedule was negotiated, and a new position of Provider Facilitator was created to increase the support to the providers.
- Work was also started on upgrading to Centriq version 12. This would require a major upgrade of hardware and a new implementation process to correct database issues from the original flawed implementation. It would be a major expense of dollars and staff time and resources.
- Fall 2015
 - SCH conducts two site visits to similar CAHs in Texas to see Centriq Version 12 in use. This team is interdepartmental and includes a Provider. Recommendation from the site visit report is to move away from Centriq. That the expense and changes necessary to improve the functionality of Centriq would still result in a system that would not meet our needs.
- November 2015
 - CPSI announces it is buying Healthland
 - Healthland indicates to SCH that there is a seven-year commitment to support the latest versions of Centriq with the expectations that customers will migrate to Evident, CPSI's platform, during that time.
 - Site visit by EHR team to Petersburg to review Evident in use at Petersburg Medical Center. Review was not positive. Similar issues related to functionality as present in Centriq.
 - Based upon the site visits and the CPSI announcement, the Project Urgent care committee recommends that SCH take the

opportunity to explore the EHR market and put out an RFP for a new system.

- June 2016

- RFPs are sent out.
- RFP's are due June 24, 2016
 - Proposals are received from:
 - Athenahealth
 - Cerner
 - Evident
 - McKesson
 - Meditech
 - After review by committee top three
 - Athenahealth
 - Cerner
 - Meditech
 - All three finalists visited SCH to give full demonstrations of their system. Over XXX staff participated in the demonstrations and provided feedback to the review committee. Athenahealth was top choice followed closely by Cerner and then Meditech.
 - A site visit to Lost Rivers Hospital in Arco, Idaho took place by the review committee to see Athenahealth operating. It was not a positive experience. It became apparent that while Athenahealth has an excellent clinic system, its hospital system and financial package were not ready nor complete enough to meet SCH's needs
 - A site visit was then conducted at Morton General Hospital in Morton, Washington to review their Cerner installation. Notably, Morton had recently converted from Centriq to the Cerner CommunityWorks platform. This was a positive visit. Morton staff provided excellent feedback on Cerner and on the implementation process

they underwent. Based upon this site visit, Cerner became the number one choice.

- March 2017
 - SCH Board approves moving forward with Cerner as the Hospital's new EHR.
 - Due to cash flow concerns, SCH administration does not include the Cerner project in the FY2018 budget that is presented to Assembly. Administration wanted to wait for additional information and planned on bringing it forward later in the fiscal year as a special project with a budget adjustment by the Assembly.
- August 2017
 - Healthland discontinues support of the version of Centriq SCH is using. Healthland recommendation is SCH update to version 12 or to Evident.
- Summer/Fall 2017
 - SCH continues to negotiate with Cerner on payment schedule and exit strategies to answer concerns raised by SCH Board, city staff, and Assembly members.
 - Transition is made from owning a license to Software as a Service model with a payment schedule that is easier to SCH to cash flow.
 - October 2017
 - SCH board approves to Cerner project with the new model of SaaS and monthly payments.



Answers to Questions on EHR Procurement Process

1. *The process changed from a procurement of a product to a lease mid-stream. How was compliance to the procurement rules realized. Do we need to restart with a clean process of bidding?*
 - a. The procurement of an EHR solution is exempt from a requirement for competitive bidding under the City's general code because it is the procurement of a technical service. However, SCH did utilize a competitive, open, and matrix scoring-driven selection process to ensure selection of the best system at the lowest possible cost. The RFP did not specify a particular ownership or payment model. Due to budget concerns raised at both the Assembly and Board level the contract provisions were reworked to allow the cost to be spread over a longer period through a SaaS agreement. The initial qualifications and preset scoring method based selection of Cerner is still valid.
2. *Provide a specific list of who bid, and who did not and why they did not.*
 - a. RFP sent to
 - i. Allscripts
 - ii. Athenahealth
 - iii. Cerner
 - iv. Epic
 - v. Evident
 - vi. McKesson
 - vii. Meditech
 - viii. Versasuite
 - b. Proposals received from
 - i. Athenahealth
 - ii. Cerner
 - iii. Evident
 - iv. McKesson
 - v. Meditech

- c. We did not inquire as to why companies chose not to submit a proposal.
- 3. *Please provide a copy of the evaluation matrix of the responders to the process.*
 - a. See attachment A
- 4. *Provide a list of the different providers of Cerner and EPIC and line out the DETAILED cost evaluation to compare the bidders over the period of at least 10 years.*
 - a. See attachment A
 - b. Our comparative analysis only went out 5 years.
- 5. *If we do not act soon, when and what costs are incurred with the existing system.*
 - a. Upgrade to Version 12
 - i. \$450,000 hardware/software upgrades
 - ii. \$500,000 implementation
 - iii. \$300,000 yearly ongoing support
 - b. Implement Athenahealth in Mountainside Clinic
 - c. CPSI ends support of Healthland completely in 2023.
 - i. New EHR needed
- 6. *Between Cerner and EPIC which ones can be implemented faster?*
 - a. EPIC did not submit a proposal.
 - b. The industry standard for an implementation is 10 to 12 months no matter what the system chosen. Speed of implementation was not a scored factor, the thoroughness of the process proposed for implementation was much more important.
 - c. SCH has retained a technology consultant over the past 3 years. He is currently reviewing the draft Cerner contract with our legal counsel. Joe Wivoda is Senior Director, Healthcare of ACS Group. Joe Wivoda's comment, *"Implementation times are highly dependent on the ability of the hospital to support the process and the vendor/implementation partner. Cerner has developed a small hospital version that requires a minimal amount of implementation, but there still needs to be involvement in building order sets, tables, and other items that are unique to you. My experience with Epic implementations are that the implementation is very strictly scheduled with heavy financial penalties if the client misses a milestone. There is still a large amount of build required with Epic as*

well. I expect that Cerner could be implemented quicker based on my experience.”

7. *Which system has more experience transitioning from the existing system?*
 - a. Unknown.
 - b. Joe Wivoda’s comment, “I am not familiar with any statistics that exist on this. I suspect Cerner has done more conversions of Healthland, particularly in the last two years. They have certainly been targeting that market.”
8. *What are the per patient fees compared with each bidder, both new patient and re-occurring.*
 - a. This is not a metric that is used to evaluate EHR systems. No one charges per patient fees that we are aware of in the industry. None of the respondents offered it as an alternative.
9. *Show separately for comparison of the bidders the costs for: Data conversion of existing data, data conversion of other systems to Cerner or EPIC, project management, travel, training, Any other costs associated with this process.*
 - a. See Attachment A, Initial Cost to Implement comparison
 - b. All five respondents had different methods of handling the implementation costs. The initial cost to implement and the total cost after five years of ownership gave the best indications of the cost of ownership overall, including implementation and ongoing. The detail is available in each of the proposals, just not in an easy way to compare line items. Each proposal was well over 100 pages and are available for review by the Board or Assembly members.
10. *Define and compare the termination costs of each bidder.*
 - a. Termination costs were not requested as part of the RFP. They are usually negotiated as part of the final contract for services.
11. *Define how the costs of the lease system can be expensed back to Medicare & Medicaid versus a software purchase.*
 - a. Converting to a SaaS agreement does not change the impact of Medicare reimbursement. As a critical access hospital, we are generally reimbursed 101% of our costs – operating and capital. As a result, we will pick up approximately 30% of both the capital and operating costs related to the implementation. This “pick-up” will be

included in the cost report settlement in the first-year costs are incurred and then factored into our interim payment rates in years going forward.

- b. Converting to a SaaS agreement actually enhances the reimbursement from Medicaid. Medicaid's rate setting process is very different than Medicare in that rates are "re-based" once every four years. FY18 is a re-basing year for SCH. Therefore, the cost structure for FY18 will be used to set rates for FY20-23. To the degree that we add costs in FY18, we will begin to enjoy an increased reimbursement in FY20. However, if the project implementation begins in FY19, we will miss a four-year window of increased reimbursement as our cost structure will not be used again to rebase rates until FY22 for rates paid beginning in FY24.
- c. The enhancement of reimbursement for shifting costs from capital to operating is that the only change to rates during the four-year period of FY20-23 will be for inflation. Medicaid applies a more favorable inflation factor to operating costs than it does to capital costs.
- d. Due to the complexity of the Medicaid rate setting process and to add an element of conservatism to our financial models, we did not attempt to quantify the reimbursement impact during the spring of 2017 when we completed the original financial analysis for this project nor did we do so for the revised SaaS assessment.

12. With the new accounting rules, how will this be treated.

- a. As outlined above, Cerner has agreed to provide SCH with a hosted SaaS solution. This changes the structure of the deal whereby SCH would not acquire the software but would instead pay a monthly fee to utilize the software. This type of arrangement has become quite common as entities have come to rely more and more on cloud-based solutions.
- b. Because of this shift to SaaS arrangements, the Financial Accounting Standards Board ("FASB") issued new Generally Accepted Accounting Principles ("GAAP") guidance that clarifies accounting treatment for SaaS arrangements. Under this guidance, entities that do not acquire

a license of software ownership, account for the contract as a service arrangement.

- c. Because SCH is a component unit of the CBS, we follow guidance issued by the Governmental Accounting Standards Board ("GASB"). The GASB has not yet issued guidance for SaaS accounting treatment, though there is a project underway for them to do so and details on that project can be found at this link: http://gasb.org/jsp/GASB/GASBContent_C/ProjectPage&cid=1176169011066
- d. Though the GASB has not issued guidance on accounting for SaaS agreements, the guidance that they have issued with regard to leases and internally generated software do not require treatment of SaaS agreements as capital leases or internally generated software.
- e. Therefore, it has been our opinion after researching the accounting literature that our SaaS agreement would be appropriately accounted for as a service contract.
- f. We have shared the current draft contract with our auditors who concur that in the absence of more definitive language from the GASB, it would seem reasonable to apply the provisions called out in the FASB guidance until GASB issues its own guidance. They did encourage us to request modified language in the contract to definitely indicate that no "license" is being acquired to further help clarify that there is no intent for ownership vesting with the hospital in any of the software elements provided by the vendor.



209 Moller Avenue
Sitka, Alaska 99835
Phone: (907)747-3241
Fax: (907)747-1794

Minutes: HOSPITAL BOARD MEETING

Regular Session: October 26th, 2017
Hospital Classroom

Board Attendance: Bryan Bertacchi, Mary Ann Hall, Robert Hattle, Connie Sipe and Dr. David Lam

Liaison Attendance: Mike Scarcelli, Kimberly Bakkes and Dr. Richard Wein.

Staff & Others: Rob Allen, Dr. Roger Golub, Kay Turner Cynthia Brandt, Steve Hartford, Patrick Williams, Cynthia Dennis, Iris Nash, Troy Jorden, Denise Den Herder, Robert Woolsey, Dan Etulain, Sharon Sullivan, Hope Barret, Vicki Akin, Debora Mendoza, Jackie Barnes, Svetlana Perry and Beth Kindig.

- 1) **Convene/Roll Call:** Bryan Bertacchi, Sitka Community Hospital (SCH) President called the meeting to order at 6:00 pm in the SCH classroom. Roll call established five Board members in attendance.
- 2) **Correspondence/Agenda Changes:** Agenda item C would be moved to 7A.
- 3) **Persons to Be Heard:** Hope Barrett and Iris Nash spoke in support of a midwifery program at SCH.
- 4) **Guest Speakers:** None
- 5) **Agenda:** Items on the agenda were approve the minutes of the regular Hospital Board meeting of September 28th, 2017. **Dr. David Lam moved to approve the September 28th, 2017 Board minutes, seconded by Mary Ann Hall. Motion passed, (5/0).**
- 6) **Unfinished Business:**
 - A. **CERNER:** Steve Hartford and Cynthia Brandt reported on CERNER. CERNER was the best solution for Sitka Community Hospital. The history and reasons why CERNER was the best choice and how SCH Budget would be impacted were summarized. It was explicated the site visit to CERNER had been very good. CERNER would be a service not a product. If there was no longer an appropriation going forward the agreement with CERNER could be terminated. Dr. Roger Golub stated CERNER had a well-defined implementation plan to get small hospitals help to get up and running. It would take 12 months after the contract was signed for CERNER to be fully implemented at SCH. Mr. Hartford would speak with Brian Hanson, City of Sitka's Attorney regarding the CERNER contract.

Connie Sipe moved to approve the recommended amendment to the FY2018 budget to allow for the CERNER project as a sale of Software As A Service (SAAS) model as presented to the Sitka Community Hospital Board, contingent to approval by the Assembly, seconded by Ms. Hall. Roll call established all in favor (5/0), approved.

B. Service Changes:

- 1) **Surgery Program:** SCH Administration was now in full support of a 24/7 surgery coverage service. The SCH Budget with 24/7 surgery services had been analyzed and

the surgery schedule budget was summarized. An analysis of the surgery operation team would be completed. The goal was to hire one full-time surgeon and one-part time surgeon and grow the surgery program. Rob Allen stated that everything SCH focused attention and worked to make better at SCH had seen good positive results, for example Home Health services and Long-Term Care Services.

Recess 7:05-7:15

Ms. Sipe moved SCH Board amend the approved Budget plan of changing surgery from 24/7 to scheduled 9-5 and put back to 24/7 surgery services and that SCH staff is authorized to continue that model until SCH exceed the appropriations for this year in which case the Board and SCH staff would need to go back to the Assembly for change in the Budget, seconded by Ms. Hall. Roll call established all in favor (5/0).

- 2) **OB Services:** Dr. Golub and Dr. Kimberly Bakkes summarized the model that SCH and SEARHC could use for OB services. The OB letter from SEARHC was discussed and it was decided that the Board wanted a definitive agreement between SCH and SEARHC.

Ms. Sipe moved SCH Board accepts SCH staff recommendation to continue OB services until June 30th, 2018 with the understanding that that could have up to an additional 700K impact that is not covered by the Budget that was approved by the Assembly and therefore the Board asks the staff to prepare the definitive number and arrange to go back to the Assembly for approval, seconded by Ms. Hall. Motion passed, (5/0).

Public Comment: Sharon Sullivan, RN, said a Birth Center would cost around 600K to get up and running and suggested SCH use OB Budget funds, if OB services were cut, to cover the cost.

Ms. Sipe moved that the Board direct Mr. Allen, SCH Medical Staff and Dr. David Lam work with SEARHC to get an agreement that is definitive on collaboration of OB Services with SEARHC and to be as far along the process as can be by Tuesday, Dec. 5th, seconded by Ms. Hall. Motion passed, (5/0).

