



CITY AND BOROUGH OF SITKA

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

Meeting Agenda

City and Borough Assembly

Mayor Gary Paxton
Deputy Mayor Steven Eisenbeisz,
Vice Deputy Mayor Valorie Nelson,
Aaron Bean, Kevin Knox, Dr. Richard Wein, Kevin Mosher

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

Tuesday, October 23, 2018

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

[18-205](#) Reminders, Calendars and General Correspondence

Attachments: [Reminders and Calendars.pdf](#)
[Local Purchase Counts-Quarters-FY19Q1.pdf](#)
[Turner Certificate.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)

[18-199](#) Update on the Phase 3 SCH RFP Process - Administrator Keith Brady

Attachments: [Update SCH SEARHC Strategic Affiliation Process.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 [18-200](#) Approve the minutes of the October 9 Assembly meeting

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

B [18-201](#) Approve an application for a new standard marijuana cultivation facility license for Eric VanVeen dba VanGreen's LLC at 224 Smith Street #D and #E

Attachments: [Motion and Memo VanGreen's.pdf](#)
[Feb 22 Planning Commission Minutes.pdf](#)
[New - LG Notice - Standard Marijuana Cultivation Facility - vanGreen's LLC License](#)
[16738 Entity Documents.PDF](#)
[16738 MJ-00 Application Certifications.PDF](#)
[16738 MJ-01 Operating Plan.pdf](#)
[16738 MJ-02 Premises Diagram.PDF](#)
[16738 MJ-04 Cultivation Supplemental.pdf](#)
[16738 MJ-07 Public Notice Posting Affidavit.PDF](#)
[16738 MJ-08 Local Government Notice Affidavit.PDF](#)
[16738 MJ-09 Statement of Financial Interest Redacted.pdf](#)
[16738 Online Application Redacted.pdf](#)
[16738 POPPP.PDF](#)
[16738 Publisher's Affidavit.pdf](#)

C [RES 18-23](#) Supporting full funding from the State of Alaska for the Municipal Harbor Facility Grant Program

Attachments: [Motion Memo and Res 2018-23.pdf](#)

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- D [18-202](#) Reappointments: 1) Ken Creamer to a three-year term on the Port and Harbors Commission 2) Randy Hughey to a three-year term on the Planning Commission 3) Jeff Arndt to a three-year term on the Health Needs and Human Services Commission

Attachments: [Motion Reappointments.pdf](#)
[Creamer Application.pdf](#)
[Hughey Application.pdf](#)
[Arndt Application.pdf](#)

XI. UNFINISHED BUSINESS:

- E [ORD 18-49](#) Making supplemental appropriations for Fiscal Year 2019 (Seaplane Base Project)

Attachments: [Motion Memo and Ord 2018-49.pdf](#)

- F [ORD 18-50](#) Amending Title 3 "Procurement Policy" of the Sitka General Code by modifying Chapter 3.16 "Procurement Policy" Section 3.16.060 "Exceptions to Competitive Requirements"

Attachments: [Motion Memo and Ord 2018-50.pdf](#)

XII. NEW BUSINESS:

New Business First Reading

- G [ORD 18-51](#) Making supplemental appropriations for Fiscal Year 2019 (State of Alaska Grants)

Attachments: [Motion Memo and Ord 2018-51.pdf](#)

- H [ORD 18-52](#) Amending Title 13 "Port and Harbors" of the Sitka General Code by adding Chapter 13.16 "Commercial Marine Trade Permit" and amending Chapter 13.04 "Definitions"

Attachments: [Motion Memo and Ord 2018-52.pdf](#)

Additional New Business Items

- I [18-203](#) Discussion / Direction on the sale of the Marine Services Center

Attachments: [Motion and Memo Marine Service Center.pdf](#)
[Assembly memo 181015 MSC CraigShoemaker Letter.pdf](#)
[Sitka - Marine Service Center Bulkhead Critical Repairs.pdf](#)
[15078000 Valuation Request 2016-12-11.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

- J** [18-204](#) Financial / Legal Matters regarding lawsuit involving the Sitka Police Department

Attachments: [Motion Executive Session.pdf](#)

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, MMC, Municipal Clerk
Publish: October 19*



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 18-205 **Version:** 1 **Name:**

Type: Item **Status:** AGENDA READY

File created: 10/17/2018 **In control:** City and Borough Assembly

On agenda: 10/23/2018 **Final action:**

Title: Reminders, Calendars and General Correspondence

Sponsors:

Indexes:

Code sections:

Attachments: [Reminders and Calendars.pdf](#)
[Local Purchase Counts-Quarters-FY19Q1.pdf](#)
[Turner Certificate.pdf](#)

Date	Ver.	Action By	Action	Result
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REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, October 23	Regular Meeting	6:00 PM
Monday, October 29	New Member Orientation <i>Conference Room at City Hall</i>	4:00 PM
Tuesday, October 30	New Member Orientation <i>Tours and Lunch</i>	8:00 AM to 5:00 PM
Thursday, November 1	New Member Orientation <i>Conference Room at City Hall</i>	4:00 PM
Thursday, November 8	Regular Meeting	6:00 PM



Assembly Calendar

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

October 2018

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30 <u>Sep</u>	1 <u>Oct</u>	2	3	4	5	6
Eisenbeisz	Eisenbeisz	Eisenbeisz MUNICIPAL ELECTION	6:00pm Library Commission 7:00pm Planning Commission	12:00pm SEDA Board Meeting		
7	8	9	10	11	12	13
		Knox 12:00pm Parks & Rec 6:00pm <u>Regular Assembly Mtg</u>	6:00pm Historic Preservation 6:15pm Port & Harbors Commission	Nelson 12:00pm LEPC 1:30pm Health Needs & Human Services Commission	Nelson	
14	15	16	17	18	19	20
		12:00pm Tree/Landscape	7:00pm Planning Commission	HOLIDAY		
21	22	23	24	25	26	27
		6:00pm <u>Regular Assembly Mtg</u>	6:00pm Police and Fire Commission	Nelson 6:00pm Hospital Board Meeting	Nelson	
28	29	30	31	1 <u>Nov</u>	2	3
	4:00pm New Member Assembly Orientation - 3rd Floor Conference Room City Hall	8:00am - 5:00pm New Member Assembly Orientation - Tours 3:00pm GPIP		12:00pm SEDA Board Meeting 4:00pm New Member Assembly Orientation - 3rd Floor Conference Room City Hall	Eisenbeisz	Eisenbeisz

Assembly Calendar

<u>2017</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>2019</u>
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November 2018

Sunday		Monday	Tuesday	Wednesday	Thursday		Friday	Saturday
28	<u>Oct</u>	29	30	31	1	<u>Nov</u>	2	3
		4:00pm New Member Assembly Orientation - 3rd Floor Conference Room City Hall	8:00am - 5:00pm New Member Assembly Orientation - Tours 3:00pm GPIIP		12:00pm SEDA Board Meeting 4:00pm New Member Assembly Orientation - 3rd Floor Conference Room City Hall		Eisenbeisz	Eisenbeisz
4		5	6	7	8	9	10	
Eisenbeisz		Eisenbeisz	Eisenbeisz GENERAL ELECTION	Eisenbeisz 6:00pm Library Commission 7:00pm Planning Commission	Eisenbeisz Knox 12:00pm LEPC 1:30pm Health Needs & Human Services Commission 6:00pm Regular Meeting	Eisenbeisz Knox		Eisenbeisz Knox
11		12	13	14	15	16	17	
Knox Mosher Nelson Paxton		Alaska Municipal League Conference HOLIDAY Mosher Nelson Paxton	Alaska Municipal League Conference Mosher Nelson Paxton 12:00pm Parks & Rec	Alaska Municipal League Conference Mosher Nelson Paxton 6:00pm Historic Preservation 6:15pm Port & Harbors Commission	Alaska Municipal League Conference Mosher Nelson Paxton	Alaska Municipal League Conference Nelson	9:00am - 12:00pm Assembly Visioning Session (HCH Meeting Rm 7)	
18		19	20	21	22	23	24	
			12:00pm Tree/Landscape	7:00pm Planning Commission	6:00pm Hospital Board Meeting HOLIDAY			
25		26	27	28	29	30	1	<u>Dec</u>
			6:00pm Regular Assembly Mtg	6:00pm Police and Fire Commission				

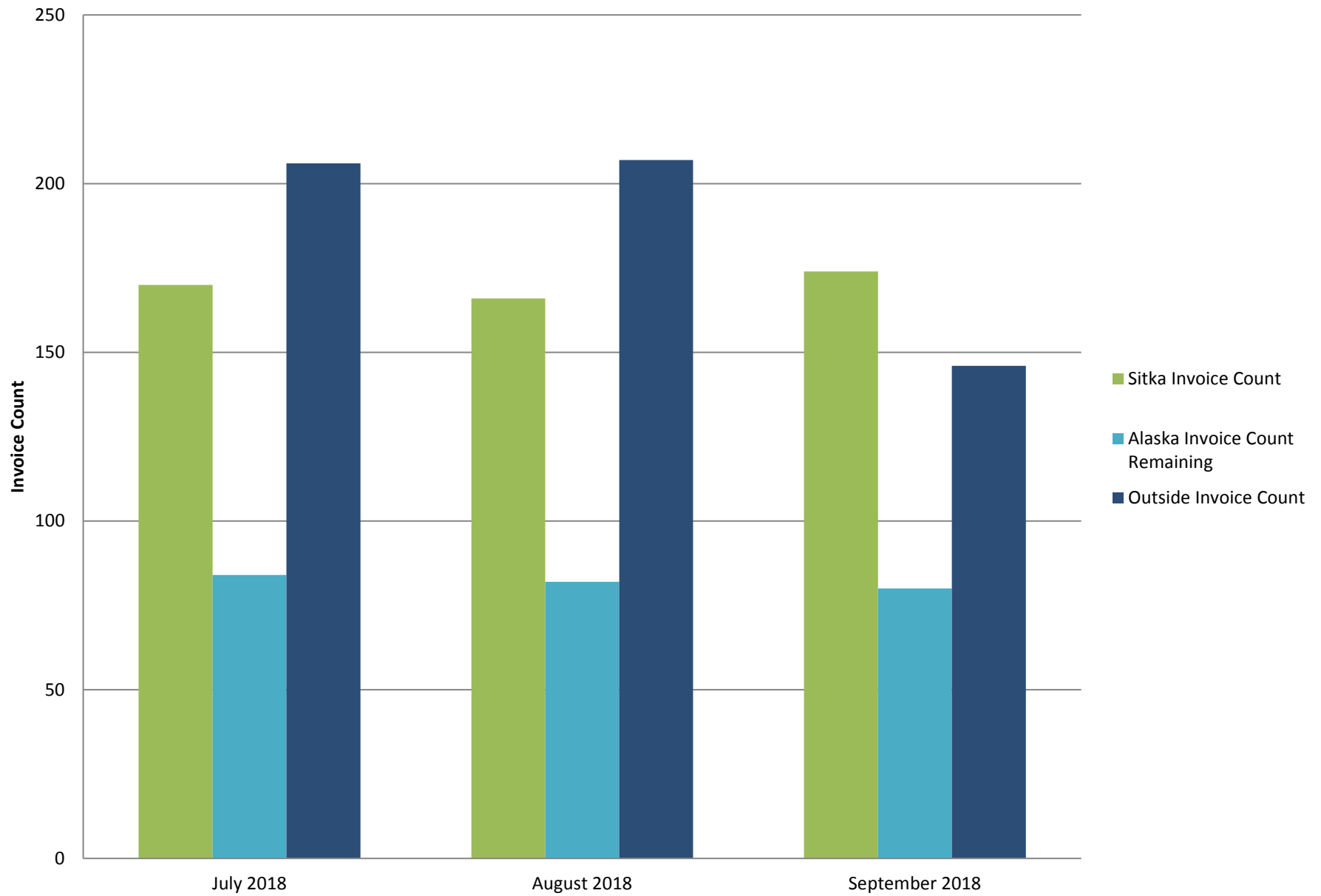
Fiscal Year 2019 - Q1

Local Purchase tracking

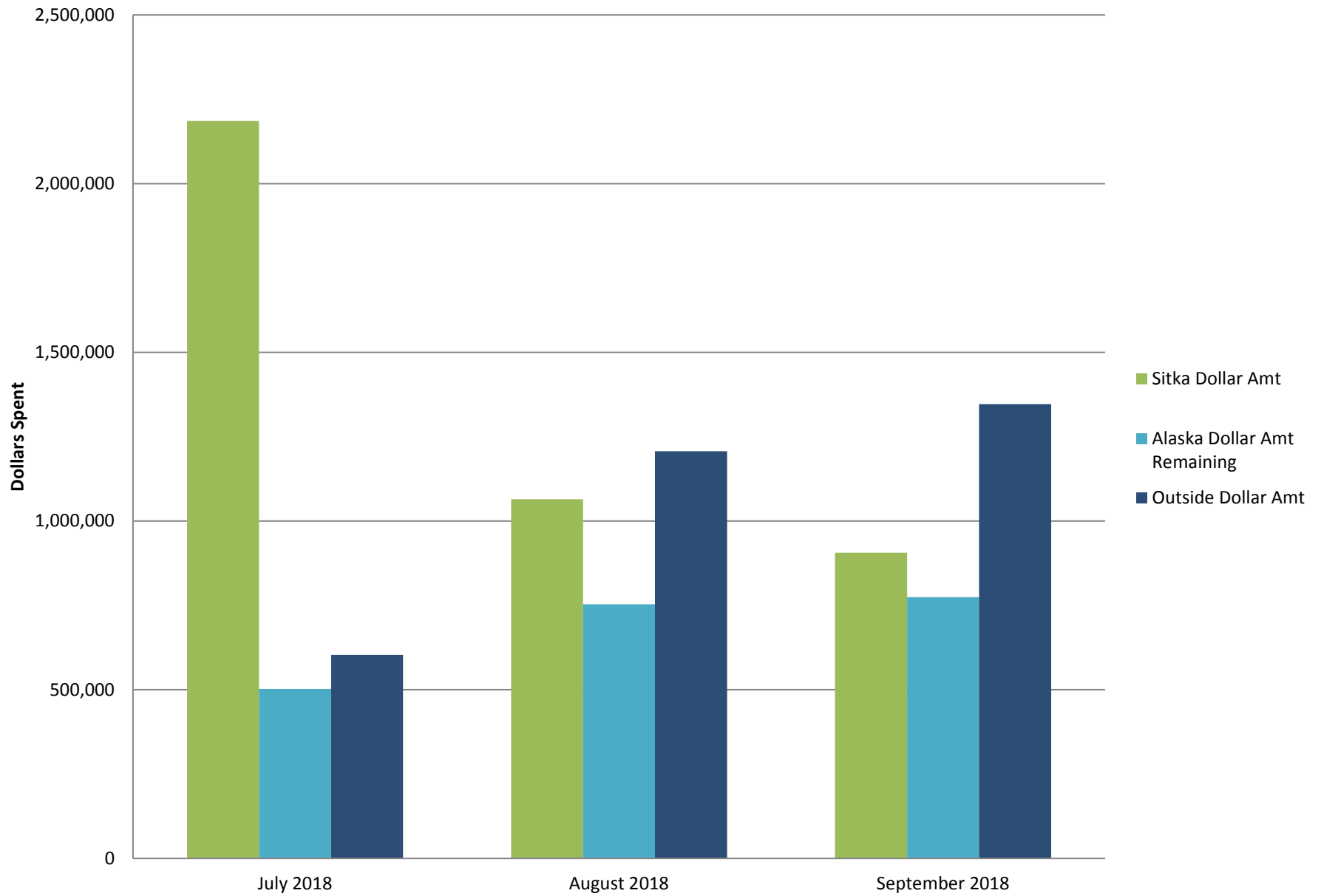
Month	Fiscal Year	Alaska Invoice Count		Outside Invoice Count	Total Invoice Count	Alaska Dollar Amt		Outside Dollar Amt	Total Dollar Amt	% Sitka Count	% Sitka Dollar
		Sitka Invoice Count	Remaining			Remaining					
July 2018	2018	170	84	206	460	2,185,466	502,288	603,139	3,290,893	37%	66%
August 2018	2018	166	82	207	455	1,064,246	752,954	1,207,011	3,024,211	36%	35%
September 2018	2018	174	80	146	400	905,770	773,890	1,346,181	3,025,840	44%	30%
Fiscal Year Total	2018	510	246	559	1315	\$4,155,483	\$2,029,132	\$3,156,330	\$9,340,945	39%	44%