Public Comment: Sharon Sullivan, RN, said there were 15 names on the due date list. Funding would be for a small amount of births and asked the Board to consider midwifery and financially supporting the program. **Debora Mendoza, RN**, stated SEARHC required OB nurses to work different areas in the hospital and that she has had a fantastic experience at SCH. OB was not a money-making business but said SCH would lose out if there were not OB services. **Beth Kindig** was very hopeful and asked the Board to consider developing a midwifery program and that there would be community support. **Jackie Barnes, PA-C**, did not think there was enough information to make a decision and suggested to word the motion that the Board is gathering information to make an informed decision and not so the Board can plan for OB closure. **Svetlana Perry** was in support of planned C-Section services and modern medicine including epidural and was not in support of a midwifery program replacing OB services. **Vicki Akin, OB Coordinator**, said the motion was not helping her staff and wanted administration to move forward and that the number of births were getting smaller. She suggested the OB Budget money could be used to build the OB program.

- C. **RFP:** There was a level of uncertainty with SCH staff causing low staff morale, staff recruitment issues and staff planning difficulties. The RFP also potentially inhibited CEO recruitment. Mr. Allen said he would extend his contract for an additional 6 months, ending October of 2018. He asked the Board to consider a formal request to the Assembly to postpone or slow down the RFP process. An extension to his contract would offer SCH an easier transition to new management. Mr. Allen summarized the status of the hospital and SCH projects.

There had been no substantial responses from the RFQ. Virginia Mason and Providence were both interested in helping SCH with potential affiliation scenarios. Mr. Bertacchi said after reading the Charter and the Code, he did not see a process to sell SCH without a public vote. The RFQ had given a clear answer there is nobody else that wanted to step into the management role and it was up to the Board to manage the SCH. AK Regional had come for a site visit and were interested to see what services AK Regional could offer SCH. AK Regional had composed an affiliation agreement.

Ms. Sipe move that a subcommittee of the Board review the proposed affiliation agreements from AK regional and Virginia Mason and the Board Chair contact Providence to see if they would like to propose an affiliation agreement in the next couple of weeks, seconded by Ms. Hall. Roll call established all in favor, (5/0) approved.

7) Staff Reports

A. **Finance Report-August and September Financials:** Ms. Brandt summarized the Sept SCH financial report. Both reports are attached to the minutes of this packet. Tiffany Martin had taken a very active roll in the Audit and current projects were working on the cost report and Project: Urgent Care. An interim controller would be starting at SCH mid-November and had given a 6-month commitment. A short-term resource, Ken Smith, had been assisting with Heathland report changes.

B. **CEO/Administrative Team Report:** The Long-Term Care state surveyors had been on site and SCH would be getting a formal report in 10 days. This report would be shared with the Board. The Life Safety inspection had occurred earlier in the week and went very well. Project: Urgent Care material was provided to the Board for review and information. SCH would be given a verbal report on Project: Urgent Care to the Assembly in November.

C. **Medical Staff Report & Recommendations:** The Board was notified that tele-cardiologist Dr. Drew Baldwin was given temporary privileges. **Ms. Sipe moved to accept the presented list of providers to re-credential and pass from probationary status to full status as approved and recommended by the medical staff, seconded by Ms. Hall. All in favor, (5-0).**

D. **Quality Committee Report:** The committee continued to make good progress on policies.

E. **Home Health Report:** There had been a Home Health Advisory Board meeting. Ms. Sipe was unable to attend but provided a report that Home Health had a little hiccup having lost a CNA.

F. **Foundation Report:** Dr. Wein reported there was a major review of the By Laws and they were completed. A final and updated version would be provided by Foundation President, Cynthia Dennis. There was a pass through of 17K from the Foundation to the Sitka Community Playground fund.

8) **Board & Liaison Reports:** Dr. Wein stated, "I heart SCH"!

9) **Executive Session:**

10) **Adjourn:** Mr. Bertacchi declared the meeting adjourned. Seeing no objection, the meeting ended at 9:46 pm.

Minutes recorded and summarized by Denise DenHerder

APPROVED: _____ Date: _____
Board Secretary

Next Meeting scheduled for Dec. 4th, 2017

1

Activity

1

Chat

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Send link

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VendorScoringMatrix-SH.xlsx

Edit

Start conversation

Close

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	A	B	C	D	E	F	G	H	
1									
Teams 2	Score Weight				10	10	10	30	
3					33%	33%	33%	100%	
4	Vendors	Initial Cost	Annual Cost	5 Yr. TCO	Proposal	On-Site Demo	Staff Survey	Score	
Meetings 5	athenahealth	\$58,120	\$628,439	\$3,200,315	1	1	1	100.0	
6	Cerner	\$1,647,599	\$360,816	\$3,090,863	2	1	1	83.3	
Files 7	Evident	\$972,638	\$159,406	\$1,610,262	5	1	1	73.3	
8	McKesson	\$2,822,485	\$219,576	\$3,700,789	4	1	1	75.0	
9	Meditech	\$3,366,474	\$625,000	\$5,866,474	3	1	1	77.8	
10									
11									
12					Proposal	Vendors ranked on proposal scoring			
13					On-Site Demo	Vendors ranked on performance in On-site demo			
14					Staff Survey	Vendors ranked by all staff attending on-site demo via			
15									
16									
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25									

Overall Selection Matrix

Proposal Review Matrix

Average of Proposal Reviews

1

Activity

1

Chat

Take Microsoft Teams with you on the go. Check out our mobile apps.

Send link

X

VendorScoringMatrix-SH.xlsx

Edit

Start conversation

Close

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	A	B	C	D	E	F	G	H	I
1									
Teams		Score Weight	12.5	15	15	5	10	10	67.5
3			19%	22%	22%	7%	15%	15%	100%
Meetings		Vendors	Support/ Training/ Implementation	Data Analysis	Software Quality	Vendor Profile	IT	Software Functionality	Score
									Rank
5		athenahealth	3	4	2	5	4	4	31.7
Files									
6		Cerner	4	3	3	4	3	3	31.2
7		Evident	4	2	3	3	2	4	36.7
8		McKesson	3	3	3	2	3	3	34.6
9		Meditech	3	3	3	3	3	2	35.8
10									
11									
12			Support/ Training/ Implementation				IT		
13			Training	Implementation			Security Features		
14			Testing				Interfaces		
15							On-Premises/Cloud		
16		Vendor Profile		Software Functionality					Data Analysis
17		Product Information		CPOE				Reporting	
18		Licensing		E-Prescribe				Data storage infrastructure	
19		Meaningful Use/Certification		Reporting Capabilities				Data mining features	
20		Contract Terms		eMAR					
21				Patient Portal					
22				GL/ Accounts Payable & Receivable					
23									

Overall Selection Matrix

Proposal Review Matrix

Average of Proposal Reviews

Memo

Through: Keith Brady, Administrator
To: Assembly of the City and Borough of Sitka
From: Jay Sweeney, Chief Finance and Administrative Officer
Date: November 21, 2017
Re: Approval of Ord 2017-41: SCH Electronic Health Records Project

Issue:

Sitka Community Hospital (SCH) is requesting Assembly approval of a capital expenditure appropriation in anticipation of future approval of a Software as a Service (SaaS) contract with Cerner CommunityWorks. A budget adjustment to increase the capital expenditure appropriation for the capital portion of the multi-year project appears to be required, per the Charter.

Facts:

- A. SCH Board Member Connie Sipe moved to approve the recommended amendment to the FY2018 budget to allow for the CERNER project as a sale of Software As A Service (SAAS) model as presented to the Sitka Community Hospital Board, contingent to approval by the Assembly, seconded by Mary Ann Hall. Roll call established all in favor (5/0).
- B. SCH is seeking Assembly approval of a capital expenditure appropriation in anticipation of future approval of a SaaS contract with Cerner CommunityWorks.
- C. The essence of the SaaS contract will be (1) ongoing monthly contractual service payments of \$45,738, and, (2) additional capital expenditures for project implementation of \$1,254,041 (see Attachment 3, SCH Memorandum).
- D. SCH has indicated that it has sufficient existing appropriations to pay for the monthly contractual service costs in FY2018, and, for the FY2018 portion of the associated project implementation capital expenditure (\$380,375, page 4 of SCH Memorandum) only.
- E. Section 11.04 (3) of the Charter specifies that the capital improvements plan to be contained in the budget shall contain those improvements to be financed in the subsequent fiscal years, and, those improvements to be financed in subsequent years are to be included in the budget as well.

Discussion:

- A. The technical requirements of Section 11.04 (3) imply that a supplemental budget appropriation is required for those project implementation costs which will occur in subsequent years, as they are capital expenditures and are part of the scope of the Capital Improvements Plan.

Recommendation:

Approval of Ordinance 2017-41.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2017-41

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY18 SITKA COMMUNITY HOSPITAL BUDGET (ELECTRONIC HEALTH
RECORDS PROJECT)

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 FY18 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY18 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, 2017 and ending June 30, 2018 is hereby adjusted as follows:

<u>FISCAL YEAR 2018 EXPENDITURE BUDGETS</u>
SITKA COMMUNITY HOSPITAL
<u>CAPITAL BUDGET</u>
The Sitka Community Hospital Capital Budget for FY2018 is hereby increased by the amount of \$1,254,041 for capital costs related to the implementation of the Electronic Health Records (EHR) System. As a capital appropriation, this appropriation will not lapse until either the EHR System is implemented, or, the project is terminated.

EXPLANATION

In order to comply with the provisions of Section 11.04 (3) of the Charter, a supplemental budget ordinance passing a capital appropriation for implementation expenditures related to the EHR is required.

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 26th Day of December, 2017.

ATTEST:

Matthew Hunter, Mayor

Melissa Henshaw, CMC
Acting Municipal Clerk

1st reading 12/12/17

2nd reading 12/26/17



CITY AND BOROUGH OF SITKA

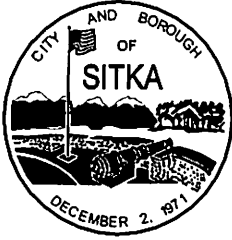
Legislation Details

File #: ORD 17-44 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 12/7/2017 In control: City and Borough Assembly
On agenda: 12/12/2017 Final action:
Title: Adjusting the FY18 Budget (Pass thru grants, Justice Assistance Grant - Personnel)
Sponsors:
Indexes:
Code sections:
Attachments: [Motion and Memo Ord 2017-44.pdf](#)
[Ord 2017-44.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-44 on
first reading.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
Keith Brady, Municipal Administrator

From: Melissa Haley, Controller
Janet Schwartz, Budget and Treasury Officer

Date: 12/5/17

Subject: Approval of ordinance 2017-44

Background

Appropriations for expenditures related to Historical Preservation pass-through grants awarded to CBS in prior fiscal years expired at the end of 2017. These grant funds are distributed to CBS based on actual expenditures by the pass-through organization. Upon receipt of funds, CBS issues a reimbursement to the sub-recipient organization. All grant applications were approved by the assembly.

CBS received an amendment to a Justice Assistance Grant (SEACAD) which offers to extend existing support for personnel expenses related to narcotics enforcement in Southeast Alaska for the Sitka Police Department. The amendment offers an increase in funding of \$10,500, as the grant renewal period has been moved out by two months and the granting agency wishes to maintain the same level of funding to the project. In addition, CBS expects to apply for a new grant that would be approved for March 2018. In anticipation of this funding, a contingent appropriation of \$45,000 is being requested.

Analysis

As the projects funded by the Historic Preservation grants are managed by organizations outside of CBS the appropriations for the expenditures relating to the projects were allowed to expire. The finance department is collaborating with the planning department to craft a pass-through grant policy that will help avoid this situation in the future. For example, going forward sub-recipient organization must sign an MOU that will require certain reporting requirements—one of which will be to trigger a re-appropriation of unspent funds across fiscal years.

The Justice Assistance Grants are an important source of revenue that funds a police officer dedicated to addressing the manufacture, transportation and sale of illegal drugs in Southeast Alaska.

Fiscal Note

Reimbursements to sub-recipient organizations of the Historic Preservation grants will not exceed grant funding received by CBS. The CBS grant accountant closely reviews reports prepared by sub-recipient organizations to ensure that all applicable federal codes are followed.

CBS has been awarded Justice Assistance Grant funds consistently for more than 20 years. The expenditure budget amendments included in Ordinance 2017-44 reflect the current grant amendment offering to extend the grant end date and amount and also reflect the expected expenditures related to renewed grant funding through the end of the fiscal year.

Recommendation

Staff recommends that Ordinance 2017-44 be approved by the assembly.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2017-44

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY18 BUDGET (PASS THRU GRANTS, JUSTICE ASSISTANCE GRANTS –
PERSONNEL)

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 FY18 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY18 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, 2017 and ending June 30, 2018 is hereby adjusted as follows:

<u>FISCAL YEAR 2018 EXPENDITURE BUDGETS</u>
GENERAL FUND
Other Expenditures – Operations: This is to recognize a pass thru grant from the State of Alaska Historic Preservation Fund in the amount of \$23,041 for the Japonski Island Boathouse Entry and Plumbing Project #80361.
Other Expenditures – Operations: The following are State of Alaska pass thru grants that have lapsed in FY17 but not complete. We need to re-appropriate \$25,500 for the Fraser Hall Façade Project #80352 and \$3,403 for the Whitmore Hall Façade 2016 Project #80330.
SPECIAL REVENUE FUNDS
Fund 152 – Justice Assistance Grant – Personnel: This will increase appropriations for the (SEACAD)- JAG Grant in the amount of \$10,500 and extend the project period ending from December 31 st to February 28 th .
Fund 152- Justice Assistance Grant – Personnel: This will increase appropriations in the amount of \$45,000 contingent on receiving new JAG Grant funds for the period from March 2018 to June, 2018.

EXPLANATION

Necessary revisions in the FY 2018 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 26th Day of December, 2017.

ATTEST:

Matthew Hunter, Mayor

Melissa Henshaw, CMC
Acting Municipal Clerk

1st reading 12/12/17

2nd reading 12/26/17



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 17-43 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 12/6/2017 In control: City and Borough Assembly
On agenda: 12/12/2017 Final action:
Title: Adjusting the FY18 Budget (GPIP Site Clean Up Project)
Sponsors:
Indexes:
Code sections:
Attachments: [Motion and Memo Ord 2017-43.pdf](#)
[Ord 2017-43.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Ordinance 2017-43 on
first reading.



329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Monday, December 4, 2017

MEMORANDUM

To: Keith Brady – CBS Administrator
From: Garry White, Director
Subject: GPIIP Site Clean-up

Introduction

The Gary Paxton Industrial Park (GPIP) Board of Directors recommends that a budget of \$35,000 be established for cleaning up portions of the GPIIP. The Board approved the following motion at its November 22, 2017 meeting:

MOTION: M/S: Bevan/Finkenbinder Move to recommend the City and Borough of Sitka Assembly establish a budget of \$35k for site clean-up at the GPIIP, to include Lots 9a, 15, the “water access area”, and Lot 1 (Sawmill Farm site). The Board recommends that funds remaining from the Shoreline Stabilization Project be used for the clean-up.

ACTION: Motion PASSED 4/0 on a voice vote

Background

Various lots at the GPIIP, including lots 9a, 15, and the “water access area”, were leased by the CBS Electric Department during the Blue Lake Dam Expansion Project for the storage of rock. A majority of the rock stored on the lots was removed this past fall. The identified areas still contain small piles of rock, old APC infrastructure, and junk from past activities at the park. Cleaning and leveling the lots will allow these identified areas to be developed for future use to support the marine services area.

Lot 1 of the GPIIP was recently leased to the Sawmill Farm LLC. The CBS has terminated the lease with the Sawmill Farm and has requested that the Sawmill Farm remove items left in the lease area per terms of the lease. To date, the Sawmill Farm has not cleared its lease area. The GPIIP is recommending the lease area be cleaned and the Sawmill Farm be billed.

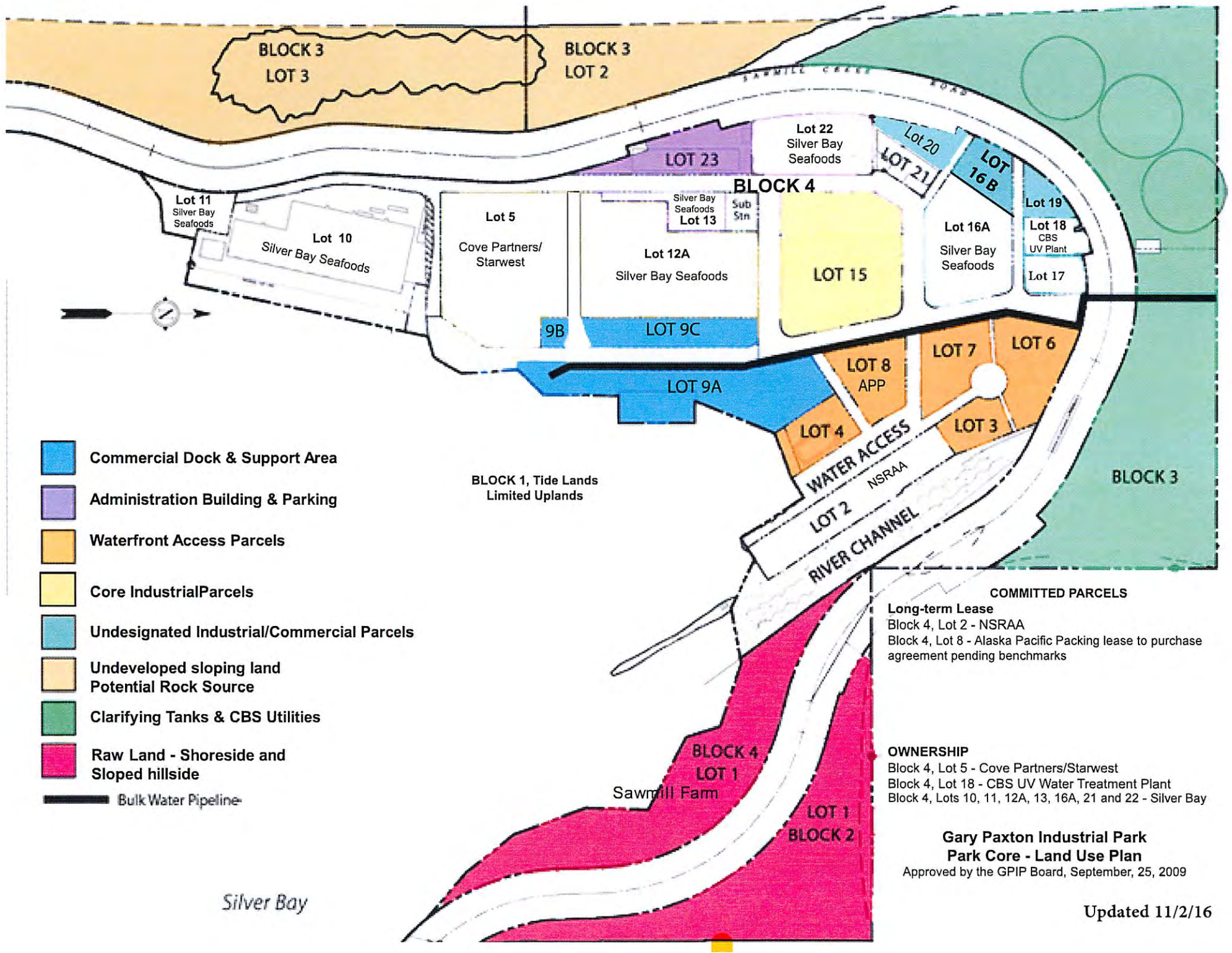
Fiscal Note

In the spring of 2017, the GPIIP Board recommended and the CBS Assembly approved a budget of \$250,000 from Fund #173 (Environmental Contingency Fund) to repair the shoreline of Lot 4. The Shoreline Stabilization Project is complete and is estimated to cost around \$175,000.

The Director requests that \$35,000 from the remaining Shoreline Stabilization Project budget be moved to a GPIIP Site Clean-up Project.

Action

- CBS Assembly approval to re-appropriate a budget of \$35,000 from the Shoreline Stabilization Project to a new capital project to complete final clean-up and leveling of Lots 9c, 15, "water access area", and Lot 1 (Sawmill Farm site).



CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2017-43

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
ADJUSTING THE FY18 BUDGET (GPIP SITE CLEAN UP PROJECT)

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 FY18 budgets for known changes.

4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adjusts the FY18 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, 2017 and ending June 30, 2018 is hereby adjusted as follows:

<u>FISCAL YEAR 2018 EXPENDITURE BUDGETS</u>
CAPTIAL PROJECTS
Fund 780-GPIP Site Clean Up Project: The GPIP Board has requested to re-appropriate \$35,000 of the surplus funds from the GPIP Shoreline Stabilization Project #90836 for site cleanup at the Gary Paxton Industrial Park to include Lots 9a, 15, the "water access area" and Lot 1 (Sawmill Farm Site).

EXPLANATION

Necessary revisions in the FY 2018 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 26th Day of December, 2017.

ATTEST:

Matthew Hunter, Mayor

Melissa Henshaw, CMC
Acting Municipal Clerk

1st reading 12/12/17

2nd reading 12/26/17



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-197 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/6/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Approve an expanded scope of work for the Gary Paxton Industrial Park Dock Project to include: 1) the purchase and installation of dock security cameras with a not-to-exceed budget of \$25,000 and, 2) the establishment of a tariff schedule with a not-to-exceed budget of \$15,000

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Memo GPIIP dock scope of work.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve an expanded scope of work for the Gary Paxton Industrial Park Dock Project to include:

- 1) the purchase and installation of dock security cameras with a not-to-exceed budget of \$25,000 and,
- 2) the establishment of a tariff schedule with a not-to-exceed budget of \$15,000.



329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Tuesday, December 5, 2017

MEMORANDUM

To: Keith Brady, CBS Administrator
From: Garry White, Director
Subject: GPIP Dock Scope of Work Adjustment

Introduction

The Gary Paxton Industrial Park (GPIP) Board of Directors is requesting the Scope of Work for the GPIP Dock Project be expanded to include:

- The installation of security cameras at the dock and,
- The establishment of a tariff schedule to outline general rules/regulations and fees for use of the dock.

The GPIP Board approved the following two motions at its November 22, 2017 meeting:

MOTION: M/S: Jones/Bevan Move to recommend the City and Borough of Sitka Assembly expand the scope of the GPIP Dock Project to include the purchase and installation of security camera for the GPIP Dock. Budget not to exceed \$25k.

ACTION: Motion PASSED 4/0 on a voice vote

MOTION: M/S: Finkenbinder/Jones Move to recommend the City and Borough of Sitka Assembly expand the scope of the GPIP Dock Project to include the establishment of a tariff schedule for the park and to include training for staff to update the tariff. Budget not to exceed \$15k.

ACTION: Motion PASSED 4/0 on a voice vote

GPIP Dock Background

Since acquiring the industrial site in 1999, the CBS has considered the potential for development of a deep-water port at the Industrial Park. Every Legislative Priorities list from FY2003 through FY2016 includes a reference to development of a marine industry and infrastructure at the SCIP and/or a specific funding request.

The CBS was successful in working with the State Legislature to have \$7.5 million dollars for the construction of multi-purpose dock at the GPIP included in a ~\$453.5-million-dollar statewide transportation funding initiative in 2012, which was approved by the voters of Alaska.

In the fall of 2016, the CBS entered into a contract with Turnagain Marine Construction for \$6.8 million dollars to construct a multi-purpose, floating dock facility to serve a range of industries, including but not limited to fishing and cargo shipping. The primary floating dock is a

repurposed double hull steel barge, 250 feet long and 74 feet wide, and will be accessible by a drive-down ramp with a clear width of 18 feet. The structure will accommodate the handling of loaded containers, truck and trailers, and vehicles intended to support vessels with a maximum draft of 40 feet.

A separate, new floating dock is attached to the primary dock to allow for 120 feet of transient moorage for smaller vessels. Some features of the facility include lighting, electrical power sources, and a fire suppression system. Fenders, life rings, and access ladders are installed to provide for safe operation. The facility will have a 50-year design life and meet or exceed industry standards relating to corrosion resistance with minimal long-term maintenance.

A majority of the existing deteriorated in-water structures in Sawmill Cove have been removed to install the new facility. The final design and location will not unreasonably restrict opportunities for future upgrades that will enhance accommodation of larger vessels, bulk water distribution, or other new industry. The project is scheduled to be substantially complete by the end of December 2017.

Note: Neither security cameras nor the development of a tariff schedule were included in the original scope of the GPIIP Dock Project.

Fiscal Note

In December of 2016, the GPIIP Board recommended and the CBS Assembly approved \$250,000 of contingency funds for the dock project. The \$250,000 contingency fund was created with an allocation of \$125,000 from GPIIP working capital and \$125,000 from the Bulk Water Fund.

Roughly, \$215,000 remains in the GPIIP Dock contingency funds.

With the major risk work items now sufficiently completed (pile installation), CBS Public Works feels this request is appropriate at this time and will not likely adversely impact completion of the dock project.

Additional Information

- Security cameras located the GPIIP Dock will assist with management of the dock and will be a beneficial tool for safety and security.
- A tariff schedule filed with the Federal Maritime Commission will be a beneficial tool for management of the dock, documenting rules and regulations, and billing users of the facility.

Action

- CBS Assembly approval of an increase of scope for the GPIIP Dock Project with a not-to-exceed limit of \$25,000 budget for the purchase and installation of dock security cameras.
- CBS Assembly approval of an increase of scope for the GPIIP Dock Project with a not-to-exceed limit of \$15,000 budget for the establishment of a tariff schedule.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-187 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 11/21/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Approve a month-to-month tideland permit between the City and Borough of Sitka and the Longliner Lodge & Suites, LLC for tidelands adjacent 485 Katlian Street

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and memo Longliner.pdf](#)
[Permit agreement Longliner.pdf](#)
[photos Longliner..pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve a month-to-month tideland permit between the City and Borough of Sitka and the Longliner Lodge & Suites, LLC for tidelands adjacent 485 Katlian Street.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Mayor Hunter and Members of the Assembly
Keith Brady, Municipal Administrator

From: Michael Scarcelli, Planning and Community Development Department Director
Samantha Pierson, Planner I

CC: Wendy Lawrence, Assessor
Brian Hanson, Municipal Attorney

Date: December 6, 2017

Subject: Approval of Class I Tideland Permit - Tidelands Adjacent 485 Katlian Avenue

Background: MBH Properties, LLC doing business as Longliner Lodge requests a month-to-month Class I tidelands permit¹ for tidelands adjacent to 485 Katlian Avenue. This property was formerly owned and operated as the Fly-In Fish Inn. The request is for use of an approximately 440 square foot portion of Alaska Tideland Survey 15, which is a portion of tidelands immediate adjacent to the Longliner Lodge “Uplands” and a portion of tidelands they currently lease and occupy (see attached Exhibit A).²

The intent of this Class I Tideland permit is to act as a quick solution to correct an existing encroachment that was discovered when the applicants sought a building permit. This solution seeks to allow a way forward for a developing business, while also reasonably protecting the interests of the municipality. The applicants currently lease 12,585 square feet of tidelands described as Tract A and Tract B, but are potentially using approximately 21,488 square feet of tidelands. The temporary Class I Tideland permit would grant the applicant use of the approximately 440 square foot portion of tidelands on which a structure currently exists.

Sitka General Code 18.16.050 (A) states “Class I approvals may be made by the administrator with or without the approval of the assembly ... the fee for the permit shall be a monthly charge established by

¹ SGC 18.16.040 (B) (Class I approvals are for permits for use of tidelands that are cancelable by the municipality on thirty days’ notice).