Notes:
Alaska (Remaining) = Alaska - Sitka
Outside = Total - (Alaska (Remaining) + Sitka)

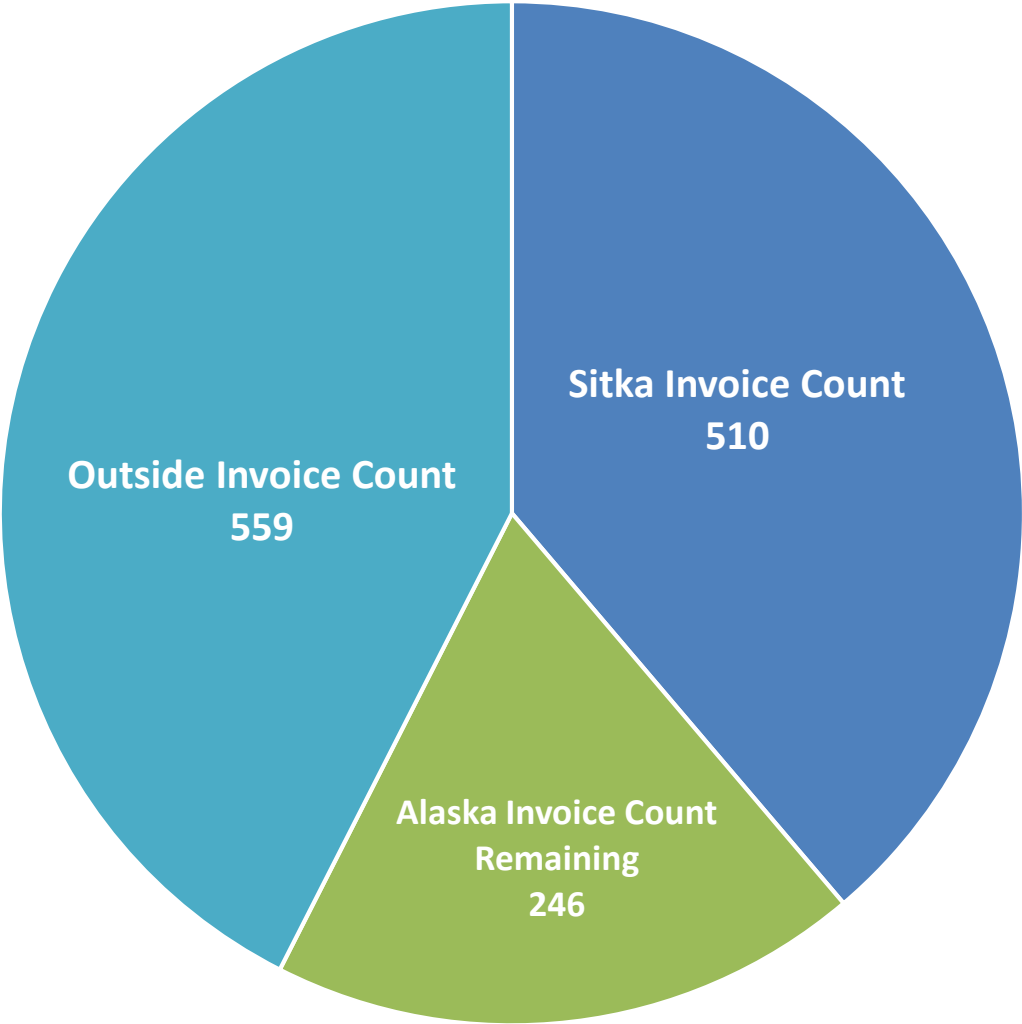
Invoice Count Fiscal Year 2019 Q1



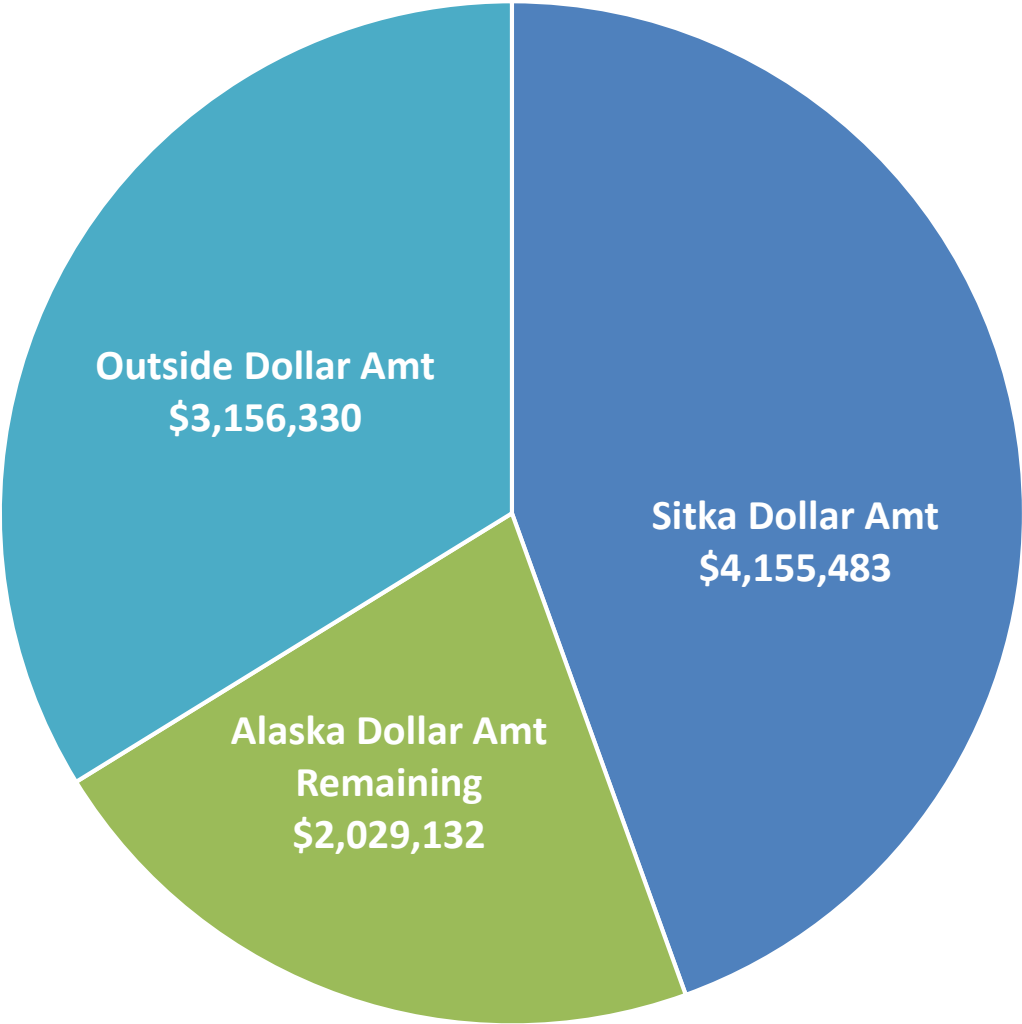
Dollars Spent Fiscal Year 2019 Q1



Invoice Count - Total: 1443



Dollars Spent - Total: \$9,717,057.00




Service Award

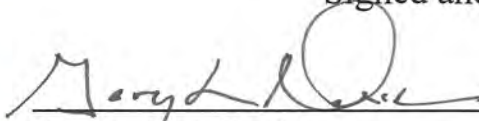
On behalf of the City and Borough of Sitka is hereby awarded to

Mat Turner

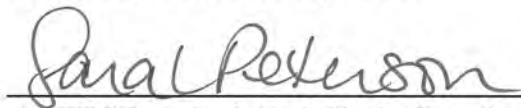
*this expression of grateful acknowledgment for your two and a half years of
valued service rendered in the public interest while serving on the
Tree and Landscape Committee. Thank you!*

Signed and sealed this 23rd day of October, 2018





Mayor, Gary Paxton



ATTEST: Municipal Clerk, Sara Peterson



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 18-199 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 10/16/2018 In control: City and Borough Assembly
On agenda: 10/23/2018 Final action:
Title: Update on the Phase 3 SCH RFP Process - Administrator Keith Brady
Sponsors:
Indexes:
Code sections:
Attachments: [Update SCH SEARHC Strategic Affiliation Process.pdf](#)

Date	Ver.	Action By	Action	Result
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SCH-SEARHC Strategic Affiliation* Process
Update for CBS Assembly

October 23, 2018

Overview of Teams, Roles, and Process:

Who	What	Frequency
CBS Assembly	<u>Regular and Special Sessions as well as Email/Telephone Input:</u> <ul style="list-style-type: none">• Provide guidance regarding community and transaction goals in either open or executive session, as appropriate• Facilitate communication through formal and informal community settings regarding transaction progress and Assembly's oversight role• Internal Team to provide Executive Summaries of key activities in advance of Assembly meetings and request review/input on critical issues, deal points	At least twice a month
Key Collaborators: <ul style="list-style-type: none">• SCH Management Team• SCH Board	<u>Regular Project Updates (F2F/conference call):</u> Internal Team to update SCH Management Team and Board on progress to-date, and gather input	Every 2-3 Weeks
CBS Negotiating Team: <ul style="list-style-type: none">• Keith Brady (Project Lead)• Brian Hanson (CBS Counsel)• Jay Sweeney (CBS Finance)• Robert Allen (Sitka Community Hospital)• Roger Golub, MD (Sitka Community Hospital Physician Leader)• Sarah Cave (Project Manager/CBS Consultant)• Steve Huebner (Finance & Accounting Expert/CBS Consultant)• Sandy Johnson (CBS Outside Counsel)	<u>Meetings (F2F/conference call):</u> <ul style="list-style-type: none">• Identify critical issues and significant deal points related to transaction• Iterative review of, and input on, draft documents• Negotiate resolution of critical issues, deal points on behalf of CBS in Joint Negotiating Team sessions	Every 2-3 Weeks

Who	What	Frequency
CBS Internal Team <ul style="list-style-type: none"> • Keith Brady • CBS core staff • Consultants • Outside Counsel 	<u>Project check-in “huddles”:</u> <ul style="list-style-type: none"> • Overall project management • Coordinate data requests and due diligence process • Coordinate communications 	Weekly
Joint Negotiating Team: <ul style="list-style-type: none"> • CBS Negotiating Team (above) • SEARHC Negotiating Team (SVP, Outside Counsel, etc.) 	<u>Meetings (F2F/conference call):</u> <ul style="list-style-type: none"> • Negotiate resolution of critical issues, deal points 	Monthly

Progress Report & What’s on the Horizon:

Since the October 9 CBS Assembly Meeting:

- Internal Team has been meeting regularly to thoughtfully plan and prepare for the Negotiations and Due Diligence process.
- CBS Negotiating Team has been assembled, and (schedules permitting) will convene for it’s first meeting before the end of October. Topics of discussion will include:
 1. Introductions and overview of negotiations process;
 2. Identification of critical issues to be addressed in negotiations (guided by input from CBS Assembly);
 3. Initial data/information to request of SEARHC as part of due diligence (guided by input from CBS Assembly);
 4. Review of initial draft definitive agreement (if ready by first meeting).
- CBS Outside Counsel, Sandy Johnson, has been in contact with SEARHC Counsel to coordinate, plan, and prepare for legal components of the due diligence process:
 1. Anticipating receipt of formal due diligence checklist by end of October.
- Keith Brady and Sarah Cave have been in contact with Dan Neumeister of SEARHC to coordinate Joint Negotiating Team process:
 1. Anticipating receipt of *initial draft* documents (lease and term sheet) by end of October.
 2. Anticipating first Joint Negotiating Team meeting will take place in early November.

The CBS Consultants and CBS Internal Team will provide their first Executive Summary on the project to the Assembly following the CBS Negotiating Team’s kick-off meeting and receipt of initial draft documents from SEARHC. Regular updates like this one will be made available to the public at Assembly meetings and on the CBS website. Joint CBS-SEARHC statements and press releases will be issued periodically to the media to keep the community informed.

**Footnote: The term “Affiliation” is used in healthcare to describe a broad range of collaborative ventures between two or more healthcare organizations. Generally, not-for-profit healthcare organizations prefer the term “Strategic Affiliation” to other more detailed business transaction terms like “Merger” or “Acquisition.”*



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 18-200 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 10/16/2018 In control: City and Borough Assembly
On agenda: 10/23/2018 Final action:
Title: Approve the minutes of the October 9 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**

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
October 9 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, October 9, 2018

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Outgoing Assembly members Hunter, Potrzuski, and Miyasato presided through Unfinished Business. New Assembly members Paxton, Mosher, and Nelson were sworn in at the beginning of New Business and presided through the remainder of the evening. Knox participated telephonically however experienced technical difficulties and was only able to participate on items C and D.

Present: 9 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Bean, Wein, Paxton, Mosher, and Nelson

Telephonic: 1 - Knox

IV. CORRESPONDENCE/AGENDA CHANGES

18-197 Reminders, Calendars and General Correspondence

No agenda changes.

V. CEREMONIAL MATTERS

18-185 Sitka Community Hospital Long Term Care - Quality Achievement Award

Mayor Hunter read and presented certificates of appreciation to Sitka Community Hospital Long Term Care staff for receipt of the Alaska Nursing Home Excellence in Quality Award.

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

18-188 Sitka Community Hospital - Rob Allen, CEO

Sitka Community Hospital Chief Executive Officer Rob Allen thanked the Assembly for recognizing the SCH Long Term Care staff, updated the Assembly on the Cerner project, August financials, and completed/scheduled audits and surveys.

VII. PERSONS TO BE HEARD

Max Rule spoke to the reinstated senior sales tax exemption and implementation concerns. Ann Bills voiced support for the previous senior sales tax exemption program. Alene Henning noted she routinely witnessed citizens at the roundabout using their cell phones while driving.

VIII. REPORTS

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

Administrator - Brady reminded with the passing of proposition 1 in the Municipal Election, the senior sales tax exemption would be reinstated after certification of the election results. He stated any person, 65 years of age or older, who was a resident of Sitka could show their state issued driver's license or identification at Sitka retailers. Brady noted seniors would be required to show state issued identification at City Hall (Utility Counter) for exemption on utility and harbor bill sales tax. Brady noted it was National Public Power Week. In closing, he reported applications were being accepted for the utility cost subsidization program.

Liaison Representatives - Miyasato reported on the recent Police and Fire Commission meeting.

Clerk - Peterson read through the Board vacancies.

IX. CONSENT AGENDA

A 18-189 Approve the minutes of the September 20, 25, and 27 Assembly meetings

A motion was made by Potrzuski that this Item be APPROVED. The motion PASSED by a unanimous voice vote.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

See item G.