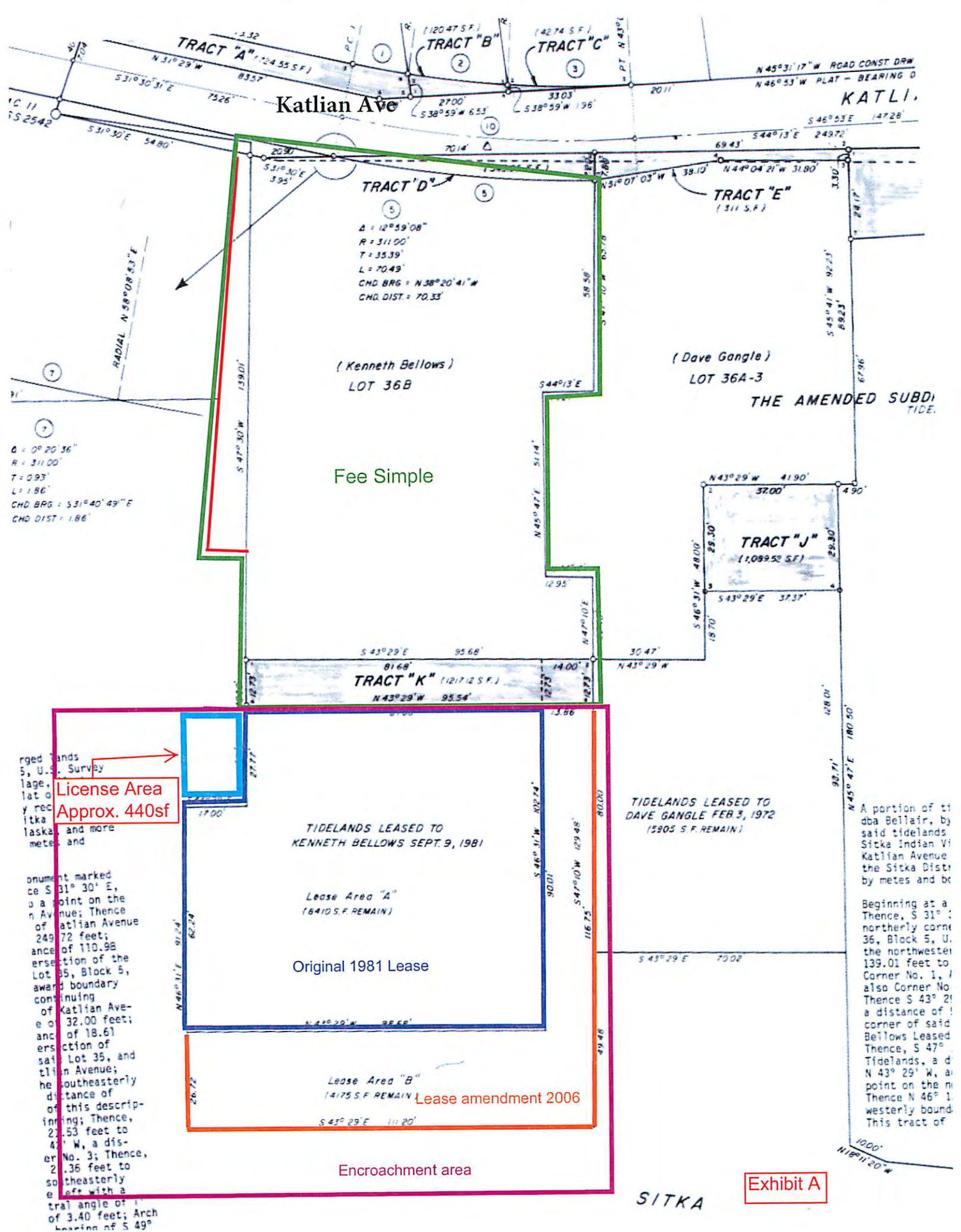
² Map Ownership and Lease Summary: MBH Properties owns Lot 36B and Tract K; and they lease Area A and B. In addition to the license area, there are other areas of tidelands that will either be added to or subtracted from the future long-term lease through consolidation and amendment. The license area focus is due to a microscopic perspective related to the building permit review and a specific encroachment. Through further study, it became apparent that there were additional issues that need to be resolved. Those issues will be the focus of the long-term lease process.

the administrator.” In this case, due to various factors, the administrator and staff felt it was prudent to bring this before the assembly for approval. The proposed temporary Class I permit will not require a monthly fee.

While this request is for a month-to-month Class I permit (short-term solution), both CBS and the applicant ultimately seek a long-term lease (long-term holistic solution), but a month-to-month permit is recommended to allow the applicant to complete a building project that currently is delayed pending reconciliation of this encroachment.

Consideration and recommendation of the long-term lease is scheduled for December meetings of Port and Harbors Commission (Dec. 13th) and Planning Commission (Dec. 19th), then will return to the Assembly for approval by ordinance in January-February of 2018. During the subsequent long-term lease review, staff and the applicant will address renewal, consolidation of multiple leases/permits, scope of lease, price/valuation, and term. It is staffs’ goal to take this opportunity to address some past, current, and future issues to the satisfaction of all parties so that all current and potential issues are resolved effectively and efficiently.

Recommendations: Staff recommends the Assembly pass a motion authorizing the Administrator to execute a month-to-month tideland permit for tidelands adjacent 485 Katlian Avenue.



LICENSE (PERMIT) AGREEMENT

THIS LICENSE (PERMIT) AGREEMENT ("Agreement"), by and between the City and Borough of Sitka, Alaska, an Alaska home rule municipality, of 100 Lincoln Street, Sitka, Alaska 99835 ("LICENSOR"), and the Longliner Lodge & suites, LLC, an Alaskan limited liability company, of 485 Katlian Street, Sitka, Alaska 99835 ("LICENSEE").

WITNESSETH, that, for and in consideration of LICENSEE'S promise to hold LICENSOR harmless as against all claims, including those of the public, of and applicable to the limited license to use public property, evidence of which is incorporated hereto, and in consideration of other mutual promises recited herein, LICENSOR and LICENSEE hereby agree as follows:

1. **Limited License to Use Public Property.** LICENSEE shall be, and hereby is, given a certain license to use certain public property, described as follows:

Approximately 440sf portion of Alaska Tideland Survey No. 15 immediately adjacent to the northeast boundary of lease tract A, which is described as: TRACT A: Beginning at the most Westerly corner of Lot 36·B, Subdivision of a portion of Lot 36, Block 5, U.S. Survey 2542 A & B, Sitka Indian Village recorded as Plat No. 73 as Corner No. 1 thence S 43°29' E along the seaward boundary of said Lot 36·B a distance of 81.68 feet to Corner No. 2; thence over tide and submerged land as follows; S 46°31' W a distance of 102.74 feet to Corner No. 3; thence N 43°29' W a distance of 98.68 feet to Corner No. 4; thence N 46°31' E a distance of 62.24 feet to Corner No. 5; thence S 43°29' E a distance of 17.00 feet to Corner No. 6; thence N 46°31' E a distance of 40.50 feet to Corner No. 1 and point of beginning.

As Shown in the diagram attached hereto and marked as Exhibit A.

LICENSEE may not alter the location of, make additions to, or make any expansion of the above described property.

2. **Temporary Term.** LICENSOR AND LICENSEE agree that anything licensed hereunder is by definition deemed to be temporary in nature. All licensed activity is month to month and shall cease no later than thirty (30) days after written notice given by LICENSOR.

3. **Repair or Maintenance of Existing Improvements.** LICENSEE shall keep any existing improvements in good repair, and shall maintain them with such reasonable regularity and by such reasonable means and in such reasonable manner as to prevent them from being or becoming unsightly or otherwise detractive in general appearance.

4. **Indemnity.** By execution hereof, LICENSEE, for itself and its heirs, successors, representatives, and assigns, hereby agrees to indemnify and save harmless LICENSOR, and its officers, agents, and employees, against any and all claims for death, personal injury, or property damage, including reasonable attorney's fees, arising out of or connected in any way with the LICENSEE'S use of LICENSOR'S property. LICENSEE hereby gives LICENSOR its assurance and promise to hold LICENSOR harmless from any and all liability arising from harm to it, it's employees, agents, representatives, guests, the public, and/or to others, whether in the form of

death, bodily injury, or property damage, resulting from the use of the public property by LICENSEE.

5. **Forfeiture, Removal.** If and whenever LICENSEE shall have refused or otherwise failed to hold LICENSOR harmless as provided hereinabove, or upon expiration of the term of this License, the privileges granted hereby to the LICENSEE automatically shall terminate.

Upon termination of this License, LICENSEE shall cause any improvements to be immediately removed from public property at its own expense. If LICENSEE shall have refused or otherwise failed to cause any improvements to be removed, then LICENSOR shall have the right to remove the improvements or cause them to be removed, and LICENSEE shall be liable to LICENSOR for its costs therein.

6. **Privileges Personal to License.** This License is personal to LICENSEE, and the privileges herein granted shall not inure to or be for the benefit of LICENSEE's successors or assigns.

7. **Entirety of Agreement, Modifications.** This Agreement embodies the entire understanding of the parties and there are no further or other agreements or understanding, written or oral, in effect between the parties, relating to the subject matter thereof. This instrument may be amended or modified only by an instrument of equal formality signed by the respective parties.

IN WITNESS WHEREOF, the parties hereunto affix their respective signatures on the dates appearing opposing thereto:

**CITY AND BOROUGH OF SITKA, ALASKA
LICENSEE**

Date

By: P. Keith Brady
Its: Municipal Administrator

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2017, by P. Keith Brady, Municipal Administrator of the CITY AND BOROUGH OF SITKA, ALASKA, an Alaska home rule municipality, on behalf of the municipality.

Notary Public in and for the State of Alaska
My commission expires: _____

**THE LONGLINER LODGE & SUITES, LLC
LICENSEE**

Date

LICENSEE

By: James Heiser

Its: Authorized Member

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2017, by James Heiser, Authorized Member of THE LONGLINER LODGE & SUITES, LLC., an Alaskan limited liability company, on behalf of the company.

Notary Public in and for the State of Alaska

My commission expires: _____







STOP - Authorized Personnel Only

OUTBOUND ALASKA CHARTERS
FISH PROCESSING
FISHING CHARTERS

Please do not lean on railing.
Thank you.



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-196 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 12/6/2017 In control: City and Borough Assembly

On agenda: 12/12/2017 Final action:

Title: Discussion/Direction/Decision on the closure of the library expansion capital project and disposition of remaining project funds

Sponsors:

Indexes:

Code sections:

Attachments: [Possible motions and memo Library.pdf](#)
[Library Commission letter.pdf](#)
[Friends of Sitka Public Library letter.pdf](#)

Date	Ver.	Action By	Action	Result
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DISCUSSION / DIRECTION / DECISION

on the closure of the library expansion capital project and disposition of remaining project funds

Option A – remaining funds go back to the Friends of the Library (close project)

I MOVE TO request the remaining funds (estimated to be approximately \$150,000) be returned to the Friends of the Library.

Option B1 – staff completes approved requested improvements, remaining funds returned to General Fund

I MOVE TO have CBS staff complete the approved requested improvements, and, any remaining funds, if any, after completion of all approved requested improvements, be returned to the General Fund.

OR

Option B2 – staff completes approved requested improvements, remaining funds returned to the Friends of the Library

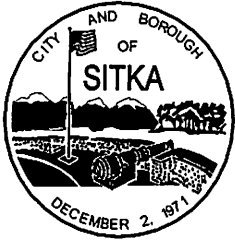
I MOVE TO have CBS staff complete the approved requested improvements, and, any remaining funds, if any, after completion of all approved requested improvements, be returned to the Friends of the Library.

Option C – close project and transfer funds back to working capital or for a specific purpose

I MOVE TO close the project and transfer funds back to the General Fund.

Option D – transfer remaining funds from the general capital project fund back to original funds/sources in an amount proportional to the percentage of original non-grant project funding obtained from each

I MOVE TO transfer the remaining funds (estimated to be approximately \$150,000) from the general capital project fund back to the CPET Fund, General Fund, and Friends of the Library, in an amount proportional to the percentage of original non-grant project funding obtained from each.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members

From: Keith Brady, Municipal Administrator

Cc: Andrew Murphy, Library Director
Michael Harmon, Public Works Director
Jay Sweeney, Finance Director

Date: 12-6-17

Subject: Closure of Sitka Public Library Expansion Capital Project and Disposition of Remaining Project Funds

Background

The awarded construction contract for the Sitka Public Library is complete, as construction is finished and the warranty period has expired. Unexpended project funds from various sources remain.

The Friends of the Library has requested that some of the items on the requested improvements list, in the original plan, be implemented with the remaining funds. The Library Director has worked with the Friends of the Library and the Library Commission to shortlist this request based on the remaining fund balance. The results of this effort are attached in summary form and are outlined in priority order. It is not anticipated that the full amount of funding remaining will be expended with the reduced scale of the Library's list of requested improvements.

Analysis

A decision is needed as to (1) whether or not to officially close the project, and (2) to determine the disposition of remaining project funds.

The list of requested improvements will improve overall aesthetic of the Sitka Public Library/Harrigan Centennial Hall Campus & improve services to the community. However, CBS will own and maintain what is purchased/constructed and that will likely increase operational and replacement expenses. The requested improvements could strain resources in Public Works. Without bumping current project priorities resources will not be available to work on these improvements until FY-20. Closing the Project will leave elements of the original building plans, which were dropped from the approved contracted work, unimplemented.

Options

A. All remaining funds go back to the Friends of the Library (close project)

PROS:

- Friends of the Library can use the funds to complete the scope of the requested improvements with oversight by CBS.
- Money will go further given they will not need to follow CBS procurement
- Staff time and cost will be much less.
- Recognizes/honors the Friends Donation and honorably gives back what is remaining in the project for their use.

CONS:

- CBS will have less control of what improvements are made to ensure what is purchased/constructed is high quality and/or easy to maintain.

B. All remaining funds remain with CBS and staff completes approved requested improvements (close Project but create new budget account)

PROS:

- CBS staff can purchase items that are in line with our standards for quality and ease of maintenance.
- CBS would define what is completed and when.

CONS:

- CBS procurement process will add time and cost to the work.

C. Close Project and direct funds either back to working capital or for any specific purpose

PROS:

- Can apply the funding to the highest needs in the CBS and reduce pressure on the budget.
- Demonstrate that we are fiscally conservative with project funds and finish under budget.

CONS:

- The requested improvements list for the Library will not be done.
- Users of the area (local and visitors) receive a lower level of amenities and aesthetics.
- Risk reducing confidence that private donor funds are spent with its intended purpose.
- Incomplete items such as sidewalks and landscape will put more pressure on future projects such as the last phase of the Sea-Walk.

D. Transfer all remaining funds from the general capital project fund back to originating funds in an amount proportional to the percentage of original non-grant project funding obtained from that source.

Given the amount of unexpended funds remaining today, the transfer would be as follows:

Library Building Fund Donations	\$ 530,244
General Fund	\$ 357,114
CPET Funds	<u>\$ 200,000</u>

Total: \$1,087,358

Percent of Total:

Library Building Fund Donations	\$ 530,244 / \$1,087,358 = 48.8%
General Fund	\$ 357,114 / \$1,087,358 = 32.8%
CPET Funds	\$ 200,000 / \$1,087,358 = 18.4%

Approximate remaining funds: \$150,000

Proposed Transfer: (return funds)

Friends of the Library	\$ 150,000 x 48.8% = \$73,200
General Fund	\$ 150,000 x 32.8% = \$49,200
CPET Funds	\$ 150,000 x 18.4% = \$27,600

Fiscal Note

Project 90739, the Sitka Public Library Expansion, had an authorized project budget of \$6,919,956. This budget was funded from the following sources in the following amounts:

State of Alaska Legislative Grant -	\$5,350,000
Library Building Fund Donations -	\$ 530,244
Design Deficiency Settlement -	\$ 482,598
General Fund -	\$ 357,114
CPET Funds	\$ 200,000

Total expenditures for all purposes under the project total \$6,720,752; this leaves approximately \$150,000 of project funds remaining.

Requested improvements list from Library Director

Current (2017) Reprioritization of Uncompleted Items

Landscaping/Local Art	\$90,000
Assistive Devices/Technology	\$10,000
Microform Reader/printer/scanner	\$10,000
Custom Art Window Clings for Glass	\$3,500
Donor Plaques	\$1,250

Notes - requested improvements

Background:

The requested improvements list is drastically reduced in scope and cost.

The 2015 Punch List includes self-checkout machines that utilize radio frequency technology, a 3D-Printer, additional public computers, a color printer, wireless printing software, a public scanner, \$6000 worth of tablets for Library use, and an elaborate DVD kiosk (\$45,000) – all of which have since been dropped from the Alternates List.

The requested improvements list has been scaled down from the May 9, 2016 List and the August, 2017 Alternate List. Rather than purchase a new patron counting system, SPL has reinstalled the previous door counter that was used prior to the remodeling work.

Notes on the requested improvements list:

The \$90,000 estimate for landscaping/art is cutting the original estimates for Local Art and merging with landscaping plans from the original design. Covered in this estimate are bike racks for the east side of the building near the front doors, benches for the east side of the building needed for tourist season, sidewalk completion on the west side of the building to connect to the emergency exit, completion of the Rain Garden on the west side of the building & improving the aesthetic of the north side of the building along Harbor Drive. The building was designed to support a Totem Pole, which is the intended use for Local Art. The glass clings will be used for two purposes: include Tlingit bilingual signage and function as a safety precaution on the glass walls and doors. The plaques are at the request of the Friends of the Library to recognize private donors that made the Library Expansion Project possible. The donor recognitions will not be hanging plaques, but rather carved wooden bowls that may be easily placed in the Library.

Dear Mayor Hunter and Assembly,

The City and Borough of Sitka Library Commission thanks the Assembly and the CBS Administration for allowing the instatement and orientation of a new Library Director prior to addressing the issue of the status and disposition of funds from the Sitka Public Library Expansion Capital Project 90739. Clearly, this is an issue that impacts the Library, its Director and its staff for the foreseeable future, and therefore deserves the attention of an informed Director.

On August 10, 2017, Chief Finance and Administrative Officer Jay Sweeney issued a memo addressed to Mayor Hunter, the Assembly and Interim City Administrator Phillip Messina regarding the status of the Library Expansion Project and the disposition of remaining funds. The memo was forwarded to Interim Library Director Maite Lorente (among others) on August 11 informing her the item was scheduled for August 22 Assembly Meeting. Ms. Lorente then informed the Library Commission and The Friends of the Library of the memo. The memo recommended that the project be declared complete after the installation of bike racks, and that the remaining project funds be returned to originating non-grant sources in an amount proportional to the percentage of original funding obtained from that source.

Sitka General Code, Chapter 2.16.080 details the duties of the Library Commission:
"[To] have general supervision and care of the municipal library and the buildings and grounds thereof and power to do everything necessary for the proper maintenance and operation thereof within the limits of appropriations authorized by the assembly."

The authorized project budget has not been fully expended. It is the Commission's opinion that the unexpended funds should be used to complete and/or obtain items on the Additive Alternatives list provided to the Assembly by the Friends of the Library. The Commission is responsible for the proper maintenance and operation of the library, therefore **the City and Borough of Sitka Library Commission recommends that the Sitka Public Library Expansion Capital Project 90739 remain OPEN.**

The Library Commission supports the recommendation of the Friends, and echoes the sentiment that the purpose of the capital project appropriation is NOT complete, and therefore, should remain open.

The Commission takes this opportunity to remind the Assembly that over the summer season 2016, the Centennial Hall project was ongoing, and the Library was a primary point of contact for tourists during that time. The Library provided necessary services and incurred all the expense and general wear and tear that visitor season. In addition, the Library voluntarily took a 17% decrease during the 2018 budget cycle to show good faith effort to help the City meet its budget goals.

Sincerely,

The CBS Library Commission
Josh Thomas, Alice Johnstone, Barbara Bingham, Nicole Filipek, Darryl Rehkopf

August 21, 2017

Friends of Sitka Public Library
PO Box 6134
Sitka, Alaska 99835

Dear Mayor Hunter and Assembly,

The Friends of Sitka Public Library are concerned about the possible closure of the Sitka Public Library Expansion Project and the transfer of remaining funds to original sources. It is our opinion that the funds set aside for the Library should continue to support the library. There are several points we would ask you to consider.

Donors generously offered support to the Library Expansion with faith that their money would be used for that purpose. Not using the money as set forth is a breach of that legitimate expectation.

The Friends were asked to prioritize an additive list of items removed from the budget. You will find that list attached. In our own fund raising, we assured our donors that items on the additive list would be funded as possible. We have also attached an updated list of library staff concerns related to the project and the alternate 2 landscaping budget.

A new library director is being recruited. It would be to the benefit of the community to get that person on board and let him/her assess remaining project needs.

The charter reads "An appropriation for a capital improvement shall not lapse until its purpose has been accomplished or abandoned." We do not believe the purpose has been accomplished and feel this clearly gives the Assembly the option to leave the money in the Library Expansion account until the funds designated for that purpose are used for Sitka Public Library.

It is our recommendation that the Sitka Public Library Capital Project 90739 remain open until all remaining funds are spent on library-related support.

Thank you for your attention to this issue. Please feel free to contact any member of the Friends of Sitka Public Library Board if we may be of assistance.

Sincerely,
Friends of Sitka Public Library Board
Kari Sagel 752-7232
Barb Bingham 738-3557
Jan Love 747-5608



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 17-198 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 12/6/2017 In control: City and Borough Assembly
On agenda: 12/12/2017 Final action:
Title: Discussion/Direction on the E911 system replacement
Sponsors:
Indexes:
Code sections:
Attachments: [E911 memo.pdf](#)
[E911 DRAFT RFP.pdf](#)

Date	Ver.	Action By	Action	Result
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DISCUSSION / DIRECTION

on the E911 system replacement






City and Borough of Sitka

Information Technology Department

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Hunter and Assembly Members
Keith Brady, Municipal Administrator

From: Ron Duvall, Information Technology Director 

Cc: Jay Sweeney, Chief Finance and Administrative Officer,
Jeff Ankerfelt, Chief of Police,
Dave Miller, Fire Chief

Date: December 6, 2017

SUBJECT: E911 SYSTEM REPLACEMENT

Background

The City and Borough of Sitka (CBS) Information Technology and Police Department have been continuously evaluating our Emergency Management Systems (EMS). We currently have identified three critical points of failure.

1. E911 Call Taker System
2. Dispatch Radio Consoles
3. Records Management System / Computer Aided Dispatch

The purpose of this process is to address one of the three critical areas. In 2012 CBS installed our current E911 Call Taker System, Sentinel Patriot 3.1, with a primary location located at the Sitka Police Department and a secondary location at the Sitka Fire Department. The call taker receives 911 calls with Automatic Number Identification and Automatic Location Identifier (ANI/ALI), which is imported into the current GIS data to a system called LG Dispatch and the CBS AS 400 RMS/CAD.

Evaluation Process:

There are several factors that are involved in evaluating any IT system. During the evaluation of these critical systems, we focused on these criteria:

1. Purpose and function for the continuity of emergency services
2. The current status of system support by the manufacturer
3. Current software and hardware maintenance costs
4. Future software and hardware maintenance costs
5. Funding sources available to pay for system upgrades

Goals of the E911 System Replacement Project:

1. Provide a commercially supported E911 system for servicing CBS Emergency Services
2. Upgrade the E911 Call Taker and peripheral systems to current industry standards
3. Streamline the call taking process between the E911 Call Taker System and the RMS/CAD systems

Analysis

The best and most effective way of replacing the E911 system is to go out to bid with a request for proposal (RFP). We anticipate several bids that will come in with differing ways to implement a new E911 system and each way presents a different cost model; from an all-out purchase to yearly subscriptions. For your reference we have attached the draft RFP for the E911 System Replacement that details how the criteria is being used for selection and how that process will take place.

The anticipated cost models from most upfront cost to highest recurring cost:

1. Purchase, house, and maintain all hardware and software
2. Purchase hardware and software; house in vendor location
3. E911 as a service

Guidance is desired on how the Assembly would like to have this project presented. Is the desire to see a budget amendment appropriating funds for the highest predicted cost or is the desire to see the RFP process and approve a contract and budget appropriation?

Fiscal Note

Unique to this project from many other CBS projects is the funding source. Every telephone within the City and Borough of Sitka is levied an E911 tax. These funds are federally mandated

to be used for 911 services and currently has a balance of \$449,004. During the 2012 upgrade, a loan from the Southeast Economic Development Fund was issued, there is a remaining balance of \$200,575.

The table below contains a running total of expenses and revenues for the E911 fund for the last 5 fiscal years

Fiscal Year	Total Expenses	Total Revenue	Revenue over Expenses for Year	Revenues of Expenses All Years
2017	\$ 110,847	\$ 180,210	\$ 69,363	\$ 449,004
2016	\$ 123,249	\$ 185,909	\$ 62,660	\$ 379,641
2015	\$ 111,820	\$ 192,365	\$ 80,545	\$ 316,981
2014	\$ 122,191	\$ 196,312	\$ 74,121	\$ 236,436
2013	\$ 128,214	\$ 191,576	\$ 63,362	\$ 162,315

The total expenses are comprised of normal monthly telecommunication costs and the annual loan payment to the Southeast Economic Development Fund.

Recommendation

Due to the complex nature of the E911 System Replacement and all of the known and unknown replacement scenarios, I believe it in the best interest of the CBS to proceed in this manner.

1. The CBS proceeds with the RFP process as described in the attached draft RFP
2. Select the bid and vendor that best fits the EMS needs
3. Present a contract to the Assembly for approval
4. Appropriate the needed funds from the designated E911 fund

This solution will allow us to fully and fairly evaluate all possible scenarios.



City and Borough of Sitka, Alaska

911 System Replacement

Request for Competitive Sealed Proposals

Closing Date: _____
Closing Time: 2:00pm

CITY AND BOROUGH OF SITKA, ALASKA REQUEST FOR COMPETITIVE SEALED PROPOSALS

INTRODUCTION

TO ALL INTERESTED VENDORS: City and Borough of Sitka, Alaska (CBS) is seeking competitive sealed proposals from vendors to provide the required equipment and/or services for a complete overhaul and/or replacement of the CBS 911 System per the specifications on Exhibit A attached and incorporated herein.

DELIVERY DEADLINE & INSTRUCTIONS

DELIVER NO LATER THAN 2:00PM, ALASKA TIME, _____, 20 17, in a Sealed box or envelope with company name shown clearly on the outside and addressed to:

E911 COMPETITIVE SEALED PROPOSAL
City of Sitka Municipal Clerk
100 Lincoln St
Sitka, AK 99835

BIDS THAT ARE UNSIGNED OR SUBMITTED BEYOND THE DEADLINE
SHALL NOT BE CONSIDERED AND SHALL BE REJECTED.

CONTACT INFORMATION

Requests for additional information or clarification: Contact SELECTION COMMITTEE c/o Ron Duvall, 100 Lincoln St, Sitka, AK 99835, ron.duvall@cityofsitka.org.

AMENDMENTS TO REQUEST FOR PROPOSAL

Any interpretation or correction of this Request for Competitive Sealed Proposals (RFP) will be made by written addendum sent to all Vendors that have submitted a conforming proposal within the deadline and that have not been eliminated from the selection process by the selection committee.

PROPOSAL OPENING

Competitive Sealed proposals will be opened in the CBS Municipal Clerk's Office at 2:00 PM, on Thursday,

PROPOSAL FORM & CONTENTS

Deliver one (1) signed original, plus three (3) copies prepared as follows:

- | <u>Document</u> | <u>Minimum Information</u> |
|----------------------------|--|
| 1. Cover Letter: | Profile, name, address, location, phone number, email address, contact persons. |
| 2. Binding Offer: (signed) | State that the proposal is a complete, legally binding offer and that the person signing the proposal has the authority to bind the company. Include a blank signature line for acceptance by the Municipal Administrator. |
| 3. RFP Form: (signed) | Request For Competitive Sealed Proposal Form shall be signed and returned with proposal. |
| 4. Specifications: | Describe in detail equipment, work, and services as per Exhibit A. |
| 5. Contract Price: | Total contract price. |
| 6. Financial: | Credit Rating & Report, AE BEST / Moody's, Experience & Expertise, Insurance. |
| 7. References: | 3-references minimum w/contact information, photos, drawings, or description of similar projects completed. |
| 8. Warranty: | Provide copy of warranty terms & conditions. |
| 9. Appendix: | Any additional information in support of proposal. |

SELECTION PROCESS

1. **Evaluation.** A Selection Committee will evaluate all conforming proposals. The Selection Committee shall be 3 persons.
2. **Rejection.** The CBS expressly reserves the right, in its sole judgment, to accept or reject any or all proposals, with or without cause, and to waive any defects and to allow modifications and supplementation of proposals that are submitted within the deadline.
3. **Review.** The Selection Committee will review conforming proposals based on criteria including, but not limited to: total costs, reputation, financial responsibility, technical support, and warranty. Refer to the following list:

	Review Criteria	Percent
1.	Meets Specifications	35 %
2.	Cost	25 %
3.	Management Plan and Approach to Scope of Work	20 %
4.	Qualifications	10 %
5.	Financial Capacity	10 %

4. **Revisions.** Vendors submitting proposals will be accorded fair and equal treatment with respect to opportunity for discussion and revision of proposals, and such revisions may be permitted, after submissions and prior to award for the purpose of obtaining best and final proposals.
5. **Scoring & Elimination.** After scoring all conforming proposals based on the criteria herein the selection committee may eliminate one or more or all vendors from further review. Any Vendor(s) eliminated by the selection committee, at any time, whether through scoring, interviews, presentations, or any other reason or selection process, shall have no opportunity to make revisions or participate further in the selection process.
6. **Interviews & Vendor Site Visit.** After scoring & elimination the selection committee may in its discretion select one or more or all vendors to participate in interview(s), make oral presentation(s), provide supplemental information and documentation, or make site visit(s). The selection committee may use this process for further elimination. All arrangements and scheduling shall be coordinated by the selection committee or its agent.
7. **Confidential Negotiations.** Prior to making any award the selection committee may negotiate directly with the remaining vendor or vendors. In conducting discussions and negotiations, there may be no disclosure of any information derived from competing proposals.

BINDING OFFER

VENDOR'S PROPOSAL CONSTITUTES A VALID LEGAL OFFER FOR 180-DAYS. VENDOR'S PROPOSAL SHALL NOT BE WITHDRAWN WITHOUT THE CONSENT OF THE CITY AND BOROUGH OF SITKA.

Negligence, errors, mistakes or omissions in preparing the proposal, information, documentation, costs, or calculations shall confer no right of withdrawal after the submission deadline. Vendor bears all costs of preparing the proposal and any subsequent presentation or participation in the selection process.