XI. UNFINISHED BUSINESS:

- B ORD 18-43 Making Supplemental Appropriations for Fiscal Year 2018 (*Personnel PERS, Solid Waste Fund Operations, MIS Operations*)**

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

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

Non-voting: 4 - Knox, Paxton, Mosher, and Nelson

- C ORD 18-44 Making Supplemental Appropriations for Fiscal Year 2019 (*Legal Department - Legal Fees*)**

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

Yes: 7 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

Non-voting: 3 - Paxton, Mosher, and Nelson

- D 18-191 Approve the Municipal Clerk's Certificate of Election**

A motion was made by Bean to formally accept the Certification of Election for the October 2, 2018 Regular Municipal Election according to the results set forth in the attached election certification prepared by the Municipal Clerk and request that the official tally be included in the minutes as part of the permanent record. The motion PASSED by the following vote.

Yes: 7 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

Non-voting: 3 - Paxton, Mosher, and Nelson

- E 18-192 Recognize outgoing Assembly members - followed by a short recess**

Deputy Mayor Eisenbeisz recognized Matthew Hunter, Robert Potrzuski, and Benjamin Miyasato for their service. Hunter, Potrzuski, and Miyasato offered words of thanks.

XII. NEW BUSINESS:

- F 18-193 Oath of Office - Newly Elected Officials**

Mayor Gary Paxton took his oath of office followed by Assembly Members Kevin Mosher and Valorie Nelson.

Mayor Paxton shared his intentions on how meetings would be conducted.

- G 18-190 Reappoint Loyd Platson to a three-year term on the Police and Fire Commission**

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

Yes: 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

Non-voting: 4 - Miyasato, Potrzuski, Hunter, and Knox

H RES 18-21 Supporting the State of Alaska Department of Transportation and Public Facilities pursuing funding for the Sitka Rocky Gutierrez Airport Terminal Building Improvements Project

Public Works Director Michael Harmon came forward to explain the project and answer questions of the Assembly. Nelson noted a clerical error on line 16.

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

Yes: 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

Non-voting: 4 - Miyasato, Potrzuski, Hunter, and Knox

I RES 18-22 Authorizing the Administrator to procure a letter of commitment from the State of Alaska for the acquisition of Parcel 1-9208-000 for a new Sitka Seaplane Base Facility on Japonski Island eligible for an Airport Improvement Program Grant from the Federal Aviation Administration (FAA)

Dave Gordon, seaplane owner and operator, spoke to the importance of the project.

A motion was made by Eisenbeisz to AMEND line 14 to strike the words "with no support funding". The motion to AMEND PASSED by the following vote.

Yes: 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

Non-voting: 4 - Miyasato, Potrzuski, Hunter, and Knox

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

Yes: 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

Non-voting: 4 - Miyasato, Potrzuski, Hunter, and Knox

J ORD 18-49 Making supplemental appropriations for Fiscal Year 2019 (*Seaplane Base Project*) 1st reading

Wein suggested it may be worthy to consider development of a port authority.

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

Yes: 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

Non-voting: 4 - Miyasato, Potrzuski, Hunter, and Knox

K ORD 18-50 Amending Title 3 "Procurement Policy" of the Sitka General Code by modifying Chapter 3.16 "Procurement Policy" Section 3.16.060 "Exceptions to Competitive Requirements" 1st reading

Chief Finance and Administrative Officer Jay Sweeney stated this was a housekeeping ordinance. He noted federal regulations had been updated to tighten procurement standards and guidelines for expending government funds.

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

Yes: 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

Non-voting: 4 - Miyasato, Potrzuski, Hunter, and Knox

L 18-195 Rescheduling: November 13 meeting to November 8 due to Assembly and Staff attendance at the Alaska Municipal League Conference

It was noted the November 13 Assembly meeting needed to be rescheduled due to Assembly and staff attendance at the Alaska Municipal League Conference the week of November 12. The Assembly concurred with rescheduling the meeting to November 8.

M 18-196 Scheduling: Assembly Visioning Session

Mayor Paxton announced he wished to hold an Assembly visioning session on Saturday, November 17 from 9am to noon with John Holst as the facilitator. Paxton stated this would be a time for team building and setting priorities.

N 18-194 Assignments: Deputy Mayor, Vice-Deputy Mayor and Assembly Liaisons

Steven Eisenbeisz was nominated and appointed as Deputy Mayor. Aaron Bean and Valorie Nelson were nominated for Vice-Deputy Mayor. A roll call vote was taken. Voting for Bean: Eisenbeisz and Bean. Voting for Nelson: Mosher, Paxton, Wein, Nelson. Nelson prevailed with 4 votes.

The following liaison appointments were made:

Gary Paxton Industrial Park Board - Mosher
Health Needs and Human Services Commission - Wein
Historic Preservation Commission - Nelson
*Sitka Community Hospital Board - Wein/Eisenbeisz
Investment Committee - Wein
Library Commission - Wein
Local Emergency Planning Commission - Nelson
Parks and Recreation Committee - Knox
Planning Commission - Bean/Knox
Police and Fire Commission - Nelson/Mosher
Port and Harbors Commission - Knox
Tree and Landscape Committee - Eisenbeisz/Wein
SEDA - Paxton
Sitka Tribe of Alaska - Mosher/Bean
School Board - Mosher/Nelson

*Assembly Members Eisenbeisz and Wein wished to serve as liaison for the Hospital Board. A roll call vote was taken. Voting for Eisenbeisz: Wein. Voting for Wein: Paxton, Bean, Mosher, Eisenbeisz, Nelson. Wein prevailed with 5 votes.

XIII. PERSONS TO BE HEARD:

Shirley Robards spoke to the reinstated senior sales tax exemption and encouraged the Assembly to implement the previous program.

XIV. EXECUTIVE SESSION

O 18-187 Update on the Sitka Community Hospital RFP phase 3 process and due diligence

The Municipal Clerk noted outside legal counsel Sandy Johnson and Sitka Community Hospital RFP Consultant Steve Huebner wouldn't be joining the session.

A motion was made by Paxton to go into Executive Session to discuss communications with outside legal counsel, Sandy Johnson, the Municipal Attorney and Municipal Administrator regarding phase 3 of the Sitka Community Hospital RFP process, specifically roles in the phase 3 process and due diligence, matters the immediate knowledge of which would adversely affect the finances of the municipality and invite in Chief Finance and Administrative Officer, Jay Sweeney, and invite Sitka Community Hospital RFP Consultants Sarah Cave and Steve Huebner to participate telephonically. The motion PASSED by the following vote.

Yes: 5 - Paxton, Wein, Mosher, Bean and Eisenbeisz

No: 1 - Nelson

Non-voting: Knox, Miyasato, Potrzuski, and Hunter

The Assembly was in executive session from 8:15pm to 9:50pm.

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

Mayor Paxton named the negotiating team members: Keith Brady, Sarah Cave, Steve Huebner, Brian Hanson, Sandy Johnson, Jay Sweeney, Robert Allen, and Dr. Roger Golub. In the future, he stated his expectation was to discuss as much in open session as possible. The Assembly requested staff have the negotiating team report back to the Assembly in the upcoming month to discuss the status of negotiations and plans moving forward.

XV. ADJOURNMENT

A motion was made by Nelson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:50pm.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 18-201 Version: 1 Name:
Type: Item Status: AGENDA READY
File created: 10/16/2018 In control: City and Borough Assembly
On agenda: 10/23/2018 Final action:
Title: Approve an application for a new standard marijuana cultivation facility license for Eric VanVeen dba VanGreen's LLC at 224 Smith Street #D and #E
Sponsors:
Indexes:
Code sections:

Attachments: [Motion and Memo VanGreen's.pdf](#)
[Feb 22 Planning Commission Minutes.pdf](#)
[New - LG Notice - Standard Marijuana Cultivation Facility - vanGreen's LLC License #16738.pdf](#)
[16738 Entity Documents.PDF](#)
[16738 MJ-00 Application Certifications.PDF](#)
[16738 MJ-01 Operating Plan.pdf](#)
[16738 MJ-02 Premises Diagram.PDF](#)
[16738 MJ-04 Cultivation Supplemental.pdf](#)
[16738 MJ-07 Public Notice Posting Affidavit.PDF](#)
[16738 MJ-08 Local Government Notice Affidavit.PDF](#)
[16738 MJ-09 Statement of Financial Interest Redacted.pdf](#)
[16738 Online Application_Redacted.pdf](#)
[16738 POPPP.PDF](#)
[16738 Publisher's Affidavit.pdf](#)

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

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

POSSIBLE MOTION

I MOVE TO approve an application for a new standard marijuana cultivation facility license for Eric VanVeen dba VanGreen's LLC at 224 Smith Street #D and #E and forward this approval to the Alcohol and Marijuana Control Office without objection.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

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

From: Sara Peterson, Municipal Clerk

Date: October 16, 2018

Subject: Approve New Standard Marijuana Cultivation Facility License Application for VanGreen's LLC

Attached you will find a notification, and additional information, from the Alcohol and Marijuana Control Office of an application for a new standard marijuana cultivation facility license for the following applicant:

License #:	16738
License Type:	Standard Marijuana Cultivation Facility
Licensee/Applicant:	vanGreen's LLC
D.B.A.:	VANGREEN'S LLC
Physical Address:	224 Smith Street #D & #E; Sitka, AK
Designated Licensee:	Eric vanVeen

The applicant was granted a conditional use permit for a cultivation facility by the Planning Commission on February 22, 2018. The motion passed by a 4-0 vote.

A notice was published in the local newspaper and posted to the establishment. In addition, a memo was circulated to the various municipal departments who may have a reason to protest. No departmental objections were received.

Recommendation: Approve an application for a new standard marijuana cultivation facility license for Eric VanVeen dba VanGreen's LLC at 224 Smith Street #D and #E and forward this approval to the Alcohol and Marijuana Control Office without objection.

- b. Adversely affect the established character of the surrounding vicinity specifically, the Central Business District is an area designated for a wide range of commerce; nor
 - c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located, specifically, waste products will be handled in accordance with municipal utility programs;
2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives, and policies of the comprehensive plan and any implementing regulation, specifically, conforms to Comprehensive Plan Section 2.2.1 which emphasizes supporting "economic activities which contribute to a stable, long-term, local economic base" by allowing for an economic enterprise that simultaneously provides workforce development.
3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced, specifically that the Planning Commission may review the permit at any time upon receipt of meritorious complaint.

Motion passed 4-0.

Hughey/Windsor moved to approve the conditional use permit application for a food truck/outdoor restaurant at 331 Lincoln Street. The property is also known as a fractional portion of Tract J US Survey 404 subject to the attached conditions of approval. The request is filed by Youth Advocates of Sitka. The owner of record is Christopher Bowen.

Conditions of Approval:

1. All required permits, including but not limited to DEC Food Safety and Sanitation, shall
2. Operations shall not obstruct safe access to the theater entrance and shall not obstruct sidewalk passage.
3. The facility shall be operated consistent with the application, narrative, and plans that were submitted with the request.
4. The Planning Commission, at its discretion and upon receipt of meritorious complaint, may schedule a public hearing at any time for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties.
5. The Planning Commission authorizes greater flexibility for hours of operation beyond the hours outlined in the application.

Motion passed 4-0.

H [CUP 18-05](#)

Public hearing and consideration of a conditional use permit for a marijuana cultivation facility at 224 Smith Street in the I Industrial District. The property is also known as Lot 6 Smith Street Industrial Subdivision. The request is filed by Eric VanVeen. The owners of record are George and Steven Skannes.

Scarcelli described the request and project site. The granted setback variance creates difficulty for establishing adequate parking. Scarcelli discussed the definition of "recreational uses" and the commission's role in determining a sensitive use. In this case, that the 'recreational uses' in the vicinity did not equate to state protected "sensitive uses" and therefore not subject to the state 500 foot buffer; however, the Commission could decide that such recreation uses are not compatible with the proposed use and rule against the proposed use based upon disharmony of uses and impacts to public health safety and welfare. The property is zoned industrial. Scarcelli showed interior and exterior photos and floor plans. Scarcelli stated that conditions of approval require additional information regarding odor, waste, and security. Windsor stated that the parking pads shown in the photos aren't actually parking pads but

access into the building.

Eric VanVeen stated he can do further work on the parking plan. VanVeen stated that he will have five employees. VanVeen stated that his engineer will have more odor plan details available soon. Hughey asked about the growing tension of growing development and federal intervention. VanVeen stated that it's dangerous but it's a booming business and he doesn't believe the federal government will intervene.

John McGraw stated that he lives 300 feet away from this building and is concerned for odor. McGraw stated that other operations are causing odors and he's concerned for concentrating these businesses in one area. Scarcelli stated that applicants must keep a log book of daily odor checks and he encourages applicants exceed the minimum filtration. McGraw stated concern for parking, and Scarcelli clarified that parking is a condition of approval. Hughey stated that the commission wants to hear input from neighbors, as this is a new industry. Spivey stated that the applicant has to prove that they can handle the responsibility of the conditional use permit.

Michelle Cleaver stated that she owns Weed Dudes. Cleaver stated that Alaska's Attorney General has vowed to protect legal marijuana enterprises and go after black market marijuana.

Spivey stated that it's a good idea to note the location and density of marijuana enterprises. Spivey stated that there have been times that he's detected odors in the neighborhood. Windsor asked what happens with the conditional use permit is revoked. Scarcelli stated that it is important to explore the reasons behind condition violations and offer an opportunity to correct prior to permit revocation if possible.

Colvin/Windsor moved to adopt staff's finding in the written report and find that the zoning code has been followed, that the comprehensive plan has consulted, and that there are no negative impacts present that have not been adequately mitigated by the attached conditions of approval for the proposed marijuana cultivation conditional use.

Motion passed 4-0.

Colvin/Windsor moved to approve the conditional use permit for a marijuana cultivation facility at 224 Smith Street in the Industrial zoning district. The property is also known as Lot 6 Smith Street Industrial Subdivision. The request is filed by Eric VanVeen. The owners of record are George and Steven Skannes.

Conditions of Approval:

- 1. Owners, operators, and staff of conditional uses shall comply with all state and municipal licensing regulations.**
- 2. All licensed facilities shall comply with all life and safety regulations as promulgated by the municipal Building Official.**
- 3. All licensed manufacturing and cultivation uses shall provide a fire safety plan, material handling plan, and comply with all fire safety regulations that satisfies the Fire Marshal or their designee and the Building Official.**
- 4. All licensed facilities and/or uses shall provide screening from public view of any marijuana related commercial, retail, cultivation, or manufacturing use.**
- 5. All licensed facilities and/or uses shall establish an active sales account and business registration with the Municipality and shall comply with all standard & required accounting practices.**
- 6. It shall be a standard regulation that all conditional uses comply with all applicable state regulations and licensing laws or it shall be deemed to abandon and extinguish and associated municipal license or conditional use**

permit.

7. All approved conditional use permits shall comply with all Sitka General Code or shall be deemed to abandon and extinguish any associated municipal license or conditional use permit

8. Applicant shall provide a Parking Plan that complies with Section 22.20.100 for all uses present and proposed at the current property including number of required parking and loading spaces to be approved by the Planning Director. Spaces shall include 3 parking space for employees and one loading zone for the cultivation use, and one space for every 400 square feet of industrial use (outboard).

9. The applicant must provide more detail for an Odor Control Plan to be submitted and approved by the Planning Director prior to issuance of any occupancy permit.

a. Odor Control shall include reasonable best means that include, but are not limited to inline carbon filters within HVAC, inline carbon filters for any heat and odor exhaust systems, to limit and mitigate odor impacts to surrounding uses and industrial park employees. The project must comply with the submitted odor control plan and odor control features. Should a meritorious odor complaint be received, the Planning Commission may require additional odor control measures to mitigate any actual negative impacts, such as additional advanced odor filtration systems.

10. The proposed cultivation site shall not be located within 500 feet of any school grounds, recreation or youth center, religious service building, or correctional facility that was legally established prior to approval of this conditional use permit as intended by licensing restriction and regulations of the state in 3 AAC Chapter 306.

11. The permittee shall report, annually, to the planning commission on gross sales, sales tax amounts, electrical consumption, number of employees, hours of operation, complaints, police or other law or regulation enforcement activity, and summary of operations.

12. The permit is subject to review should there be a meritorious complaint, impact to public health safety or welfare, or violation of a condition of approval. The review may occur at the discretion of the Planning Director or by motion of the Planning Commission to address meritorious issues or complaints that may arise. During this review, based on the evidence provided, existing code and conditions of approval, the permit may be amended or revoked to address impacts to public health, safety, and welfare.

13. Prior to operation, the Sitka Police Department shall approve the security features as being reasonable security measures as outlined in the proposed operating plan and security plan submitted by applicant.

14. The use shall comply with all applicable deed reservations, conditions, restrictions, limitations or exceptions.

Motion passed 4-0.

BREAK 8:15 - 8:23

I [CUP 17-25](#)

Public hearing and consideration of a conditional use permit for a marijuana cultivation facility at 202 Smith Street for RTW, LLC in the C-2 General Commercial Mobile Home District. The property is also known as Lot 8 Sitka Projects Subdivision. The request is filed by Ronald T. Waldron. The owner of record is RTW, LLC.



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

September 28, 2018

City & Borough of Sitka

Attn: City & Borough of Sitka

Via Email: sara.peterson@cityofsitka.org
melissa.henshaw@cityofsitka.org
planning@cityofsitka.org
brian.hanson@cityofsitka.org

License Number:	16738
License Type:	Standard Marijuana Cultivation Facility
Licensee:	vanGreen's LLC
Doing Business As:	VANGREEN'S LLC
Physical Address:	224 Smith Street #D & #E Sitka, AK 99835
Designated Licensee:	Eric vanVeen
Phone Number:	907-738-9554
Email Address:	vangreen907@gmail.com

☒ **New Application**

AMCO has received a completed application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under 3 AAC 306.025(d)(2).

To protest the approval of this application(s) pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.010, 3 AAC 306.080, and 3 AAC 306.250 provide that the board will deny an application for a new license if the board finds that the license is prohibited under AS 17.38 as a result of an ordinance or election conducted under AS 17.38 and 3 AAC 306.200, or when a local government protests an application on the grounds that the proposed licensed premises are located in a place within the local government where a local zoning ordinance prohibits the marijuana establishment, unless the local government has approved a variance from the local ordinance.

This application will be in front of the Marijuana Control Board at our October 16-17, 2018 meeting.

Sincerely,

Erika McConnell, Director

amco.localgovernmentonly@alaska.gov

Department of Commerce, Community, and Economic Development

CORPORATIONS, BUSINESS & PROFESSIONAL LICENSING

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[Download](#) / [Corporations](#) / [Entity Details](#)

ENTITY DETAILS

Name(s)

Type	Name
Legal Name	vanGreen's LLC

Entity Type: Limited Liability Company

Entity #: 10073693

Status: Good Standing

AK Formed Date: 12/13/2017

Duration/Expiration: Perpetual

Home State: ALASKA

Next Biennial Report Due: 1/2/2019

Entity Mailing Address: 107 SOMER DRIVE, SITKA, AK 99835

Entity Physical Address: 107 SOMER DRIVE, SITKA, AK 99835

Registered Agent

Agent Name: Anna Cleaver

Registered Mailing Address: 100 BAHOVEC COURT, SITKA, AK 99835

Registered Physical Address: 100 BAHOVEC COURT, SITKA, AK 99835

Officials

☐ Show Former

AK Entity #	Name	Titles	Owned
	Anna Cleaver	Member	9
	Bae Olney-Miller	Member	9
	Carol Wright	Member	9
	Darby Ipock	Member	4.50

AK Entity #	Name	Titles	Owned
	Eric vanVeen	Member	55
	Lewis Schumejda III	Member	4.50
	Virginia Olney	Member	9

Filed Documents

Date Filed	Type	Filing	Certificate
12/13/2017	Creation Filing	Click to View	Click to View
12/13/2017	Initial Report	Click to View	

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THE STATE

of
ALASKA

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

AK Entity #: 10073693
Date Filed: 12/13/2017
State of Alaska, DCCED

FOR DIVISION USE ONLY

Limited Liability Company
Initial Biennial Report

Web-12/13/2017 4:56:28 PM

Entity Name: vanGreen's LLC
Entity Number: 10073693
Home Country: UNITED STATES

Home State/Province: ALASKA

Registered Agent

Name: Anna Cleaver
Physical Address: 100 BAHOVEC COURT, SITKA,
AK 99835
Mailing Address: 100 BAHOVEC COURT, SITKA,
AK 99835

Entity Physical Address: 107 SOMER DRIVE, SITKA, AK 99835

Entity Mailing Address: 107 SOMER DRIVE, SITKA, AK 99835

Please include all officials. Check all titles that apply. Must use titles provided. Please list the names and addresses of the members of the domestic limited liability company (LLC). There must be at least one member listed. If the LLC is managed by a manager(s), there must also be at least one manager listed. Please provide the name and address of each manager of the company. You must also list the name and address of each person owning at least 5% interest in the company and the percentage of interest held by that person.

Name	Address	% Owned	Titles
Eric vanVeen	107 Somer Drive, Sitka, AK 99835	55	Member
Anna Cleaver	100 Bahovec Court, Sitka, AK 99835	9	Member
Bae Olney-Miller	505 O'Cain Street, Sitka, AK 99835	9	Member
Virginia Olney	PO Box 2456, Sitka, AK 99835	9	Member
Carol Wright	409 Mill Street, Sitka, AK 99835	9	Member
Darby Ipock	707B Lake Street, Sitka, AK 99835	4.5	Member
Lewis Schumejda III	PO Box 2182, Sitka, AK 99835	4.5	Member

NAICS Code: 111998 - ALL OTHER MISCELLANEOUS CROP FARMING

New NAICS Code (optional):

I certify under penalty of perjury under the Uniform Electronic Transaction Act and the laws of the State of Alaska that the information provided in this application is true and correct, and further certify that by submitting this electronic filing I am contractually authorized by the Official(s) listed above to act on behalf of this entity.

Name: Anna Cleaver



THE STATE

of **ALASKA**

Department of Commerce, Community, and Economic Development
Division of Corporations, Business, and Professional Licensing
PO Box 110806, Juneau, AK 99811-0806
(907) 465-2550 • Email: corporations@alaska.gov
Website: Corporations.Alaska.gov

AK Entity #: 10073693
Date Filed: 12/13/2017
State of Alaska, DCCED

FOR DIVISION USE ONLY

Articles of Organization

Domestic Limited Liability Company

Web-12/13/2017 4:41:45 PM

1 - Entity Name

Legal Name: vanGreen's LLC

2 - Purpose

Small Crop Agricultural Farming

3 - NAICS Code

111998 - ALL OTHER MISCELLANEOUS CROP FARMING

4 - Registered Agent

Name: Anna Cleaver

Mailing Address: 100 Bahovec Court, Sitka, AK 99835

Physical Address: 100 Bahovec Court, Sitka, AK 99835

5 - Entity Addresses

Mailing Address: 107 Somer Drive, Sitka, AK 99835

Physical Address: 107 Somer Drive, Sitka, AK 99835

6 - Management

The limited liability company is managed by its members.

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	vanGreen's LLC

ENTITY DETAILS

Entity Type: Limited Liability Company
Entity #: 10073693
Status: Good Standing
AK Formed Date: 12/13/2017
Duration/Expiration: Perpetual
Home State: ALASKA
Next Biennial Report Due: 1/2/2019
Entity Mailing Address: 107 SOMER DRIVE, SITKA, AK 99835
Entity Physical Address: 107 SOMER DRIVE, SITKA, AK 99835

REGISTERED AGENT

Agent Name: Anna Cleaver
Registered Mailing Address: 100 BAHOVEC COURT, SITKA, AK 99835
Registered Physical Address: 100 BAHOVEC COURT, SITKA, AK 99835

OFFICIALS

 Show Former

AK Entity #	Name	Titles	Owned
	Anna Cleaver	Member	9
	Bae Olney-Miller	Member	9
	Carol Wright	Member	9
	Darby Ipock	Member	4.50
	Eric vanVeen	Member	55
	Lewis Schumajda III	Member	4.50
	Virginia Olney	Member	9

FILED DOCUMENTS

Date Filed	Type	Filing	Certificate
12/13/2017	Creation Filing	Click to View	Click to View
12/13/2017	Initial Report	Click to View	

Juneau Mailing Address

P.O. Box 110806
 Juneau, AK 99811-0806

Physical Address

333 Willoughby Avenue
 9th Floor
 Juneau, AK 99801-1770

Phone Numbers

Anchorage Mailing/Physical Address

550 West Seventh Avenue
 Suite 1500
 Anchorage, AK 99501-3567

Phone Numbers

Main Phone: (907) 269-8160
 FAX: (907) 269-8156

Received by AMCO 1.29.18

Alaska Business License #

1063448

Alaska Department of Commerce, Community, and Economic Development

Division of Corporations, Business and Professional Licensing

P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

VANGREEN'S LLC

107 SOMER DRIVE SITKA AK 99835

owned by

VANGREEN'S LLC

is licensed by the department to conduct business for the period

December 13, 2017 through December 31, 2019
for the following line of business:

11 - Agriculture, Forestry, Fishing and Hunting



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Mike Navarre

Alaska Entity #10073693

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

Certificate of Organization

The undersigned, as Commissioner of Commerce, Community, and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community, and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

vanGreen's LLC



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective December 13, 2017.

A handwritten signature in cursive script that reads "Mike Navarre".

Mike Navarre
Commissioner

**OPERATING AGREEMENT
OF
VANGREEN'S, LLC**

THIS OPERATING AGREEMENT ("Agreement") is entered into this 25th day of September, 2018 between Anna Cleaver, Bae Olney-Miller, Carol Wright, Darby Ipock, Eric vanVeen, Lewis Schumejda III, and Virginia Olney. This is the original Operating Agreement for the company, however this Agreement amends, modifies, and supersedes the "Partnership Agreement" of the Company dated January 5, 2018.

**ARTICLE I
GENERAL PROVISIONS**

1.1 **Organization.** VanGreen's, LLC (the "Company") was formed when the executed Articles of Organization were filed with the Alaska Department of Community and Economic Development, according to the Alaska Revised Limited Liability Act ("Act"), on December 13, 2017, with the filing of Articles of Organization and issuance of a Certificate of Organization by the State of Alaska, both of which are incorporated herein and by this reference made a part of this Agreement, as entity number No. 10073693.

1.2 **Name.** The name of the Limited Liability Company is VanGreen's, LLC.

1.3 **Principal Place of Business.** The principal place of business of the Company shall be located in Sitka, Alaska, or at such other additional places as the members may from time to time determine.

1.4 **Purpose.** The purpose of the company is to engage in agriculture and related services, do all things appropriate thereto, and to engage in any and all lawful activities that LLCs are allowed to engage in under the Act.

1.5 **Property.** The property of the Company shall be owned by and in the name of the Company as an entity. The property and the credit of the Company shall be used solely for the benefit of the Company and not for the benefit of any individual member. The member shall not have any ownership in any Company property in the member's individual capacity. The member's interest in the Company shall be personal property.

1.6 **Term.** The Company commenced on the date the Articles of Organization were filed with the State of Alaska and shall continue until terminated as provided in this Agreement.

1.7 **Members.** A Member is any person signing this agreement, or who subsequently is admitted as a member of the Company.

**ARTICLE II
ORIGINAL CONTRIBUTIONS AND ACCOUNTS**

2.1 **Original Contributions.** The original contributions of the members to the Company will be the amount listed as follows:

Anna M. Cleaver	\$60,000
Bae Olney-Miller	\$60,000
Virginia Olney	\$60,000
Carol Wright	\$60,000
Lewis M. Schumejda	\$30,000
Darby Ipock	\$30,000
Eric VanVeen	-0-

2.2 **Member's Interests.** The interests of the members in the Company and in the profits and losses of the Company shall be as set forth in **ARTICLE V.**

2.3 **Additional Contributions.** The members shall make such additional contributions to the capital of the Company at such time and in such amounts as from time to time shall be determined is appropriate by majority vote of the members of the Company. Any such additional capital contributions shall be payable by the members in proportion to their interest in the Company on the date fixed for the making of the contribution. A Member's signature on this Agreement constitutes the Member's written promise, in conformance with AS 10.50.280(a), to contribute cash or property to the Company as required by this section.

ARTICLE III OPERATIONS

3.1 **Books and Records.** The Company books and records shall be maintained at its principal place of business, which accurately represent all transactions of the Company. The books shall be kept on a calendar year basis and shall be closed and balanced at the end of each calendar year. The Company shall furnish annual financial statements and prepare tax returns in a timely manner.

3.2 **Accounting.** The Company shall keep its accounting records and shall report its income for income tax purposes on the method of accounting in accordance with the laws, rules and regulations applicable to federal taxation of partnerships.

3.3 **Tax Matters Member.** The members hereby designate Eric VanVeen as the member who will be named on the Company tax return or on a statement filed with the Internal Revenue Service as the "Tax Matters member" as that term is defined in Section 6231(a)(7)(A) of the Internal Revenue Code of 1986, or its counterpart in any subsequently enacted Internal Revenue Code (the "Code"). The Tax Matters Member shall be authorized to file or revoke an election under Section 754 of the Code on behalf of the Company. References to specific Code sections herein shall not limit the Company's right to make elections as appropriate under provisions of the Code. Notwithstanding reference to specific Code sections in other sections of this Agreement,

the Tax Matters Member shall at all times handle tax matters in accordance with the provisions of the Code as amended from time to time.

3.4 Method of Accounting. The method of accounting of the Company shall be decided upon by the members, and may be changed from time to time as the members deem fit.

3.5 Overall Management. Each Member shall have the right to vote on the affairs of the Company. Except as expressly provided to the contrary, all decisions with respect to the management and control of the Company shall be made and agreed to by majority vote of the members.

3.6 Meetings. From time to time, the members may declare a meeting to be held in Sitka, Alaska, or in such other place designated by the members for the purpose of reviewing the operations of the Company for the next year. Members may attend meetings in person or by telephone. A member may give a proxy to any other Member to vote at a meeting or to execute consent to action in lieu of a meeting. The proxy must be in writing and must specify the matters or the meeting to which it applies and may be limited to a period of time.

3.7 Voting. Each member shall have the right to vote in the management of the Company, with one vote given to each increment of his or her right to profit & losses as declared in Article V.

ARTICLE IV MEMBERS' ACCOUNTS

4.1 Capital Accounts. An individual capital account shall be maintained for each Member which (a) shall be credited with such Members' (1) allocations to such member of Company profits, and (2) the amount of any Company liability assumed by such Member or that is secured by any Company asset distributed to such Member, and (b) shall be charged with (1) any distributions to such Member in reduction of Company capital, (2) allocation to such Member of Company losses, and (3) the amount of any liabilities such Member assumed by the Company or that are secured by any asset contributed to the Company by such Member. Each Member's separate capital account shall be maintained throughout the term of the Company in accordance with the requirements of Section 704(b) of the Code and any of the Treasury Regulations (the "Regulations") promulgated from time to time thereunder. No Member shall make withdrawals from his capital account without prior approval of the Company.

4.2 Members Not Liable. No member shall have personal liability for the losses, debts, claims, expense or encumbrances of or against the Company or its property, unless the Member has individually guaranteed repayment of a Company obligation. No Member shall be obligated to restore a deficit balance, if any, in the Member's Capital Account, except to the extent such deficit balance shall have arising as a result of his receipt of a distribution in excess of the amount rightfully due him under this agreement.