MISTAKES ERRORS & OMISSIONS

Vendor shall disclose errors in costs, calculations or information "mistakes" in the proposal submitted as well as in any related contracts, agreements, estimates, change orders or other documents. In the event that the CBS accepts any proposal, related contracts, agreements, estimates, change order or other documents containing mistakes the **vendor shall be obligated to correct mistakes that are adverse to the CBS and shall have no right to enforce such mistakes against the CBS, except mistakes that work in favor of the CBS shall be binding on the vendor.**

CITY AND BOROUGH OF SITKA RESERVATION OF RIGHTS

SUBMISSION OF A PROPOSAL CONFERS NO RIGHTS UPON ANY VENDOR AND SHALL NOT OBLIGATE CITY AND BOROUGH OF SITKA IN ANY MANNER WHATSOEVER. CITY AND BOROUGH OF SITKA RESERVES THE RIGHT TO MAKE NO AWARD AND TO SOLICIT ADDITIONAL PROPOSALS AT A LATER DATE.

This Request for Competitive Sealed Proposals may be canceled or any or all proposals may be rejected in whole or in part, as specified herein, when it is in the best interests of the CBS.

NOTICE OF AWARD

In the event an award is granted, then the contract file shall contain the basis of the award that shall be to the responsible and responsive Vendor whose proposal best meets the evaluation criteria and the resident bidder preference.

The CBS shall provide written notice to the vendor that is selected based on this RFP. If no vendor is selected, then a notice of no award shall issue. The CBS shall not be bound unless and until the Municipal Administrator accepts the Proposal and returned to the vendor.

CONTRACT FORM

Awarded Vendor agrees to accept & execute the City and Borough of Sitka's Professional Service Contract (example is provided in Exhibit C). The CBS reserves the right to require the vendor to execute such further documents, contracts, agreements or forms as may be reasonably necessary to express the intentions of the parties, or which may be recommended by the Municipal Attorney's office.

AGREEMENT TO TERMS & CONDITIONS

THE UNDERSIGNED IS DULY AUTHORIZED TO BIND THE COMPANY NAMED BELOW AND
HEREBY AGREES TO ALL THE TERMS AND CONDITIONS IN THE FOREGOING REQUEST
FOR PROPOSALS.

DATED: _____, 20____

Company Name

Authorized Signature

Print Name & Title

DATA

EXHIBIT "A"

SPECIFICATION

1 City and Borough of Sitka 911 System Description

The existing system are redundant Sentinel Patriot 3.1, primary located at the Sitka Police Department (SPD) and the secondary located at the Sitka Fire Department (SFD). Calls are routed through four CAMA 911 trunks to the call taker. The call taker receives the call with ANI/ALI and the call is imported into the current GIS data in LG Dispatch and the CBS AS 400 CAD. The call taker rings down the SFD for ambulance and fire emergencies while on the 911 call. SPD are radio dispatched from the call taker position with the CENTRACOM Gold Elite console. Admin calls come into the call position over a PRI attached to a Mitel SX200 ICP phone system and transferred to the Sentinel Patriot. These call are then redirected to the administrative extension on the Mitel system. Please note, there are several parallel projects that may change the specific system model information outlined above.

2 Project Description

The "END USER", which includes both the Sitka Police Department and Sitka Fire Department, hereafter referred to as CBS 911, is seeking a qualified and experienced vendor to replace the existing 911 system with an IP Capable E911 System with NG9-1-1 capabilities. The system will be used to process, answer, and direct all calls placed to 911 in the City and Borough of Sitka. CBS 911's existing Public Safety Phone System has reached the end of its useful life. The system selected must meet the needs of the CBS as described in this document. CBS 911 seeks to have the equipment located in-house or hosted and to have the new system in place by March 31, 2018.

3 9-1-1 Phone System Technical Requirements

This section provides specifications and requirements for the 9-1-1 phone system. The system and contractor must provide at minimum:

- a) An IP-based system compliant with all current NENA i3 Standards. This is defined as: the delivered system being able to accept traditional E911 calls (wire-line, wireless, and fixed VoIP) delivered on IP networks using NENA i3 standard SIP signaling with no additional hardware or software required.
- b) The ability to handle calls originating from all sources, including landlines, cellular sources, VOIP and others and have the ability to deliver and use multimedia information such as text, data, photos, and video in compliance with NG9-1-1 standards. Please explain whether this capability is inherent to the delivered system or would require upgrades to meet NG911 requirements and performance criteria.
- c) The ability to provide ANI/ALI records for each call and display ALI information consistently when interfacing with different ALI providers that send their information in different formats.
- d) The system shall support dedicated redundant data links to the designated ALI database provider. A request to the database shall be made as soon as ANI is received on a call. The E911 system shall compare the telephone number returned with the ALI to the original ANI sent by the CO, ensuring that caller ALI is matched with ANI. The system shall provide configurable parsing and validation of

ALI results. If an ALI failure is returned, or the result fails parsing or validation, the system should automatically re-submit the request a maximum of one time.

- e) The system shall be Wireless Phase I and II compatible and must be compatible with ten digit ANI delivery and NCAS (Non-Callpath Associated Signaling) wireless ALI solutions.
 - f) The ability to detect and provide information on abandoned/silent calls with location and call back information. The ANI and ALI of the abandoned caller must be available for viewing by the user and single click call back.
 - g) The ability to subscribe to an automatic location (latitude and longitude coordinates) update event of a particular call to include wireless callers.
 - h) The ability to accommodate future growth of the system to include additional dispatch positions. Please state the expansion capability of the system describing the overall system capacities with the hardware delivered, including the number of incoming 9-1-1 circuits, the number of answering positions and the number of telephone lines that may be installed.
 - i) The ability to support a portable command 911 Center currently located on at Keet Gooshi Heen Elementary School (307 Kashevaroff Street, Sitka, AK 99835) and shall be capable of being set up at any another other remote location if Keet Gooshi Heen is compromised.
 - j) An integrated TTY/TDD for ADA compliance. The system should allow the Call Takers/Dispatchers to communicate by using the keyboard and/or pre-programmed messages. TDD messages shall be recorded by the system and stored perpetually with Call Detail data. TDD communications should be time-stamped and indicate the transmitting party. Historical TDD messages and time stamps information should be available for review within the Call History and MIS views. All TDD features should function correctly on all calls; regardless of other features being used such as Conferencing, Monitor or Barge-In.
1. The Answering Position shall be capable of detecting emergency calls originating from Baudot-type Telecommunication Devices for the Deaf (TDD/TTY) equipment, and indicating to the user the presence of the TDD/TTY call.
 2. The Answering Position shall allow users to communicate with TDD/TTY callers directly from their 9-1-1 Intelligent Workstation keyboard without requiring the use of any external device.
 3. The Answering Position shall be capable of manually connecting to emergency calls originating from TDD/TTY equipment; as well as originating Baudot calls.
 4. The Answering Position shall allow users to store and send pre-programmed TDD/TTY messages.
 5. Must comply with ADA requirements for HCO (Hearing Carry Over) and VCO (Voice Carry Over) calls.
 6. The System must store all TDD/TTY conversations in call detail reports.
 - k) The ability to accommodate future expandability and growth, including but not limited to ESINET.
 - l) The ability to integrate with the Sitka Police Department Mitel SX200 ICP phone systems to supply administrative lines to dispatchers on an integrated console. Must have the capacity to integrate with future VOIP phone systems.
 - m) The ability to integrate with existing Administrative Lines.
 - n) The ability to integrate with other systems such as Computer Aided Dispatch and Mapping interface.
 - o) A Management Information System where information on calls is stored in an industry standard database and which provides appropriate reporting tools.
 - p) The ability to synchronize with a locally provided time source using NTP.
 - q) Redundancy within the system. All vital system modules shall be protected to ensure there is no single point of failure. Further, under no circumstances shall a failure in any vital system module disable more than 50% of the PC-Based Answering Positions on the system.
- 4 The system shall operate in such a fashion so that a failure of any vital system modules will result

in switch over to the redundant module.

4 Technical Requirements

4.1 Hardware & Performance

This section describes the requirements for the PC-Based Answering Position components.

- a) The PC-Based Answering Positions shall consist of Workstations with all necessary audio and data interface equipment and a minimum of 8 GB of RAM and Intel processors.
- b) The CBS 911 system desires the longest possible operating system support window; please state which versions of Microsoft Windows are supported, specifically whether Windows 7 Pro 64-bit or Windows 10 Pro is currently supported.
- c) The CBS prefers that the PC-Based Answering Positions used at all sites should be a commercially available PC workstation. The PC-Based Answering Position shall be equipped with all necessary audio and video interface equipment to include a keyboard, mouse, speakers and at least a 22" LCD flat panel monitor.
- d) All PC workstations in the network shall be able to run Sophos Anti-Virus software
- e) The PC-Based Answering Position must be capable of interfacing with a Motorola VPM – Voice Processing Module. The module interfaces the CENTRACOM Gold Elite radio consoles, the recorder, and the 911 call-taking equipment into a single headset jack. It also operates the foot switch and microphone.
- f) The PC-Based Answering Position shall indicate incoming 911, emergency administrative and non-emergency administrative calls by both audible and visual means.
- g) The PC-Based Answering Position shall have the ability to visually display the status of a call (idle, busy, ringing, abandoned, on hold, or transferred—internally or externally) of each 911, emergency, and non-emergency call.
- h) The vendor should state if the PC-Based Answering Position can provide for a method of programming keyboard application shortcuts that allow the user to perform common call functions with a single keyboard or keypad keystroke. Please list all shortcuts supported.
- i) The system shall provide log-on verification capability and each user will be prompted to log-on using a user name and password, preferably integration capabilities with Microsoft Active Directory. Please describe if the proposed solution uses additional information at login to determine the user's capabilities.
- j) Upon successful log-on, all 9-1-1 lines, administrative lines, functions, and capabilities shall be made available to the user solely based on the user login credentials.
- k) Selective Answer: The PC-Based Answering Position shall present 9-1-1 calls with pre-answer ALI information and provide the users the ability to choose which call to answer when multiple 9-1-1 calls are ringing.
- l) The PC-Based Answering Position shall present emergency and non-emergency administrative calls with Caller ID information.
- m) The answering position shall allow the call-taker to place any number of 9-1-1 calls on hold. To assist in retrieving the proper call, operators shall be presented with a list of calls on hold, showing the ANI, the ESN, the trunk number, the time and date at which each call was placed on hold. Call takers shall also have the capability of retrieving 9-1-1 calls that have been placed on hold at another position. The system shall store the ANI/ALI information while the call is on hold hence avoiding repetition of the ALI request. This cached ALI information should be provided automatically to any workstation retrieving the Call from Hold, including

remote positions.

- n) The PC-Based Answering Position shall have the ability to release any call when complete using a keystroke or mouse click. This shall include forced disconnect when that feature is supported by the originating 911 service provider.
- o) Users must be provided with the ability to communicate privately, without the Caller being aware. This includes the ability to notify other Dispatchers of a high-priority call, or to request assistance from a Supervisor. At a minimum, the system must provide the ability to Mute transmit and provide private position-to-position instant messaging. It is strongly preferable that that Mute function be controllable from the workstation. Instant Messages should be able to be sent to groups as well as individual Users. The PC-Based Answering Position shall have the ability to mute and un-mute the audio of any call by using a keystroke or mouse click on the GUI.
- p) The proposed system shall provide multi-party conferencing for seven or more parties as a standard feature. The system must be able to conference all types of trunks, lines and stations in a single conference. Conference audio mixing must be done digitally to avoid audio quality degradation as parties are added. Use of the conference feature shall not preclude or prevent the use of any other standard call handling feature such as Monitor, Hold, or TDD send and receive. The system must track the join and release of each local and remote conference party and make that detail available in the standard Call Detail Report.
- q) The PC-Based Answering Position shall have the capability to display at least three (3) emergency service agency transfer buttons when a 9-1-1 call is received. The specific agencies displayed will be based on the ESN of the incoming 9-1-1 call. This capability shall allow a user to transfer a call to the appropriate agency and establish a no-hold conference call with a keystroke or mouse click.
- r) The PC-Based Answering Position shall give the user the ability to barge into or join an existing 911 or administrative call by selecting the appropriate circuit indicator. It shall also be able to execute a transfer (speed dial or hook flash) while barged-in with another answering position.
- s) The system shall have the capability to overflow all unanswered 911 calls to another group of answering positions or an outside agency upon one of the following two conditions being met:
 - 1. A 911 call has not been answered within a specified time.
 - 2. A 911 call is presented to the system and no users are available to answer.
- t) The system shall have the capability to overflow all unanswered administrative calls to another group of answering positions or an outside agency upon one of the following two conditions being met:
 - 1. An administrative call has not been answered within a specified time.
 - 2. An administrative call is presented to the system and no users are available to answer the call.
 - 3. The system shall have the ability to continue to ring the original group of answering positions the call was presented to in addition to the overflow groups.
 - 4. Is it possible to have a hold queue with a recording? If yes, please describe how this would work.
- u) The PC-Based Answering Position shall include a function to allow the user to view a list of the previous administrative calls received and placed from that workstation, select a call from the list, and to initiate a redial of the selected call using a keystroke or mouse click.
- v) The system shall provide Last Number Redial capability. Redial should be provided transparently for the last inbound or outbound call with a single click. The system should automatically determine and utilize the correct Call Back Number for wireless calls. Long distance numbers should be detected and dialed as appropriate without User intervention.

Non-dialable numbers should be skipped over in the single-button Redial buffer. Users should have the advantage of all Redial capabilities described for any call in the Call History. The system shall include a function to allow the user to view a list of the previous 911 calls answered on that workstation, select a call from the list and to initiate a redial of the selected call using a keystroke or mouse click.

- w) The PC-Based Answering Position shall provide a method to allow the user to view the ANI and ALI information of answered 911 calls and the Caller ID information of answered administrative calls.
- x) A speed-dial feature allowing access to an unlimited number of speed dial entries shall be provided. The data base for speed dial entries shall be stored centrally and access shall be available from all answering positions.
 - 1. The speed dial should be able to be organized into Customer defined categories. The number of categories should not be limited.
 - 2. Speed-dial numbers shall consist of any number of digits per entry. The speed-dial feature shall be user-programmable only under administrator level access.
 - 3. Speed Dial searching should match any field in the library including digit fields. Search strings should match anywhere within the field, not requiring to match from the beginning of the field.
- y) The PC-Based Answering Position shall provide Instant Recall Recording (IRR) functionality for 911 and Admin Lines as required. Recordings shall be accessible on the answering position and provide for a minimum of a 24-hour rolling log, by the user of recordings available for review. Playback shall be via an external speaker.