ARTICLE V
PROFITS, LOSSES, DISTRIBUTIONS, AND PAYMENTS

5.1 Profits & Losses. The profits and losses of the Company shall be allocated as follows:

Anna M. Cleaver	9%
Bae Olney-Miller	9%
Virginia Olney	9%
Carol Wright	9%
Lewis M. Schumajda	4.5%
Darby Ipock	4.5%
Eric VanVeen	55%

5.2 Guaranteed Payments. A Member shall be entitled to payments from the Company of the agreed upon rate or payment schedule of the Company as determined by a majority vote or as otherwise agreed. All members must consent to any decrease or increase in this amount, and if there is not an agreement such change, the payment schedule shall reflect the prior quarter's guaranteed payment.

5.3 Allocations to Reflect Contributed Property and Capital Account Revaluations. In accordance with Section 704(c) of the Code and the Regulations thereunder, taxable income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for Federal income tax purposes, be allocated among the Members so as to take into account any variation between the adjusted basis of such property for Federal income tax purposes and its fair market value, as recorded on the books of the Company. As provided in Section 1.704-1(b)(2)(iv)(f) of the Regulations, in the event that the Capital Accounts of the Members are adjusted to reflect the revaluation of Company property on the Company's books, then subsequent allocations of taxable income, gain, loss and deduction with respect to such property shall take into account any variation between the adjusted basis of such property for Federal income tax purposes and its adjusted fair market value, as recorded on the Company's books. Allocations under this paragraph shall be made in accordance with Section 1.704-1(b)(4)(i) of the Regulations, and, consequently, shall not be reflected in the Members' Capital Accounts.

5.4 Varying Partnership Interests during Fiscal Year. In the even there is a change in any Member's interest in the Company during a fiscal year (e.g., as a result of a valid transfer of all or part of a Member's interest), net profits and net losses shall be approximately allocated among the Members to take into account the varying interests of the Members so as to comply with Section 706(d) of the Code.

5.5 Regulatory Allocations. Notwithstanding any other provision in this Section 5 to the contrary, in order to comply with the rules set forth in the Regulations for

(i) allocations of income, gain, loss and deductions attributable to nonrecourse liabilities, and (ii) partnership allocations where partners are not liable to restore deficit capital accounts, the following rules shall apply:

(1) “Partner nonrecourse deductions” as described and defined in Section 1.704-2(i)(1) and (2) of the Regulations attributable to a particular “partner nonrecourse liability” (as defined in Section 1.704-2(b)(4); e.g., a Company liability which one or more Members have guaranteed) shall be allocated among the Members in the ratio in which the Members bear the economic risk of loss with respect to such liability;

(2) Items of Company gross income and gain shall be allocated among the Members to the extent necessary to comply with the minimum gain chargeback rules for nonrecourse liabilities set forth in Sections 1.704-2(f) and 1.704-2(i)(4) of the Regulations; and

(3) Items of Company gross income and gain shall be allocated among the Members to the extent necessary to comply with the qualified income offset provisions set forth in Section 1.704-1(b)(2)(ii)(d) of the Regulations, relating to unexpected deficit capital account balances (after taking into account (i) all capital account adjustments prescribed in Section 1.704-1(b)(2)(ii)(d) of the Regulations and (ii) each Member’s share, if any, of the Company’s partnership minimum gain and partner nonrecourse minimum gain as provided in Sections 1.704-2(g)(1) and 1.704-2(i)(5) of the Regulations. Since the allocations set forth in this Section 5.4 (the “Regulatory Allocations”) may effect results not consistent with the manner in which the Members intend to divide Company distributions, the Members may divide other allocations of net profits, net losses, and other items among the Members so as to prevent the Regulatory Allocations from distorting the manner in which distributions would be divided among the members but for application of the Regulatory Allocations. The Members may accomplish this result in any reasonable manner that is consistent with Section 704 of the Code and the related Regulations. The Members may agree, by unanimous written consent, to make any election permitted by the Regulations under Section 704 of the Code that may reduce or eliminate any Regulatory Allocation that would otherwise be required.

5.6 Tax Conformity; Reliance on Accountants. The determination of each Member’s share of each item of income, gain, loss, deduction or credit of the Company for any period or fiscal year shall, for purposes of Sections 702 and 704 of the Code, be made in accordance with the allocation set forth in this **Article 5**. The Members may rely upon the written opinion of accountant retained by the Company with respect to all matters (including disputes) relating to computations and determinations required to be made under this Section or other provisions of the Agreement.

ARTICLE VI ADMINISTRATIVE PROVISIONS

6.1 Majority Vote. A majority vote shall be the affirmative vote of the members of the Company. No Member may take any of the following actions without a majority vote of the membership interest:

- (a) Borrow or lend money on behalf of the Company;
- (b) Execute any mortgage, bond, pledge of assets, lease, sale or transfer of Company property;
- (c) Assign, transfer, or pledge any debts due by the Company, or release any such debts except on payment in full thereof;
- (d) Compromise any claim due to the Company or submit to arbitration any dispute or controversy involving the Company;
- (e) Select an option concerning the portion of a payment to a departing member to be made by cash or by a promissory note;
- (f) Purchase real property;
- (g) Sell, assign, or pledge a Member's interest;
- (h) Admit new members;
- (i) Amend Operating Agreement;
- (j) Amend Articles of Organization;
- (k) Merge or consolidate with another business or entity.

6.2 Conflict of Interest. No member will engage in any business, venture or transaction, whether directly or indirectly, that might be competitive of the business of the Company or that would be in direct conflict to the Company without the written consent of the majority interest of the members. Any and all business, ventures or transactions with any appearance of conflict of interest must be fully disclosed to all other Members. Failure to comply with the terms of this clause will result in the withdrawal and mandatory sale of the member.

6.3 Non-Compete. All members agree that he or she will not carry on a similar business to the business of the Company within any established or contemplated market or regions of the Company for a period of at least one (1) year after the date of withdrawal of membership in the Company.

ARTICLE VII LIMITATION OF LIABILITY

No Member of the Company shall be personally liable to the Company or its members for monetary damages for conduct as a Member performed in a manner reasonably believed by such Member to be within the scope of the authority granted to such member and in the best interest of the Company; provided that such act or omission did not constitute fraud, intentional misconduct, bad faith, gross negligence, or a knowing violation of law, or from which such Member personally received a benefit in money, property, or services to which such Member is not legally entitled. Any amendment to or repeal of this **Article VII** shall not adversely affect any right or protection of a Member of the Company for or with respect to any acts or omissions of such Member occurring prior to such amendment or repeal.

To the extent permitted by law, any liability imposed to the Company shall be limited to the activity or to the location upon which it occurred. Under no circumstances shall additional or unrelated Company property be attributable to liabilities to which there is no reasonable relation.

ARTICLE VIII INDEMNIFICATION

The Company shall indemnify and hold harmless any person acting as a member, employee or agent of the Company or other persons acting on behalf of the Company, to the fullest extent allowed by the Act including, without limitation, all expenses (including attorneys' fees), costs, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person, provided such act or omission did not constitute fraud, intentional misconduct, bad faith, gross negligence, or a knowing violation of law, or from which such Member personally received a benefit in money, property, or services to which such Member is not legally entitled. All expenses (including attorneys' fees), costs, judgments, fines and amounts paid in settlement of any action, suit or proceeding shall be paid by the Company as they are incurred by any Member in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of the Member to repay the amount if it is ultimately determined by a court of competent jurisdiction that such person is not entitled to be indemnified by the Company. The provisions of this **Article VIII** do not affect any rights to advancement of expenses to which personnel of the Company, other than members, or any other person may be entitled under any contract or otherwise by law.

ARTICLE IX TRANSFERS

9.1 Restrictions on Transfers. Except as otherwise specifically provided in this Agreement, a Member shall not transfer, including, but not limited to, the sale of, assignment, pledge, or encumbering, all or any portion of his interest in the Company without written consent of the majority of membership interests and any purported transfer not in compliance with the provisions of this Agreement shall be null and void and of no force or effect. Regardless of whether the other members have given their written consent to a proposed transfer, no transfer of a Member's interest shall be

permitted if the proposed transfer, when taken together with any other transfer(s) in a given twelve (12) month period ending with the date of the proposed transfer, would cause the termination or dissolution of the Company. Each Member agrees that these provisions are specifically enforceable and agrees to indemnify the Company and each member from all costs, liabilities, attorney's fees or damages resulting from an attempted transfer in violation of this Agreement. A Member's interest in the Company shall not terminate if a court of competent jurisdiction enters an order adjudicating the Member incompetent to manage the Member's person or property.

9.2 Status of Transferee. As provided in Section 9.1 above, a transferee shall be admitted to the Company as a Member only on the majority consent of the membership interests and only if the transferee as assignee becomes a party to this Agreement by signing a counterpart signature page to this Agreement and by executing such other documents as the Company reasonably determines necessary. Consent to admit a new Member may be given or withheld in the sole and absolute discretion of each Member. A transferee who is not admitted as a member shall be entitled only to receive allocations and distributions from the Company with respect to such interest as provided in this Agreement, and shall have no right to participate in the management of the business and affairs of the Company.

ARTICLE X DEATH OR WITHDRAWAL

10.1 Withdrawal and Mandatory Sale. Upon occurrence of any of the following events ("Triggering Events"), the interest of a Member shall be sold to the Company by the member or the personal representative of a deceased member, and purchased by the Company;

- (a) The institution of any bankruptcy proceeding by the Member, the appointment of a receiver for the administration of the affairs of the Member, the making of an assignment of the assets of the Member for the benefit of creditors, or the institution of any involuntary bankruptcy proceeding against the Member which is not discharged within thirty (30) days after its filing, or upon the occurrence of any event which makes any or all of the membership interest of the Member subject to involuntary sale;
- (b) Upon the death of the Member, however this section does not apply to an interest held as tenants by the entirety, whereupon the other spouse will be the sole owner of the interest;
- (c) Upon the member's attempted transfer of all or any portion of his interest in the company;
- (d) Upon the voluntary sale of the membership interest of the member to the Company;

- (e) Upon any member engaged in a business, venture, or transaction, whether directly or indirectly, that is in competition with the Company, without the prior written consent of the Company.

10.2 Terms of Purchase and Sale. Any membership interest that becomes subject to a mandatory purchase and sale shall be sold by the Member or the Member's estate on the following terms and conditions:

(a) **Purchase Price.** The purchase price of the membership interest shall be equal to the value of the interest based upon the "Estimated Fair Market Value" of the Member's interest as of the Company's fiscal year-end preceding the date of the Triggering Event.

(b) **Estimated Fair Market Value.** The Estimated Fair Market Value of the membership interest shall be based upon an appraisal for real estate of comparable value and an assessment of comparable sales for personal property items. However, in determining the Estimated Fair Market Value, (1) no value shall be attributed to good will or other intangible assets, and (2) liens or other encumbrances against Company assets shall be taken into account in determining the Estimated Fair Market Value of the Company.

(c) **Payment of Purchase Price.** At the option of the Company, and subject to financial institution and/or bank approval, the purchase price for the membership interest shall be paid either;

(i) in cash in one lump sum within ninety (90) days following the closing; or

(ii) in sixty (60) equal successive monthly installments of principal and interest of unpaid principal from the date of transfer. The rate of interest shall be the prime rate of interest in effect at Sitka, Alaska, as of the date of the Triggering Event. The first payment shall be due on one (1) month after the closing date. Any deferred payments shall be evidenced by a promissory note of the purchaser, which shall also provide for prepayment of principal at any time without penalty, and the right to acceleration by the holder upon default in any payment.

(d) **Closing.** The membership interest shall be transferred to the Company by the close of business on the day of the Triggering Event ("Transfer Date"). The member and the members' representatives, executors or successors in interest shall use their best efforts to cause the Transfer to occur.

At the closing, the purchasing member shall deliver to the selling member or his representatives a release of all personal liability of the selling member as a guarantor of any indebtedness for borrowed money or other contractual obligation of the

company to any person or entity or, if any such release cannot be reasonably obtained, an agreement from a person or entity whose creditworthiness is reasonably acceptable to the selling member that fully indemnifies the selling member for such liabilities and obligations.

(e) **Company Actions.** The Company shall take all reasonable actions necessary to repurchase any membership interest that it is required to purchase from a Member.

(f) **Assignment of Interest.** Upon the transfer of the membership interest to the Company, the Member shall execute and deliver assignments legally sufficient to transfer title to the membership interest free and clear of all liens and encumbrances.

(g) **Additional Assurances.** Upon the transfer of any membership interest, the parties to the transfer shall execute, acknowledge and deliver any further documents and assurances reasonably requested by the other party and the Company consistent with reasonable and prudent business practices, the terms of the Agreement and the terms of any other agreements between the selling Member and the Company or any other Member of the Company.

(h) **Other Payments.** The purchase price to be paid for the membership interest shall be in addition to any other payments due to the Member under any other agreement to which the Company and the Member are parties.

10.3 Conditions to Transfer. No sale of other Transfer of any membership interest subject hereto shall be valid until the proposed transferee shall have executed and become a party to this Agreement. The Company shall have the right to withhold the recording of the proposed Transfer of any membership interest on its records until the proposed transferee has become a party to this Agreement.

10.5 Continuation of the Company. The remaining members shall have the right to continue the Company business under its present name following the withdrawal or death of a Member provided that they elect to purchase the interest of the withdrawing or deceased member and to cause the Company to make the payments specified above.

10.6 Winding up. If the remaining members after withdrawal or death of a member do not elect to liquidate the interest of such Member, the company shall be wound up and all of its properties distributed in liquidation as provided in **Article XI**.

ARTICLE XI DISSOLUTION AND WINDING UP

11.1 Liquidating Events. The Company shall dissolve and commence winding up and liquidating upon the first to occur of any of the following events ("liquidating event"):

- (a) The sale of all or of substantially all of the Property;
- (b) A unanimous vote to dissolve, wind up, and liquidate the Company;
- (c) The happening of an event that makes it impossible or unlawful for the Company to carry on its business; or
- (d) The death, withdrawal, or bankruptcy of a Member unless the remaining members unanimously agree to continue the Company.

This section does not apply to the death of member who holds an interest with a spouse as tenants by the entirety. Thereupon, the surviving spouse becomes the sole owner of the interest.

11.2 Winding Up. Upon the happening of a liquidating event, the Company shall conduct no business nor engage in any activity that is not necessary or appropriate to winding up its business and liquidating, and shall proceed promptly to wind up its affairs in an orderly manner, to liquidate its assets, to satisfy the claims of its creditors and members, and to distribute its remaining assets to its members. The members shall by majority vote choose a liquidating member, and if they cannot agree on who shall serve in that role, they shall refer the dispute to mediation as provided in this Agreement. The liquidating member shall be responsible for supervising the winding up and liquidation and shall dispose of the Property as promptly as is consistent with obtaining its fair market value. The proceeds of the disposition of the Property and the other assets of the Company shall be applied in the following order of priority:

- (a) First, to the payment, in order of priority, of all Company debts to creditors other than the members;
- (b) Next, to the payment, in the order of priority, and thereafter pro rata, of the debts of the Company owed to members; and
- (c) Any balance to the members pro rata in accordance with the balances in their capital accounts.

11.3 Special Provisions. Any and all distributions to members upon the liquidation of the Company shall be made in accordance with IRS Code Section 704(b) and the Regulations promulgated thereunder. Notwithstanding the foregoing, if a Member has a deficit balance in his capital account at any time, such member shall have no obligation to make any contribution to the capital of the Company with respect to such deficit, and such deficit shall not be considered a debt owed to the Company or to any other person or entity for any purpose whatsoever.

11.4 Members' Rights. Except as otherwise specifically provided in this Agreement, a Member has the right to look only to the assets of the Company for a return of his or her capital contribution, has no right to receive anything other than money in a

distribution from the Company, and has no priority over any other Member with respect to distributions, allocations, or the return of capital contributions.

11.5 Notice of Dissolution. Within thirty (30) days of the happening of a liquidating event, the liquidating member shall give written notice thereof to each of the members, to all creditors of the Company, to the banks and other financial institutions with which the Company normally does business, and to all other parties with whom the Company regularly conducts businesses, and shall publish notice of dissolution in a newspaper of general circulation in each place in which the Company generally conducts business.

ARTICLE XII MISCELLANEOUS

12.1 Notices. All notices or other communications required or permitted hereunder shall be in writing and shall be deemed received by the party to whom addressed when delivered to such party, or when posted if sent by registered or certified mail with postage prepaid, or three business days after posting in the regular United States mail, in each case directed to the party for whom intended at the address of such party then on file with the Company.

12.2 Amendment. This agreement may be amended only by unanimous vote of the members.

12.3 No Third Party Beneficiaries. This Agreement shall be binding upon, and inure to the benefit of, the parties here to and their respective successors and permitted assigns, and no other party shall be entitled to rely on this Agreement as a third party beneficiary hereof.

12.4 Headings. Headings of Articles and sections in this Agreement are only for convenience or reference and do not define, limit, extend, or describe the scope or intent of this Agreement.

12.5 Number and Gender. Whenever required by the context, the singular number shall include the plural, any gender shall include all genders, and the word "person" shall include individuals, corporations, companies, and other entities.

12.6 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

12.7 Dispute Resolution or Deadlock. The parties shall endeavor in good faith to resolve any disputes which may arise regarding this Agreement. If they cannot resolve a dispute among themselves, they shall initially submit their dispute to mediation by a mutually acceptable third party who is familiar with business issues in the Sitka, Alaska community. If they cannot agree on such a person or, following such mediation remain in disagreement, then either party may submit all controversies, claims and disputes arising from this Agreement to binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association then in force, or pursuant to

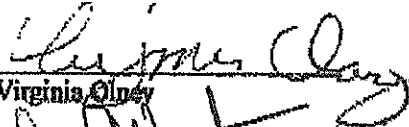
such other rules or procedures to which the parties may agree. Each party shall bear its own costs and attorneys' fees associated with referenced mediation and any arbitration proceeding. Venue for any dispute shall be in Sitka, Alaska, unless the parties agree otherwise.

IN WITNESS WHEREOF, the members have signed this Agreement effective as of the day first above written.

Date: 9-25-2018

By: 
Baz Olney-Miller

By: 
Anna Michelle Cleaver

By: 
Virginia Olney

By: 
Carol Wright

By: 
Lewis M. Schumeyda

By: 
Eric Van Veen

By: 
Darby Ipock



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

Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	vanGreen's LLC	License Number:	16738		
License Type:	standard <i>marijuana cultivation Facility</i>				
Doing Business As:	vanGreen's <i>LLC</i>				
Premises Address:	224 Smith St. #D & #E				
City:	Sitka	State:	AK	ZIP:	99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Eric vanVeen
Title:	owner

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☒ ☐

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

#10066 & #10067 I gave money to Aaron Bean. Before and after the application was submitted, and never got put on the license.



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Alcohol and Marijuana Control Office

550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

marijuana.licensing@alaska.gov

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

Phone: 907.269.0350

Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

EV

I certify that I am not currently on felony probation or felony parole.

EV

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

EV

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

EV

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

EV

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

EV

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

EV

I certify that my proposed premises is not located in a liquor licensed premises.

EV

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

EV

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application.

EV

I certify that all proposed licensees have been listed on my application with the Division of Corporations.

EV

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.

EV



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

Phone: 907.269.0350

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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

☐

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

☒

All marijuana establishment license applicants:

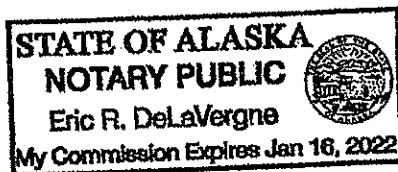
As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that I have examined the online application and this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find them to be true, correct, and complete.

Signature of licensee

Eric VanVeen

Printed name

Subscribed and sworn to before me this 26th day of January, 20 18.



Notary Public in and for the State of Alaska.

My commission expires: Jan 16 2022



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	VanGreen's LLC	License Number:	16730
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	VanGreen's LLC		
Premises Address:	224 Smith St. # D3 #E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Anna Michelle Cleaver
Title:	owner

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☒ ☐

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

Retail Marijuana Store # 10220



Alcohol and Marijuana Control Office

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Anchorage, AK 99501

marijuana.licensing@alaska.gov

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

Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

AMC

I certify that I am not currently on felony probation or felony parole.

AMC

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

AMC

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

AMC

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

AMC

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

AMC

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

AMC

I certify that my proposed premises is not located in a liquor licensed premises.

AMC

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

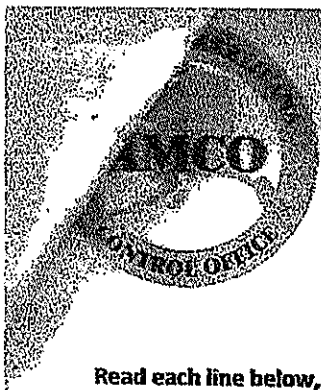
AMC

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

AMC

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.

AMC



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.



I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.



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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.



Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

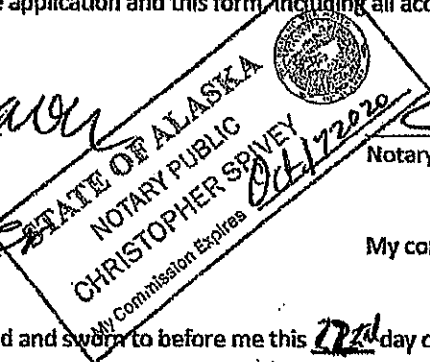
I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.



All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

Anna Michelle Cleaver
Signature of licensee



[Signature]
Notary Public in and for the State of Alaska

Anna Michelle Cleaver
Printed name of licensee

My commission expires: *08/17/2020*

Subscribed and sworn to before me this *22nd* day of *December*, 20*18*.



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Anchorage, AK 99501
marijuana.licensing@alaska.gov
<https://www.commerce.alaska.gov/web/amco>
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	VanGreen's LLC	License Number:	16738
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	VanGreen's LLC		
Premises Address:	224 Smith St. #D3E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Bae Olney-Miller
Title:	owner

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

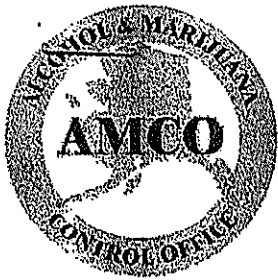
Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☐ ☒

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

--



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

I certify that my proposed premises is not located in a liquor licensed premises.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.



Alcohol and Marijuana Control Office
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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

BS

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

BS

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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

☐

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

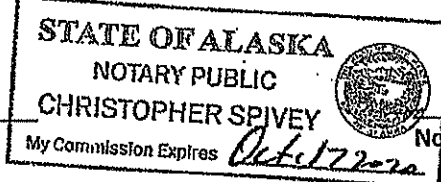
I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

BS

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

[Signature]
Signature of licensee



[Signature]
Notary Public in and for the State of Alaska

Bae Olney-Miller
Printed name of licensee

My commission expires: *Oct 17 2020*

Subscribed and sworn to before me this *4th* day of *January*, 20*17*.



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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

This application certification form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	VanGreen's LLC	License Number:	16738
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	VanGreen's J.L.L.C.		
Premises Address:	224 Smith St- #D & #E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	VIRGINIA EOLNEY
Title:	OWNER

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☐☒

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

--



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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

I certify that my proposed premises is not located in a liquor licensed premises.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.



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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.



I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.



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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.



Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.



All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Virginia E Olney
VIRGINIA E OLNEY

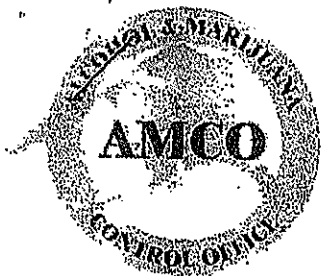
Printed name of licensee

STATE OF ALASKA
NOTARY PUBLIC
CHRISTOPHER SPIVEY
My Commission Expires 04/17/2020

Notary Public in and for the State of Alaska

My commission expires: 04/17/2020

Subscribed and sworn to before me this 22nd day of December, 2017.



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 - Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	VanGreen's LLC	License Number:	16730
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	Van Green's LLC		
Premises Address:	224 Smith St #D 3#E		
City:	Setha	State:	AK
		ZIP:	99535

Section 2 - Individual Information

Enter information for the individual licensee or affiliate.

Name:	Parby Pock
Title:	OWNER

Section 3 - Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☐☒

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

--



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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.



I certify that I am not currently on felony probation or felony parole.



I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.



I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.



I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.



I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.



I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).



I certify that my proposed premises is not located in a liquor licensed premises.



I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

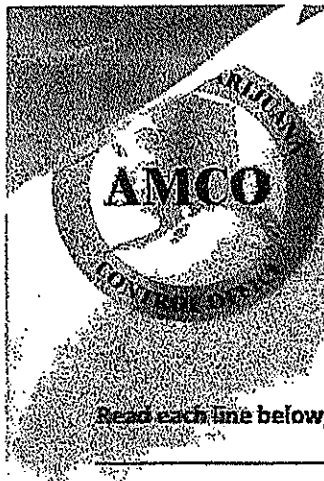


I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.



I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.





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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.



I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.



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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.



Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.



All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Notary Public in and for the State of Alaska

Printed name of licensee

My commission expires: 08/28/26

Subscribed and sworn to before me this 5 day of January, 2018





Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	Van Green's LLC	License Number:	16138
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	Van Green's LLC		
Premises Address:	224 Smith St. #13#E		
City:	Sitka	State:	AK ZIP: 99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Lewis Schumajda
Title:	Owner

Section 3 – Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☐ ☒

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

--



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

I certify that I am not currently on felony probation or felony parole.

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

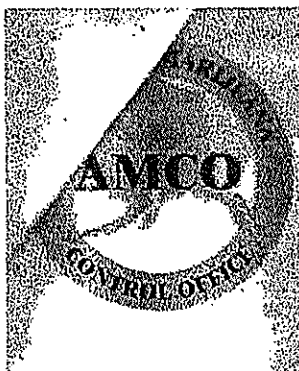
I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

I certify that my proposed premises is not located in a liquor licensed premises.

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.



Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Alcohol and Marijuana Control Office

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Anchorage, AK 99501

marijuana.licensing@alaska.gov

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Phone: 907.269.0350

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

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

LS

I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.

LS

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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.

Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

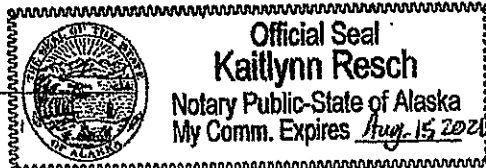
I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.

LS

All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

Lewis M. Schumijda
Signature of licensee

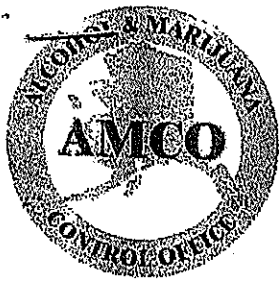


Kaitlynn Resch
Notary Public in and for the State of Alaska

Lewis M. Schumijda
Printed name of licensee

My commission expires: Aug. 15th 2021

Subscribed and sworn to before me this 5th day of Jan., 2018.



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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

What is this form?

This application certifications form is required for all marijuana establishment license applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306.

This form must be completed and submitted to AMCO's main office by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) before any license application will be considered complete.

Section 1 - Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	VanGreen's LLC	License Number:	16738
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	VanGreen's LLC		
Premises Address:	224 Smith St # D3E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 - Individual Information

Enter information for the individual licensee or affiliate.

Name:	CAROL WRIGHT
Title:	OWNER

Section 3 - Other Licenses

Ownership and financial interest in other licenses:

Yes No

Do you currently have or plan to have an ownership interest in, or a direct or indirect financial interest in another marijuana establishment license?

☐ ☒

If "Yes", which license numbers (for existing licenses) and license types do you own or plan to own?

--

Alaska Marijuana Control Board

Form MJ-00: Application Certifications

Section 4 – Certifications

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

Initials

I certify that I have not been convicted of a felony in any state or the United States, including a suspended imposition of sentence, for which less than five years have elapsed from the time of the conviction to the date of this application.

CW

I certify that I am not currently on felony probation or felony parole.

CW

I certify that I have not been found guilty of selling alcohol without a license in violation of AS 04.11.010.

CW

I certify that I have not been found guilty of selling alcohol to an individual under 21 years of age in violation of 04.16.051 or AS 04.16.052.

CW

I certify that I have not been convicted of a misdemeanor crime involving a controlled substance, violence against a person, use of a weapon, or dishonesty within the five years preceding this application.

CW

I certify that I have not been convicted of a class A misdemeanor relating to selling, furnishing, or distributing marijuana or operating an establishment where marijuana is consumed within the two years preceding this application.

CW

I certify that my proposed premises is not within 500 feet of a school ground, recreation or youth center, a building in which religious services are regularly conducted, or a correctional facility, as set forth in 3 AAC 306.010(a).

CW

I certify that my proposed premises is not located in a liquor licensed premises.

CW

I certify that I meet the residency requirement under AS 43.23 for a permanent fund dividend in the calendar year in which I am initiating this application.

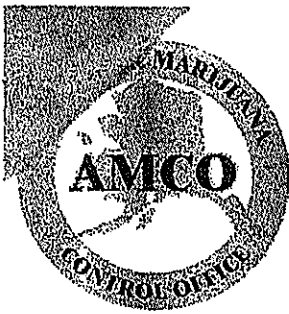
CW

I certify that all proposed licensees (as defined in 3 AAC 306.020(b)(2)) and affiliates (as defined in 3 AAC 306.990(a)(1)) have been listed on my online marijuana establishment license application. Additionally, if applicable, all proposed licensees have been listed on my application with the Division of Corporations.

CW

I certify that I understand that providing a false statement on this form, the online application, or any other form provided by AMCO is grounds for denial of my application.

CW



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Alaska Marijuana Control Board

Form MJ-00: Application Certifications

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

Initials

I certify and understand that I must operate in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.



I certify and understand that I must operate in compliance with each applicable public health, fire, safety, and tax code and ordinance of this state and the local government in which my premises is located.



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

Initials

Only initial next to the following statement if this form is accompanying an application for a marijuana testing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility.



Only initial next to the following statement if this form is accompanying an application for a retail marijuana store, a marijuana cultivation facility, or a marijuana products manufacturing facility license:

I certify that I do not have an ownership in, or a direct or indirect financial interest in a marijuana testing facility license.



All marijuana establishment license applicants:

As an applicant for a marijuana establishment license, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that the online application and this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

CAROL WRIGHT

Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: Postmaster

Subscribed and sworn to before me this 20th day of November, 2017.



Alaska Marijuana Control Board

Form MJ-01: Marijuana Establishment Operating Plan**What is this form?**

An operating plan is required for all marijuana establishment license applications. Applicants should review **Title 17.38 of Alaska Statutes** and **Chapter 306 of the Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of those statutes and regulations. If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020(c).

What must be covered in an operating plan?