4.2 Remote Connectivity and Back-Up

- a) Vendor will provide in the design and implementation a solution for offsite location(s) to provide necessary redundancy.
- b) It is a requirement that the proposed solution include provisions to regularly backup all system data and system configurations.
- c) Vendors will also include solutions for storing 911 ALI and call detail information on a long-term basis
- d) It is a requirement that the proposed solution include comprehensive change management processes to ensure that all changes made to the system are engineered, tested, and documented before being installed locally.

4.3 Optional Hardware/Components:

- a) Wall display panel showing the number of calls currently:
 - 1. Ringing
 - 2. Answered
 - 3. Holding

4.4 Security & Reporting

- a) All workstations shall be configured with a security policy for non-administrative users that prevents the user from reaching any functions or operating system settings not required by the 911 application.
- b) All workstations shall be configured with a security policy for administrative users that enables access to the operating system.
- c) The system shall provide a method to allow users to save a copy of an incorrect ALI record as it appeared during a call with revisions reported by the caller. These discrepancies will be available via report on demand in a PDF format.
- d) The system shall capture and store all available information pertaining to each 911 call on the system server and be accessible to the management information system (MIS) package for reports.
- e) Each PC-Based Answering Position shall provide a method for manual printing of call detail information to a network printer. The system shall maintain Call Detail Records (CDR) in a read-only location. CDR data must be able to be printed on demand to the system printer. The information contained in each CDR must include at minimum:
 - 1. Caller's ANI and ALI
 - 2. Incoming Trunk
 - 3. Call-taker Answering Position
 - 4. Transferred Destination
 - 5. Date, time(s) of the various connect, disconnect and transfer events
 - 6. Other particulars relating to the call

4.5 System Administration, Alarms, Reports

- a) The system shall provide for a mechanism to allow a system administrator to maintain core system functions as well as users and interfaces. Please describe this mechanism in detail.
- b) The vendor shall allow a limited number of existing administrative computers residing on a private IP administrative network to have access to the 911 system IP network for call monitoring, administration, statistical reporting, and MIS purposes.
- c) All critical system files such as Maintenance Logs, Statistics, Call Records, stored ALI Information and TDD/TTY conversations, etc. shall be saved daily to an external storage device.
- d) The system must be capable of self-monitoring vital processes and sending alarms in the event of an alarm condition.
- e) The system must notify the vendor, the local system administrator and/or local maintenance personnel upon detection of an alarm via e-mail and give a brief description of the alarm condition.
- f) Remote Monitoring of the system by the vendor of its health on a 7x24x365 basis is required.
- g) The vendors shall provide a comprehensive management and statistical reporting system to provide the SPD management personnel with real-time and historical information.
 - 1. The reporting system shall be customizable such that the generating of reports for varying time periods can be selected.
 - 2. Please provide a comprehensive list of all available pre-defined reports by appropriate categories. Reporting for the NENA call-answering standard is a required report.

4.6 Installation

The vendor and the CBS 911 system shall agree upon a proposed delivery time-line prior to the start of system installation.

- a) The vendor shall be responsible for all aspects of the installation of the system.
- b) If the CBS 911 system is located at the SPD building, this is a secure facility and all support personnel, regardless of whether they work for the vendor or for a third party entity providing support on behalf of the vendor must be escorted by staff in accordance with Criminal Justice Information Security (CJIS) requirements.
- c) Background checks will be done on all technicians who will need unescorted access to the SPD technical systems. All on-site personnel must successfully complete the CJIS security background check which includes fingerprinting. The CBS has the right to refuse access to anyone. In the event an assigned staff does not receive access, it is the responsibility of the vendor to find an acceptable replacement.
- d) All equipment at the Primary and any Backup Host sites shall be cabinet rack mounted in secure and appropriate EIA 310 standard cabinets, with locking front and rear doors and appropriate ventilation. All equipment must be commercially available in off-the-shelf configurations; please describe all exceptions. Appropriate cabling, connectors and all hardware necessary for the installation and maintenance of the equipment shall be provided.
- e) The vendor is responsible for installing all equipment and new cabling required for the proposed system to include any necessary cable extenders for keyboards, mice, 24-button keypads, speakers, and monitors as may be required.
- f) The vendor shall install removable Velcro straps for all cable bundles and rack cable management. Plastic tie wraps shall not be used.
- g) State the number of CAT6 plenum cables to be installed at each Intelligent Workstation.
- h) All CAT6 cables shall be installed with a 5-foot service loop at each end.
- i) Any additional cables that the vendor may need to complete the PC Workstation installation must also be plenum.
- j) All cables must be identified on each end with permanent labels. Please use industry standard technician cable labeling designed for this type of installation. Do not use color coding.
- k) Cabling shall include connection of all administrative circuits, 911 circuits and positions to the digital recording system cross connection block.
- l) System grounding must comply with industry standards and good engineering practices. The vendor shall provide a comprehensive grounding review prior to system installation and notify the Information Technology Director of any deficiencies found. The Information Technology Director and vendor shall then agree upon a remediation plan and responsibilities for any deficiencies noted.
- m) The system must operate from standard 115V, 60 Hz, single-phase power. The vendor shall state the power requirements for the backroom equipment and each answering position.
- n) The vendor shall provide and maintain all UPS power devices for all equipment at all facilities. Please state the voltage and amperage requirements for all provided UPS equipment.
- o) The successful vendor will procure, receive, build out, and stage the entire system as outlined in the final negotiated contract process and factory test prior to installation.
- p) The equipment purchased in this RFP shall be delivered to its proper location and installed by the vendor without additional cost or expense and at the convenience and direction of the CBS.
- q) All work shall comply with the applicable national, state, and local codes and regulations.

- r) The vendor is responsible for securing all required licenses and permits for any work performed in connection with this RFP.
- s) The CBS reserves the right to reject any subcontractors. If this should occur, the vendor may submit an alternative that is acceptable. Should a subcontractor fail to provide a reasonable level of service, the vendor must resolve this failure at its expense.
- t) The vendor shall be responsible for any damage to existing systems or structures during the installation of the system.

4.7 Training

The vendor shall include in its response, a training curriculum for users, administrators and training instructors. The training curriculum shall include instruction on all aspects of the PC Workstations, core host equipment, and management information systems.

- a) Training materials for users, administrators and training instructors shall be approved prior to the delivery of any training.
- b) The training schedule and location shall be approved prior to training classes beginning.
- c) The training schedule shall consist of a sufficient number of days for user training to allow for shift rotation, and a sufficient number of days for system administrator and reporting training.
- d) The vendor shall have personnel on-site for the system cut-over and for at least the first 24 hours following cut-over for transitional support.

4.8 System Testing and Acceptance

- a) The vendor shall create a written testing and acceptance plan after award of the contract based on the equipment selected and present the plan for approval.
- b) System Acceptance will not be provided until all items on the acceptance test plan are met to the satisfaction of the CBS.
- c) The CBS shall not be deemed to have accepted any component or piece of equipment until such time, as said equipment has been installed, tested, and is operating in accordance with the specifications contained herein.
- d) The following failure priority levels are defined for use during the System's Acceptance Testing process:
 - 1. Critical failures are system failures that render the system unusable or significantly reduce system operability, and are considered to be operationally unacceptable.
 - 2. Non-critical failures are system failures or open punch list items that minimally reduce system operability or have little or no effect on system operability and usability, and are considered to be operationally acceptable only during the acceptance testing phase.
 - 3. Final acceptance testing is expected to commence immediately upon system cut over and proceed for sixty (60) consecutive Critical failure free days. If a critical failure occurs during the System Acceptance Testing period, the process will be stopped, and the failure(s) must be expediently fixed to the CBS satisfaction. During this period of interruption, the system must continue to operate with the greatest degree of reliability possible given the respective failure(s). The System Acceptance Testing period of sixty (60) consecutive critical failure free days will restart the day after repairs are affected.

4.9 Warranty

- a) System Warranty periods for all hardware and software shall begin upon final acceptance of the system and shall run for a minimum period of twelve (12) months. Please state any warranties that exceed the required twelve (12) month minimum.
- b) A complete listing of all warranties including systems and equipment, detailing what is included and what is not included shall be provided.
- c) This System Warranty requirement shall take precedence over any conflict in the vendor's warranty agreement.

4.10 Maintenance

- a) The system maintenance period for all hardware, software and on-site maintenance shall begin upon final acceptance of the entire system and shall run for a period of twelve (12) months.
- b) System Software/Firmware, Operating System and Security upgrades, patches, and updates shall be included in the vendor's maintenance agreement.
- c) The vendor shall be responsible for the installation of any upgrades, patches and updates.
- d) No unplanned system downtime shall be acceptable for upgrades, patches and updates.
- e) Vendor shall guarantee the availability of service assistance, repairs, and spare parts for a minimum of five (5) years after system acceptance.
- f) Technical and maintenance support shall be available by phone 7x24x365.
- g) Technical and maintenance on-site support must be available with a response time, on site, of no more than four (4) hours for critical failures. This shall be available 7x24x365.
- h) The vendor shall be responsible for all equipment required for the remote access and maintenance connection. This connection will be for the exclusive use of the vendor.
- i) The vendor shall include quarterly on-site visits to perform preventive maintenance to include an agreed upon checklist of items.
- j) The vendor shall be responsible for all contact with Tier 2 or higher manufacturer support personnel.
- k) Please provide a detailed description of maintenance options, prices, and levels of support for years 2-5 and beyond.

4.11 Documentation

Three complete sets of as-built drawings are required both electronically and in hard copy.

Provide documentation for the installation, operation, and maintenance for each component of the system. This documentation will include user manuals, maintenance manuals, parts list, of the equipment necessary for the continued and proper preventative maintenance and repair.

A backroom cabinet diagram shall be included in the as-built documentation.

5 Responsibilities

The contractor shall agree to:

1. Act as the primary contractor and furnish the necessary equipment, installation and training needed.
2. Provide all necessary design, staging and delivery of equipment.
3. Sign and meet all requirements in the City and Borough of Sitka's Professional Service Contract which is included with this RFP as Exhibit C.
4. The Contractor will work with the Information Technology Director to develop a final installation acceptance plan to be agreed upon by both parties.

Exhibit B Bid Details

1 TIME LINE

<u>Event</u>	<u>Date</u>
Request for Proposal Published	??? 2018
Deadline for Final Questions	??? 2018
Proposal Due Date	??? 2018
Award	??? 2018

2 SITE VISIT

A pre-proposal site visit may be requested. The site visit will be scheduled with the Information Technology Director at the Sitka Police Department 304 Lake St, Sitka, Alaska. A list of questions posed during any visits and corresponding answers will be provided to all interested parties by Friday, _____ at 5pm and shall also be posted on the CBS Bid Express Website at WEB ADDRESS NEEDED

3 PROPOSAL DUE DATE

Three (3) copies of the proposal in hard copy and one (1) copy in electronic format must be submitted no later than 2:00 PM Alaska Time, Thursday, _____ to the address shown below. Proposals must be labeled "E911 COMPETITIVE SEALED PROPOSAL". Cost proposals must be submitted in a separate sealed envelope and must not be included in the body of the proposal.

Address for Delivery:
E911 COMPETITIVE SEALED PROPOSAL
City of Sitka Municipal Clerk
100 Lincoln St
Sitka, AK 99835

4 PROPOSAL CONTENT

Proposers shall follow the list of “Proposal Form and Contents” listed in the City and Borough of Sitka’s Request for Competitive Sealed Proposals document. Further details of the contents of the proposal are listed below:

1. **Approach to the Project/Understanding of Scope of Work:** Provide a detailed Scope of Work including the necessary tasks to accomplish the Scope of Services. Provide a brief narrative demonstrating the Proposer’s understanding of the scope of work and project requirements; and describing the proposed organization and management of requirements of the scope of work. In addition, Proposer shall provide a compliance matrix in Excel format that acknowledges the compliance of all requirements in Exhibit A, Scope of Work. Compliance shall be documented with the following legend:
COMPLY – no additional comment required
DOES NOT COMPLY – no additional comment required
COMPLIES WITH INTENT – additional comment is required
2. **Company Qualifications/Related Experience:** contractor shall provide information establishing that it has the qualifications and experience to provide the desired 911 Call-Taking System as specified in this RFP. This information shall include:
 - a. Legal name, type of entity (eg corporation, LLC, etc), address, telephone number, email address, and name of person submitting the RFP response;
 - b. A brief history of the company and its experience as a contractor of the desired system;
 - c. Financial Responsibility – The proposer shall provide copies of audited financial statements, balance sheets, bank references, a recent submission to a recognized financial institution or similar document for each of the past three (3) years, and/or other related financial information that the Proposer deems relevant to the project.
 - d. The number of years the company has been in business;
 - e. A description of your firm’s procedures of quality assurance.
 - f. A description of how the company differentiates itself from its competitors;
 - g. A list of all subcontractors that may be used in conjunction with this project;
 - h. A list of the customers that have canceled a contract before, during, or after a scheduled installation, and the reasons for the cancellation.
 - i. A list of previous installations of equipment of the type proposed for this project.
 - j. A list of all employees who will be assigned to the project, and their credentials which highlight any experience with the system to be installed.
3. **Continuity during installation:** Equipment located at the Sitka Police Department is deemed mission critical to public safety. Contractor should address its ability to insure continuous operation of the phone system during cutover to new equipment.
4. **Testing and cutover plan:** Contractor shall include a testing and cutover plan as part of their response to this RFP.
5. **Cost Proposal:** Cost proposal must be submitted in Section 5 of the Contractor’s RFP response according to the Proposal Form and Contents of the RFP. The cost proposal should follow the format in Section 6, below, of Exhibit B. A detailed cost description is required to be provided on a separate page(s) in the same envelope as the cost proposal.

6. **Proposal signature:** The proposal must be signed by a person legally authorized to establish a contractual relationship with the CBS.
7. **Signed acknowledgement of addendum:** The contractor must sign an acknowledgement of any question and answer addendum issued.

5 PROPOSAL EVALUATION PROCESS

Each proposal will be evaluated in accordance with the evaluation criteria described below, and outlined in the RFP document.

All vendors responding to the RFP will be required to give a 1-hour long demo of their product. Demos will be scheduled with each vendor after the bid opening which will take place on _____.

Selection Criteria and Consideration.

1. The ability to meet the technical requirements to ensure that the products proposed will meet the needs of the agency. (35%)
2. Cost proposal. (25%)
3. The Proposer's demonstrated understanding of the project, including the Proposer's approach to project, management plan, and alignment to the scope of work. (20%)
4. Qualifications and Experience of Firm, firm officers, management personnel, and key personnel assigned to this project (10 percent)
5. Financial Capacity (10%)

6 Cost Proposal Format

Description	Quantity	Unit Cost	Total Cost
System controller/workstation hardware/software			
MIS/Reporting and Call Monitoring			
Installation			
Training			
Implementation/Project Management Costs			
Shipping, Delivery or Loading Charges			
Maintenance Costs-All included maintenance deliverables for first year.			
Total Costs*			
*Total costs from detailed cost sheet must match the total costs on this form.			