Applicants must identify how the proposed premises will comply with applicable statutes and regulations regarding the following:

- Control plan for persons under the age of 21
- Security
- Business records
- Inventory tracking of all marijuana and marijuana product on the premises
- Employee qualification and training
- Health and safety standards
- Transportation and delivery of marijuana and marijuana products
- Signage and advertising

Applicants must also complete the corresponding operating plan supplemental forms (**Form MJ-03, Form MJ-04, Form MJ-05, or Form MJ-06**) to meet the additional operating plan requirements for each license type.

Section 1 – Establishment & Contact Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	vanGreen's LLC	MJ License #:	16738		
License Type:	standard marijuana cultivation facility				
Doing Business As:	vanGreen's LLC				
Premises Address:	224 smith ST. #D & #E				
City:	sitka	State:	Alaska	ZIP:	99835
Mailing Address:	107 somer Dr.				
City:	sitka	State:	Alaska	ZIP:	99835
Designated Licensee:	Eric vanVeen				
Main Phone:	907-738-9554	Cell Phone:	907-738-9554		
Email:	vangreen907@gmail.com				



Form MJ-01: Marijuana Establishment Operating Plan

Section 2 – Control Plan for Persons Under the Age of 21

2.1. Describe how the marijuana establishment will prevent persons under the age of 21 from gaining access to any portion of the licensed premises and marijuana items:

All access to vangreen's facility, and restricted access areas, will be secured and monitored 24 hours a day. Only owner/management or authorized employee will have access.

Section 3 – Security

Restricted Access Areas (3 AAC 306.710):

3.1. Describe how you will prevent unescorted members of the public from entering restricted access areas:

Entry/exit will be locked 24 hours a day.

All restricted access area's will be marked by a sign that says "Restricted access area. Visitors must be escorted."

Any visitors to the restricted access area must:

- 1) Show ID as required in 3AAC.306.350
- 2) Obtain a visitor ID badge before entering the restricted access area.
- 3) Be escorted at all times by a licensee, employee or agent.

All restricted access area, a licensee, employee or agent of vanGreen's will wear a current identification badge bearing the persons photograph.

Entry/exit door will have the following signs posted:

- Restricted access area. Visitors must be escorted.
- No Loitering
- Security Cameras In Use
- No person under 21 allowed

3.2. Describe your recordkeeping and processes for admitting visitors into and escorting them through restricted access areas:

No person will be allowed to enter VanGreen's without a valid state issued ID showing proof of being 21 yrs or older. Once ID is checked by a VanGreen employee, our visitor will be escorted to sign in to the visitor log book, recording name, date, time of entry and departure time. After sign in, visitor will be given a visitor badge to wear and be instructed on visitor protocol. No visitor is to be on premise without a VanGreen employee present at all times. once a visit is complete the visitor will be signed out and escorted out of the facility. No more than 5 visitors per 1 vanGreen Licensee, employee or agent of the licensees.



Form MJ-01: Marijuana Establishment Operating Plan

3.3. Provide samples of licensee-produced identification badges that will be displayed by each licensee, employee, or agent while on the premises, and of visitor identification badges that will be worn by all visitors while in restricted access areas:

VAN Green's Employee	Van Green's Visitor
Back side of employee Badge. →	

Security Alarm Systems and Lock Standards (3 AAC 306.715):

3.4. Exterior lighting is required to facilitate surveillance. Describe how the exterior lighting will meet this requirement:

VanGreen's facility lights will be positioned to facilitate surveillance of entry/exit door and all areas within 20 feet of the entry/exit door. Lights will be on before dusk and turn off after sunrise.



Form MJ-01: Marijuana Establishment Operating Plan

3.5. An alarm system is required for all license types that must be activated on all exterior doors and windows when the licensed premises is closed for business. Describe the security alarm system for the proposed premises, explain how it will meet all regulatory requirements, and outline your policies and procedures regarding the actions to be taken by a licensee, employee, or agent when the alarm system alerts of an unauthorized breach:

VanGreen's facility will have 2 separate alarm systems. One system will be the video surveillance with motion sensors that will notify owner/management. The second alarm system will have motion sensors, glass breaking sensors, and all restricted access doors, entry/exit door will have door triggers that sounds an alarm if unauthorized entry occurs and send notification to owner/management and if not deactivated within 60 seconds with a predetermined coded number. This system also has a forced entry code and 2 panic buttons that immediately notify owner/management. In the event of an unauthorized breach owner/management will consult on site video system to determine if local law enforcement should be notified. vanGreen's shall notify AMCO, not more than 24 hours after any unauthorized access to the premises or the establishments knowledge of evidence or circumstances that reasonably indicate theft, diversion or unexplained disappearance of marijuana products, or money from the licensed premises.

3.6. Describe your policies and procedures for preventing diversion of marijuana or marijuana product, including by employees:

All employees will be informed that any diversion, stealing or illegal diversion of VanGreen product could lead to being arrested and being punished to the fullest extent of the law. If any employee should be found to be violating the law, owner or management will pro-actively notify local law enforcement and AMCO. All VANGREEN'S employees will be trained to recognize potential theft and be required to notify owner or management of any suspicious activity. Employees will also be required to work fully and cooperatively with AMCO and local law enforcement. Any and all records will be available on request.

3.7. Describe your policies and procedures for preventing loitering:

VANGREEN'S facility will have signage posted stating "NO LOITERING" If a loitering situation should arise, they will be asked to leave the property, if persons do not leave they will be notified that the police will be called. Employee is then instructed to call local law enforcement if persons still is on property.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right:

Initials

3.8. I certify that if any additional security devices are used, such as a motion detector, pressure switch, and duress, panic, or hold-up alarm, to enhance security of the licensed premises, I will have written policies and procedures describing their use.



Form MJ-01: Marijuana Establishment Operating Plan

Video Surveillance (3 AAC 306.720):

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

3.9. The video surveillance and camera recording system for the licensed premises covers each restricted access area, and both the interior and exterior of each entrance to the facility.

EV

3.10. Each video surveillance recording: is preserved for a minimum of 40 days, in a format that can be easily accessed for viewing (consistent with the Alcohol & Marijuana Control Office's approved format list); clearly and accurately displays the time and date; and is archived in a format that does not permit alteration of the recorded image.

EV

3.11. The surveillance room or area is clearly defined on the Form MJ-02: Premises Diagram that is submitted with this application.

EV

3.12. Surveillance recording equipment and video surveillance records are housed in a designated, locked, and secure area or in a lock box, cabinet, closet or other secure area where access is limited to the licensee(s), an authorized employee, and law enforcement personnel (including an agent of the Marijuana Control Board).

EV

3.13. Describe how the video cameras will be placed to produce a clear view adequate to identify any individual inside the licensed premises, or within 20 feet of each entrance to the licensed premises:

All cameras will be positioned in a manner as to get the best facial image of anyone present within the licensed facility and within 20 feet of the entry/exit. Cameras will be installed throughout the premises that allow for monitoring all areas of the facility at all times. All cameras will have infrared (night vision), high quality resolution, 24 hour recording for a minimum of 40 days. The system will have battery backup that will operate for at least one hour if power outage should happen.

3.14. Describe the locked and secure area where video surveillance recording equipment and original copies of surveillance records will be housed and stored, and how you will ensure the area is accessible only to authorized personnel, law enforcement, or an agent of the Marijuana Control Board. If you will be using an offsite monitoring service and offsite storage of video surveillance records, your response must include how the offsite facility will meet these security requirements:

Video surveillance recording equipment will be housed in a locked box, in a restricted access area only accessible to owner/management or AMCO and local law enforcement.

**Form MJ-01: Marijuana Establishment Operating Plan****Section 4 – Business Records**

Review the requirements under 3 AAC 306.755. All licensed marijuana establishments must maintain, in a format that is readily understood by a reasonably prudent business person, certain business records.

4.1. I certify that the following business records will be maintained and kept on the licensed premises:

Initials

- a. all books and records necessary to fully account for each business transaction conducted under my license for the current year and three preceding calendar years (records for the last six months must be maintained on the licensed premises; older records may be archived on or off-premises); ☒
- b. a current employee list setting out the full name and marijuana handler permit number of each licensee, employee, and agent who works at the marijuana establishment; ☒
- c. the business contact information for vendors that maintain video surveillance systems and security alarm systems for the licensed premises; ☒
- d. records related to advertising and marketing; ☒
- e. a current diagram of the licensed premises, including each restricted access area; ☒
- f. a log recording the name, and date and time of entry of each visitor permitted into a restricted access area; ☒
- g. all records normally retained for tax purposes; ☒
- h. accurate and comprehensive inventory tracking records that account for all marijuana inventory activity from seed or immature plant stage until the retail marijuana or retail marijuana product is sold to a consumer, to another marijuana establishment, or destroyed; ☒
- i. transportation records for marijuana and marijuana product, as required by 3 AAC 306.750(f); and ☒
- j. registration and inspection reports of scales registered under the Weights and Measures Act, as required by 3 AAC 306.745. ☒

4.2. A marijuana establishment is required to exercise due diligence in preserving and maintaining all required records. Describe how you will prevent records and data, including electronically maintained records, from being lost or destroyed:

All business and regulatory documents, recordings, surveillance, logs and communications will be stored at the facility. Records within the facility will be stored in a locked cabinet. Only owner/management will have access to the locked records. Vangreens management will be trained in standard retention policies to ensure that all records are maintained and filed in a consistent manner. All records will be made available to AMCO upon request. All records will be kept on-site for a minimum of one year.

**Form MJ-01: Marijuana Establishment Operating Plan****Section 5 – Inventory Tracking of All Marijuana and Marijuana Product**

Review the requirements under 3 AAC 306.730. All licensed marijuana establishments must use a marijuana inventory tracking system capable of sharing information with Metrc to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

5.1. My marijuana establishment will be using Metrc, and if any other tracking software is used, it will be capable of sharing information with Metrc.

5.2. All marijuana delivered to a marijuana establishment will be weighed on a scale registered in compliance with 3 AAC 306.745.

5.3. My marijuana establishment will use registered scales in compliance with AS 45.75.080 (Weights and Measures Act), as required by 3 AAC 306.745.

Section 6 – Employee Qualification and Training

Review the requirements under 3 AAC 306.700. A marijuana establishment and each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or a marijuana product, or who checks the identification of a consumer or visitor, must obtain a marijuana handler permit from the board before being licensed or beginning employment at a marijuana establishment.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

6.1. Each licensee, employee, or agent of the marijuana establishment who sells, cultivates, manufactures, tests, or transports marijuana or marijuana product, or who checks the identification of a consumer or visitor, shall obtain a marijuana handler permit from the board before being licensed or beginning employment at the marijuana establishment.

6.2. Each licensee, employee, or agent who is required to have a marijuana handler permit shall keep that person's marijuana handler permit card in that person's immediate possession (or a valid copy on file on the licensed premises) when on the licensed premises.

6.3. Each licensee, employee, or agent who is required to have a marijuana handler permit shall ensure that that person's marijuana handler permit card is valid and has not expired.





6.4. Describe any in-house training that will be provided to employees and agents (apart from a marijuana handler course):

1. security alarm protocol
2. diversion of product protocol
3. work area cleaning and personal hygiene
4. loitering protocol

**Form MJ-01: Marijuana Establishment Operating Plan****Section 7 – Health and Safety Standards**

Review the requirements under 3 AAC 306.735.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

- 7.1. I understand that a marijuana establishment is subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that health or safety concerns are not present. 
- 7.2. I have policies regarding health and safety standards (including: ensuring a person with an illness or infection does not come into contact with marijuana or marijuana product; good hygienic practices; cleaning and maintenance of equipment and the premises; pest deterrence; chemical storage; sanitation principles; and proper handling of marijuana and marijuana product) and will take all reasonable measures and precautions to ensure that they are met or exceeded. 
- 7.3. I have policies to ensure that any marijuana or marijuana product that has been stored beyond its usable life, or was stored improperly, is not salvaged and returned to the marketplace. 
- 7.4. I have policies to ensure that in the event information about the age or storage conditions of marijuana or marijuana product is unreliable, the marijuana or marijuana product will be handled in accordance with 3 AAC 306.735(d). 

Answer "Yes" or "No" to each of the following questions:

Yes No

- 7.5. Adequate and readily accessible toilet facilities that are maintained and in good repair and sanitary condition are clearly indicated on my Form MJ-02: Premises Diagram. ☒ ☐
- 7.6. Convenient handwashing facilities with running water at a suitable temperature are clearly indicated on my Form MJ-02: Premises Diagram. ☒ ☐

7.7. If you answered "No" to either 7.5 or 7.6 above, describe how toilet and/or handwashing facilities are made accessible, as required by 3 AAC 306.735(b)(2):

N/A

Section 8 – Transportation and Delivery of Marijuana and Marijuana Products

Review the requirements under 3 AAC 306.750.

8.1. Describe how marijuana or marijuana product will be prepared, packaged, and secured for shipment. Include a description of the type of locked, safe, and secure storage compartments to be used in vehicles transporting marijuana or marijuana product:

Marijuana will be weighed, vacuum sealed, tagged with a METRC package tag, test results and along with a transfer manifest. sealed, tagged package will be put in a locked container, then placed in a secure compartment in the vehicle transporting.



Form MJ-01: Marijuana Establishment Operating Plan

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box: Initials

8.2. The marijuana establishment from which a shipment of marijuana or marijuana product originates will ensure that any individual transporting marijuana shall have a marijuana handler permit required under 3 AAC 306.700.

EV

8.3. The marijuana establishment that originates the transport of any marijuana or marijuana product will use the marijuana inventory tracking system to record the type, amount, and weight of marijuana or marijuana product being transported, the name of the transporter, the time of departure and expected delivery, and the make, model, and license plate number of the transporting vehicle.

EV

8.4. The marijuana establishment that originates the transport of any marijuana or marijuana product will ensure that a complete printed transport manifest on a form prescribed by the board must be kept with the marijuana or marijuana product at all times during transport.

EV

8.5. During transport, any marijuana or marijuana product will be in a sealed package or container in a locked, safe, and secure storage compartment in the vehicle transporting the marijuana or marijuana product, and the sealed package will not be opened during transport.

EV

8.6. Any vehicle transporting marijuana or marijuana product will travel directly from the shipping marijuana establishment to the receiving marijuana establishment, and will not make any unnecessary stops in between except to deliver or pick up marijuana or marijuana product at any other licensed marijuana establishment.

EV

8.7. When the marijuana establishment receives marijuana or marijuana product from another licensed marijuana establishment, the recipient of the shipment will use the marijuana inventory tracking system to report the type, amount, and weight of marijuana or marijuana product received.

EV

8.8. The marijuana establishment will refuse to accept any shipment of marijuana or marijuana product that is not accompanied by the transport manifest.

EV

Section 9 – Signage and Advertising

9.1. Describe any signs that you intend to post on your establishment with your business name, including quantity, dimensions, graphics, and location on your establishment (photos or drawings may be attached):

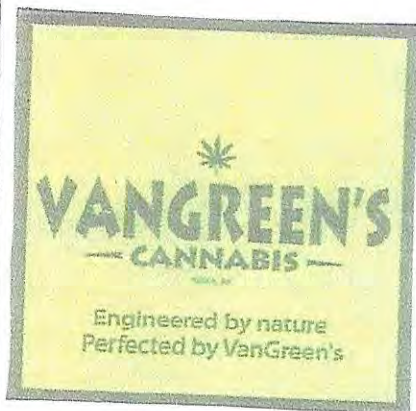
max number of signs 3
signs not to exceed 4800 square inches each
attached to front, side and or back of building



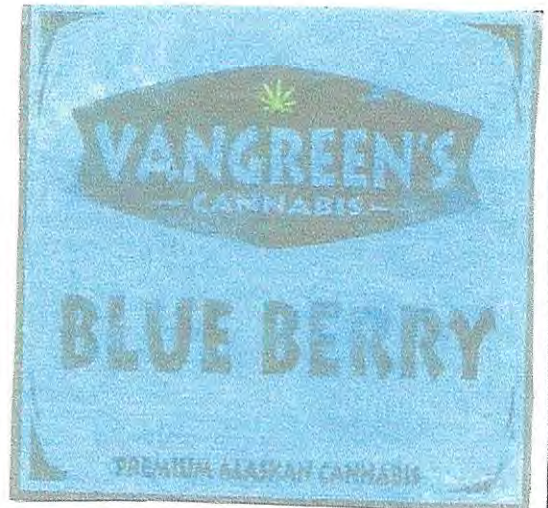
Form MJ-01: Marijuana Establishment Operating Plan

9.2. Describe any advertising you intend to distribute of your establishment. Include medium types and business logos (photos or drawings may be attached):

Advertising will include various mediums such as email and social media. All advertising will be in compliance with all the current listed 3 aac. 306.360 regulations. Including where advertising is allowed/prohibited, no false or misleading statements, will not depict cartoon characters or appeal to person under twenty-one years old and will include the five mandatory warning statements.