Option Descriptions	Quantity	Unit Cost	Total Cost
<u>Maintenance</u>			
Maintenance Costs-all included maintenance deliverables for Years 2-5			

Exhibit C
CONTRACT TO PROVIDE PROFESSIONAL SERVICES

City and Borough of Sitka ("Owner") desires the firm _____. ("Contractor") to Provide Professional Services _____. This Contract to Provide Professional Services to City and Borough of Sitka for the _____ ("Contract") is made and entered into by and between Owner and Contractor in consideration of the mutual promises contained in this Contract.

This Contract also consists of:

SECTION 1. DEFINITIONS

For the purpose of this Contract, the terms used in this Contract shall have the following meaning:

- A. "Owner" shall mean the City and Borough of Sitka, Alaska.
- B. "Contractor" shall mean _____, a Partner, Associate, or any other person acting for and/or in behalf of the firm _____.
- C. "Owner's authorized representative" shall mean the person set forth in Section 21 (B)(2) of this Contract.
- D. "Days" shall mean calendar days.

SECTION 2. CONTRACT TIME

This Contract becomes effective when signed and dated by both Parties. Completion date is _____.

- A. Contractor shall commence performance of the work identified in Section 4 immediately following receipt of the Notice to Proceed.
- B. Except as expressly allowed under this Contract, Owner need not grant Contractor any extension in the time provided to complete the work under this Contract. If Contractor's progress falls behind the project schedule, Contractor shall commit additional resources to the prosecution of the work, or take such other additional steps as are reasonably necessary to assure the completion of the work on schedule, all at no additional cost to Owner.

SECTION 3. RESPONSIBILITY OF CONTRACTOR

At all times during Contractor's performance of professional services under this Contract, Contractor shall possess and exercise the level of competence, knowledge and skill presently maintained by other practicing members of the profession in good standing in the same or similar localities.

SECTION 4. SCOPE OF SERVICE

The services to be performed by Contractor shall include all services required to complete the tasks set forth in Contractor's Scope of Services, and shall be in accordance with all applicable statutes, Sitka General Code provisions, ordinances, rules, and regulations.

SECTION 5. OWNERSHIP OF DOCUMENTS

All plans, drawings, calculations, supporting data and specifications, originals and tracings, shall become the property of Owner. Such documents shall be transmitted to Owner prior to the time of final payment for the work under this Contract. Contractor shall be entitled to retain and reference record copies and electronic files of all documents.

SECTION 6. TERMINATION

This Contract may be terminated:

- A. By mutual consent of the Parties.
- B. For the convenience of Owner, provided that Owner notifies Contractor of its intent to terminate under this paragraph at least 10 days prior to the effective date of the termination.
- C. For cause, by either Party where the other Party fails in any material way to perform its obligation under this Contract; provided, however, that as a condition of the exercise of its right of termination under this subsection the terminating Party shall notify the other Party of its intent to terminate this Contract and state with reasonable specificity the grounds, and the defaulting Party shall have failed, within 30 days of receiving the notice, to cure the default.
- D. Termination pursuant to this section shall not affect the Parties' continuing obligations under this Contract.

SECTION 7. DUTIES UPON TERMINATION

- A. If Owner terminates this Contract for convenience, Owner shall pay Contractor the reasonable value of any services satisfactorily rendered prior to termination. Payment under this section shall never exceed the total compensation possible under Section 9. All finished and unfinished reports and materials prepared by Contractor shall become the property of Owner.

Contract to Provide Professional Services to City and Borough of Sitka by _____

- B. If this Contract is terminated for cause, Owner shall pay Contractor reasonable value of the services satisfactorily rendered prior to termination less any damages suffered by Owner because of Contractor's failure to perform satisfactorily. Any finished or unfinished documents or materials shall become the property of Owner at its option. Under no circumstances shall payment under this section exceed the percentage value of work completed as defined by Contractor's Fee Proposal and under Section 9. Under no circumstances shall payment under this section exceed the total compensation possible under Section 9.
- C. If Contractor has received payments prior to termination in excess of the amount to which it is entitled under Subsection A or B of this section, Contractor shall remit such excess to Owner within 30 days after receipt of notice to that effect.
- D. Contractor shall not be entitled to compensation under this section until Contractor has delivered to Owner all documents, records, work products, materials, and equipment owned by City and Borough of Sitka, related to this Contract and requested by Owner.
- E. If Contractor's services are terminated, for whatever reason, Contractor may not claim any compensation under this Contract other than allowed under this section.
- F. The Owner need not recognize any claim by Contractor for reimbursable expenses or costs incurred after the time which Contractor receives notice of termination under this section.

SECTION 8. INDEMNIFICATION

- A. Contractor shall indemnify, defend, save, and hold Owner harmless from any claims, lawsuits, or liability, including attorney's fees and costs, arising from any wrongful or negligent act, error or omission of Contractor occurring during the course of or as a result of Contractor's performance pursuant to this Contract.
- B. Contractor shall not indemnify, defend, save, and hold Owner harmless from any claims, lawsuits, liability, or attorney's fees and costs, arising in wrongful or negligent acts, errors or omissions solely of Owner occurring during the course of or as a result of the performance of this Contract.
- C. Where claims, lawsuits, or liability, including attorney's fees and costs, arise from wrongful or negligent acts of both Parties, Contractor shall indemnify, defend, save and hold Owner harmless from only that portion of claims, lawsuits or liability, including attorney's fees and costs, which result from Contractor's wrongful or negligent acts occurring during the course of or as a result of Contractor's performance pursuant to this Contract.

Contract to Provide Professional Services to City and Borough of Sitka by _____

SECTION 9. PAYMENT

- A. For Contractor's Design, Bidding, Contract Services and Expenses, as described in Section 4 of this Contract, compensation will be paid on a time and expense basis, subject to Contractor's satisfactory performance, in a total amount Not to Exceed (NTE) _____ unless mutually agreed upon by both Parties prior to commencing additional work.

Contractor shall **not** begin any phase of the work without written authorization by Owner. The Owner has the option of omitting any phase of the Contract as it deems necessary.

- B. Contractor shall present an invoice(s) to Owner's authorized representative. Such invoice(s) shall describe the work for which it seeks payment and shall document expenses and fees to the satisfaction of Owner's authorized representative. Invoices shall not be submitted more frequently than once every 30 days.
- C. Owner shall make payment on invoices within 30 days of the invoices' receipt and approval by Owner's authorized representative.
- D. Contractor shall be entitled to no compensation under this Contract beyond the amount of Owner's express obligation under subsection A above. Compensation for preliminary drawings, specifications and reports shall not exceed 50% of the total Contract amount.
- E. The amount to be paid for additional services, at the option of Owner, shall be negotiated at the hourly fees submitted in Contractors Revised Fee Proposal, by the Parties prior to the execution of amendments to this Contract for this work.

SECTION 10. AUDIT: ACCESS TO RECORDS

- A. Contractor shall maintain records of performances, communications, documents, correspondence and costs pertinent to this Contract. The Owner's authorized representatives shall have the right to examine such records and accounting procedures and practices.
- B. The Owner's authorized representative shall have the right to examine all books, records, documents and other data of Contractor related to the negotiation, pricing and performance Contract, and any change or modification for the purpose of evaluating the accuracy, completeness, and currency of the data submitted. The right of examination shall extend to all documents necessary to permit adequate evaluation of the data, computations, and projections used.

Contract to Provide Professional Services to City and Borough of Sitka by _____

- C. The materials described in this section shall be made available at the business office of Contractor at all reasonable times for inspection, audit or reproduction, for a minimum of 3 years from the date of final payment under this Contract and for such longer period, if any, as may be required by applicable statute or other provisions of this Contract.
- D. If this Contract is completely or partially terminated, records relating to the services terminated shall be made available to Owner by Contractor for a minimum of 3 years from the date of any resulting final settlement.
- E. Records which relate to claims or litigation or the settlement of claims arising out of the performance of this Contract shall be made available to Owner by Contractor until such claims or litigation have been concluded.

SECTION 11. RELATIONSHIP OF PARTIES

Contractor shall perform its obligations under this Contract as an independent Contractor of Owner. Owner may administer the Contract and monitor Contractor's compliance with its obligations. Owner shall not supervise or direct Contractor other than as provided in this section.

SECTION 12. ASSIGNMENTS

Unless otherwise allowed by this Contract or in writing by Owner, any assignment by Contractor of its interest in any part of this Contract or any delegation of duties under this Contract shall be void, and any attempt by Contractor to assign any part of its interest or delegate duties under this Contract shall give Owner the right immediately to terminate this Contract without any liability for work performed.

The Owner reserves the right to approve all subcontractor contracts.

SECTION 13. NONDISCRIMINATION

- A. Contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The Contractor shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.
- B. Contractor shall state, in all solicitations or advertisements for employees to work on jobs relating to this Contract, that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood.
- C. Contractor shall include the provisions of Subsection A in every subcontract or purchase order under this Contract, so as to be binding upon every such subcontractor or vendor of Contractor under this Contract.

Contract to Provide Professional Services to City and Borough of Sitka by _____

- D. Contractor shall comply with all applicable Federal, State and City laws concerning the prohibition of discrimination.

SECTION 14. COPYRIGHTS AND RIGHTS IN DATA

All documents produced under this Contract are the property of Owner, including notes, drawings, reports and other technical information referred to as work products, except items which have pre-existing copyrights. Payments to Contractor for services include full compensation for all work products produced by Contractor and its subcontractors.

All such subject data furnished by Contractor pursuant to this Contract are instruments of its services in respect to this particular project. It is understood that Contractor does not represent such subject data to be suitable for reuse on any other project or for any other purpose. If Owner reuses the subject data without Contractor's specific written verification of adaption, such reuse will be at the risk of Owner, without liability to Contractor. Any such verification of adaption requested in writing by Owner at Owner's sole option will entitle Contractor to further compensation at rates agreed upon by the Parties.

SECTION 15. NOTICES

Any notice required pertaining to the subject matter of this Contract shall be in writing and either personally delivered or mailed by prepaid, first class, registered or certified mail, return receipt requested, to the following addresses:

OWNER:

City and Borough of Sitka
Ron Duvall, IT Director
100 Lincoln Street
Sitka, AK 99835

CONTRACTOR:

SECTION 16. CLAIMS AND DISPUTES

If Contractor becomes aware, or reasonably should have become aware, of any act or occurrence which may form the basis of a claim, Contractor shall immediately notify in writing Owner's authorized representative. If the matter cannot be resolved within seven (7) days, Contractor shall, within the next fourteen (14) days, submit a written notice of the claim. Contractor shall, in presenting the claim, include the facts and circumstances surrounding the claim, the specific relief requested including any additional compensation claimed and the basis upon which it was calculated, and the provisions of this Contract under which the claim is made. This procedure covers all claims by Contractor for additional compensation or any extension of the time for performance or any dispute regarding a question of fact or interpretation of this Contract. Contractor agrees that unless these written notices are provided, Contractor shall have no entitlement to additional time nor compensation for such act, event or condition.

Contract to Provide Professional Services to City and Borough of Sitka by _____

SECTION 17. SUCCESSORS AND ASSIGNS

The Parties bind themselves, partners, successors, assigns and legal representatives to the other Party to this Contract and to partners, successors, assigns and legal representatives of such other Party with respect to all covenants of this Contract.

SECTION 18. INSURANCE

A. Contractor shall at all times during the term of this Contract, maintain in good standing the insurance described in Subsection B. Before rendering any services under this Contract, Contractor shall furnish Owner with proof of insurance in accordance with Subsection B in a form acceptable to the Risk Manager for Owner; such proof of insurance shall be incorporated into this Contract.

B. Type of coverage:

1. Commercial General Liability

Occurrence Limit	\$2,000,000
Products and Completed Operations Aggregate	\$2,000,000
General Aggregate	\$2,000,000

2. Workman's Compensation Employers Liability Alaska Statutory

3. Commercial Automobile Liability \$2,000,000
Including all owned, hired and non-owned vehicles

4. Professional Errors and Omissions \$2,000,000

C. Insurance Notes

1. Owner shall be named as an additional named insured on the required general liability and automobile insurance policies. The Owner shall also be granted a full waiver of any rights of subrogation by endorsement under all required policies with the exception of Professional Errors and Omissions. These requirements extend to all subcontractors.
2. Contractor is required to notify Owner if any policy is to be canceled, materially changed, or renewed, at least thirty days prior, by written notice sent by certified mail.

Contract to Provide Professional Services to City and Borough of Sitka by _____

SECTION 19. PERMITS, LAWS AND TAXES

Contractor shall acquire and maintain in good standing all permits, licenses and other entitlement necessary to its performance under this Contract. All actions taken by Contractor under this Contract shall comply with all applicable statutes, ordinances, rules and regulations. Contractor shall pay all taxes pertaining to its performance under this Contract.

SECTION 20. NON-WAIVER

The failure of either Party at any time to enforce a provision of this Contract shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Contract or any part, or the right of such Party to enforce each and every provision.

SECTION 21. AMENDMENT

- A. This Contract shall only be amended, modified or changed by a written amendment, executed by authorized representatives of the Parties, and such amendment shall be attached to this Contract as an appendix.
- B. For the purposes of any amendment, modifications or change to the terms and conditions of this Contract, the only authorized representatives of the Parties are:
 - 1. _____ – For Contractor
 - 2. Keith Brady, CBS Municipal Administrator – For Owner
- C. Any attempt to amend, modify or change this Contract by either an unauthorized representative or unauthorized means, shall be void.

SECTION 22. SEVERABILITY

Any provision of this Contract decreed invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of the Contract.

SECTION 23. JURISDICTION - CHOICE OF LAW

Any civil action arising from this Contract shall be brought in the Alaska Superior Court at Sitka. The laws of the State of Alaska shall govern the rights and obligations of the Parties under this Contract.

SECTION 24. INTEGRATION

This instrument and all appendices and amendments embody the entire Contract of the Parties. There are no promises, terms, conditions or obligations other than those contained in this Contract. This Contract shall supersede all previous communications, representations, or Contracts, either oral or written, between the Parties.

Contract to Provide Professional Services to City and Borough of Sitka by _____

IN WITNESS WHEREOF, the Parties have executed this Contract on the date shown below, and by their signatures, confirm they are authorized to sign this Contract.

CITY AND BOROUGH OF SITKA

Keith Brady
Municipal Administrator

Date: _____

Date: _____

Tax ID No. _____

ATTEST:

LEGAL REVIEW:

Sara Peterson, CMC
Municipal Clerk

Brian Hanson
Municipal Attorney

Date: _____

Date: _____

Not to Exceed Contract Amount

Contract Number