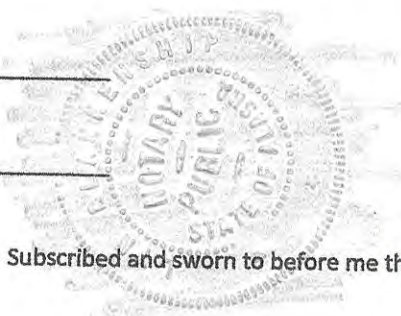
(A) "Marijuana has intoxicating effects and may be habit forming and addictive."; (B) "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence."; (C) "There are health risks associated with ... consumption of marijuana."; (D) "For use only by adults twenty-one and older. Keep out of the reach of children."; (E) "Marijuana should not be used by women who are pregnant or breast feeding.".




I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.


Signature of licensee

Eric VanVeen
Printed name of licensee




Notary Public in and for the State of Alaska

My commission expires: Oct. 17, 2019

Subscribed and sworn to before me this 24th day of September, 2018.



Form MJ-01: Marijuana Establishment Operating Plan

(Additional Space as Needed):



Alaska Marijuana Control Board

Form MJ-02: Premises Diagram**What is this form?**

A detailed diagram of the proposed licensed premises is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(8). **All areas designated as the licensed premises of a single license must be contiguous.**

What must be submitted with this form?

Applicants must attach multiple diagrams to this form, including (as applicable):

- **Diagram 1:**
a diagram showing only the licensed premises areas that will be ready to be **operational at the time of your preliminary inspection** and license issuance;
- **Diagram 2:**
if different than Diagram 1, a diagram outlining **all areas for which the licensee has legal right of possession** (a valid lease or deed), and clearly showing those areas' relationship to the current proposed licensed premises (*details of any planned expansion areas do not need to be included; a complete copy of Form MJ-14: Licensed Premises Diagram Change must be submitted and approved before any planned expansion area may be added to the licensed premises*);
- **Diagram 3:**
a **site plan or as-built of the entire lot**, showing all structures on the property and clearly indicating which area(s) will be part of the licensed premises;
- **Diagram 4:**
an **aerial photo of the entire lot and surrounding lots**, showing a view of the entire property and surrounding properties, and clearly indicating which area(s) will be part of the licensed premises (*this can be obtained from sources like Google Earth*); and
- **Diagram 5:**
a diagram of the **entire building in which the licensed premises is located**, clearly distinguishing the licensed premises from unlicensed areas and/or premises of other licenses within the building. If your proposed licensed premises is located within a building or building complex that contains multiple business and/or tenants, please provide the addresses and/or suite numbers of the other businesses and/or tenants (*a separate diagram is not required for an establishment that is designating the entire building as a single licensed premises*).

This form, and all necessary diagrams that meet the requirements on Page 2 of this form, must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	vanGreen's LLC	MJ License #:	16738		
License Type:	standard marijuana cultivation facility				
Doing Business As:	vanGreen's LLC				
Premises Address:	224 Smith St. #D & #E				
City:	sitka	State:	Alaska	ZIP:	99835



Form MJ-02: Premises Diagram

Section 2 – Required Information

For your security, do not include locations of security cameras, motion detectors, panic buttons, and other security devices.

The following details must be included in all diagrams:

- ☐ License number and DBA
- ☐ Legend or key
- ☐ Color coding
- ☐ Dimensions
- ☐ Labels
- ☐ True north arrow

The following additional details must be included in Diagram 1:

- ☐ Surveillance room
- ☐ Restricted access areas
- ☐ Storage areas
- ☐ Entrances, exits, and windows
- ☐ Walls, partitions, and counters
- ☐ Any other areas that must be labeled for specific license types

The following additional details must be included in Diagram 2:

- ☐ Areas of ingress and egress
- ☐ Entrances and exits
- ☐ Walls and partitions

The following additional details must be included in Diagrams 3 and 4:

- ☐ Areas of ingress and egress
- ☐ Cross streets and points of reference

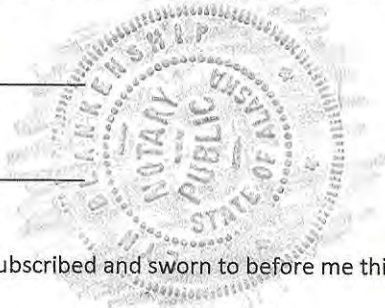
The following additional details must be included in Diagram 5:

- ☐ Areas of ingress and egress
- ☐ Entrances and exits
- ☐ Walls and partitions
- ☐ Cross streets and points of reference

I declare under penalty of unsworn falsification that I have attached all necessary diagrams that meet the above requirements, and that this form, including all accompanying schedules, statements, and depictions is true, correct, and complete.


Signature of licensee

Eric van Veen
Printed name of licensee

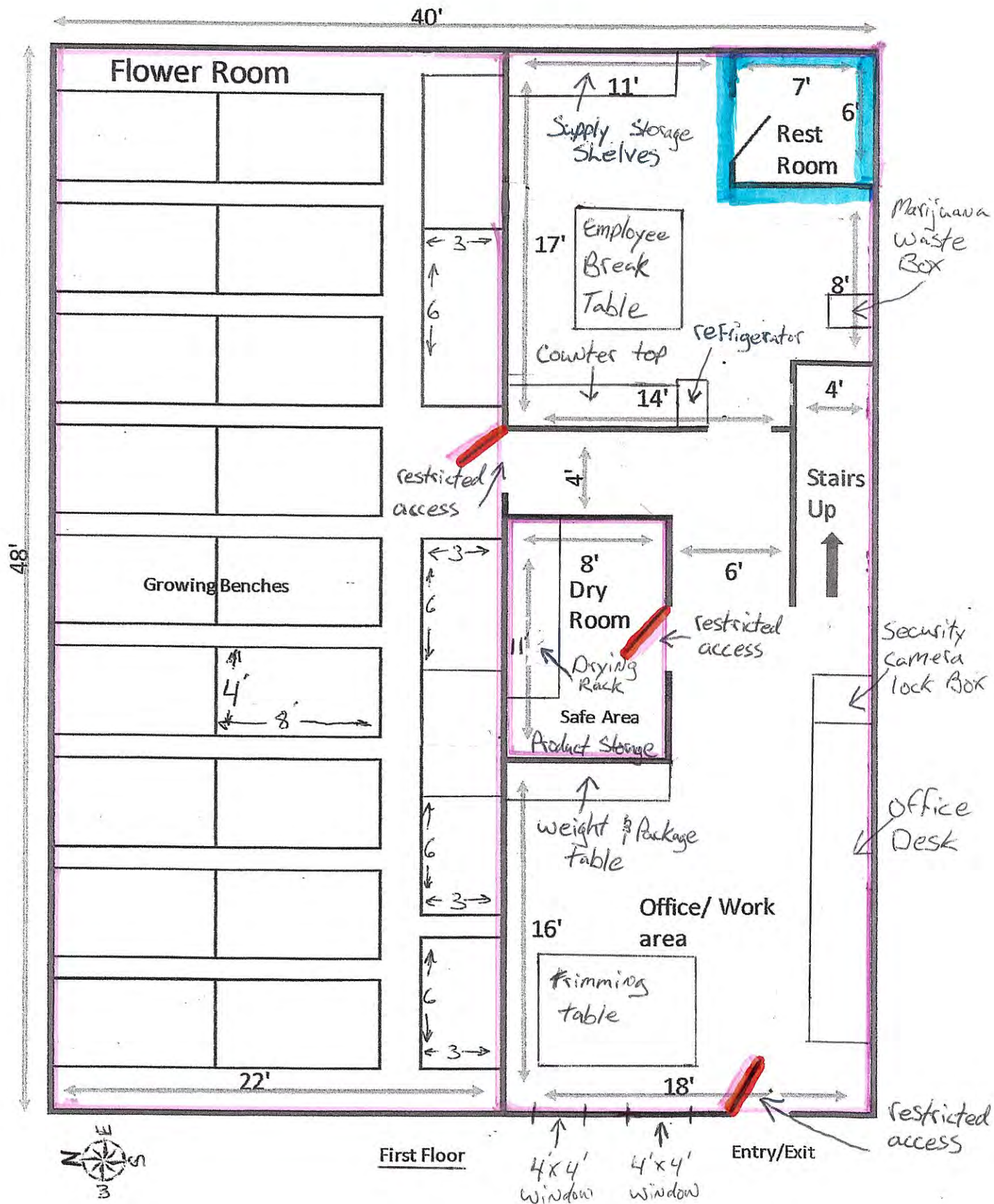



Notary Public in and for the State of Alaska

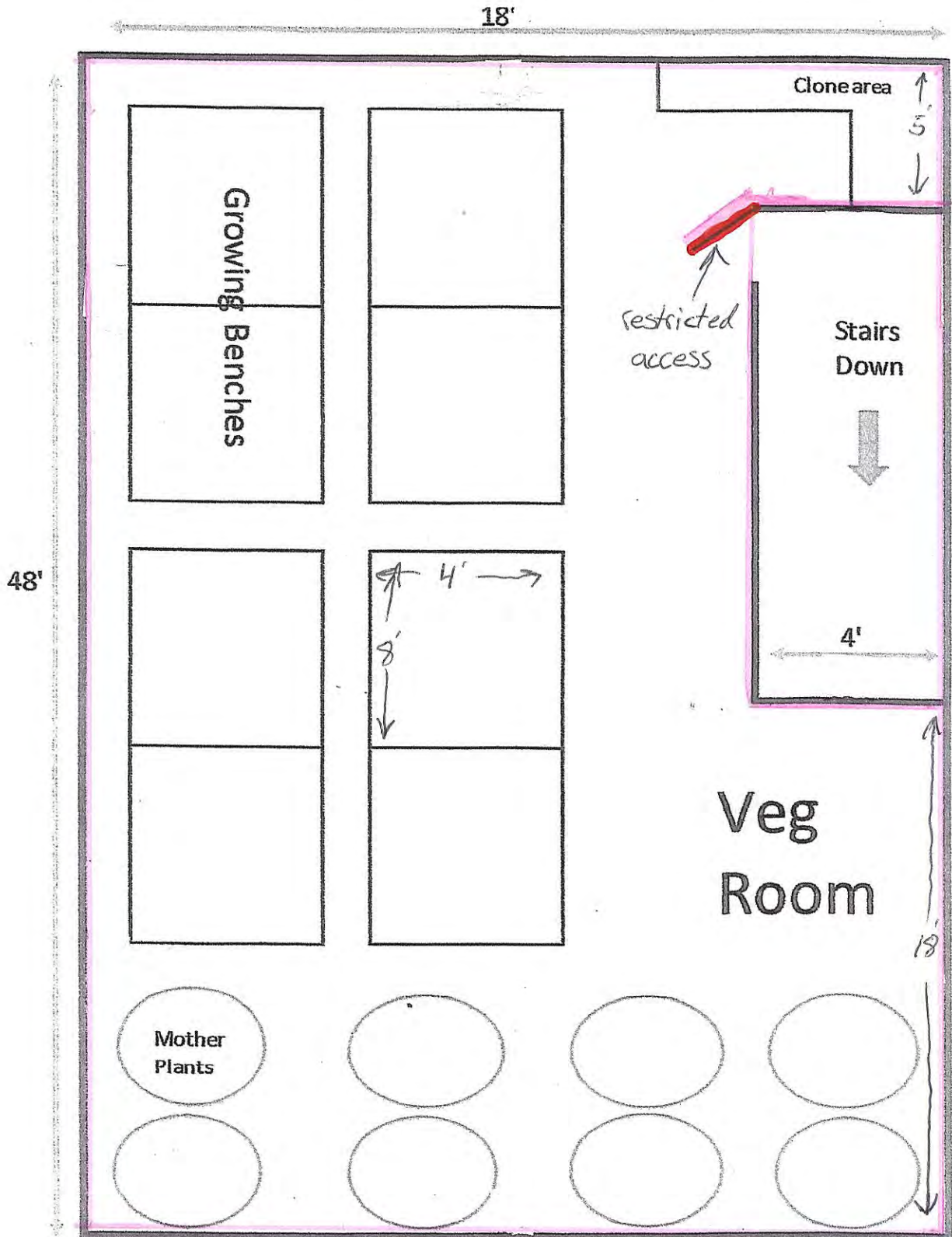
My commission expires: Oct. 17, 2019

Subscribed and sworn to before me this 31 day of August, 20 18.

Rest room

Licensed Premises
and restricted access

restricted access



2nd Floor



DBA VanGreen's LLC

lic. # 16738

entry/exit

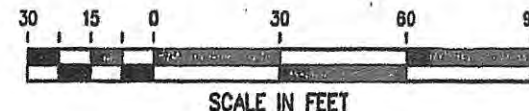
LEGEND

- BLK/GRD 4X4 WOOD POST
- REBAR AND ALUMINUM CAP (RECOVERED)
- ⊙ REBAR AND ALUMINUM CAP (RECOVERED)
- CO CLEAN OUT
- ⊙ MH MANHOLE
- (R) RECORD DATA
- (C) COMPUTED DATA
- (M) MEASURED DATA

Received
NOV 1 8 2005

Diagram # 3

Page 1 of 1



SCALE IN FEET

O'NEILL

SURVEYING AND ENGINEERING

P.O. BOX 1849 SITKA, ALASKA 99835

FOUNDATION ONLY

AS-BUILT SURVEY

LOT 6

SMITH STREET INDUSTRIAL SUBDIVISION



SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I HAVE SURVEYED THE PROPERTY DESCRIBED ON THIS PLAN. I DECLARE THAT IMPROVEMENTS AND VISIBLE ENCROACHMENTS HAVE BEEN ESTABLISHED TO THE BEST OF MY PROFESSIONAL KNOWLEDGE AND BELIEF. THIS SURVEY IS FOR THE USE OF LENDING INSTITUTIONS SPECIFICALLY TO SHOW ANY CONFLICTS BETWEEN EXISTING STRUCTURES AND PLATTED LOT LINES OR EASEMENTS. UNDER NO CIRCUMSTANCES SHOULD THE DATA HEREON BE USED FOR POSITIONING ADDITIONAL STRUCTURES, BUILDING FENCES, OR LOCATING BOUNDARY LINES. IT IS THE RESPONSIBILITY OF THE OWNER TO VERIFY THAT IMPROVEMENTS SITUATED ON THIS PARCEL MEET ALL SUBDIVISION COVENANTS AND ZONING ORDINANCES, & COR. SET.

Patrick K. O'Neill
PATRICK K O'NEILL LS 6304

DATE

BASIS OF BEARINGS

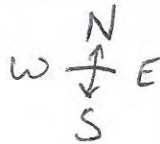
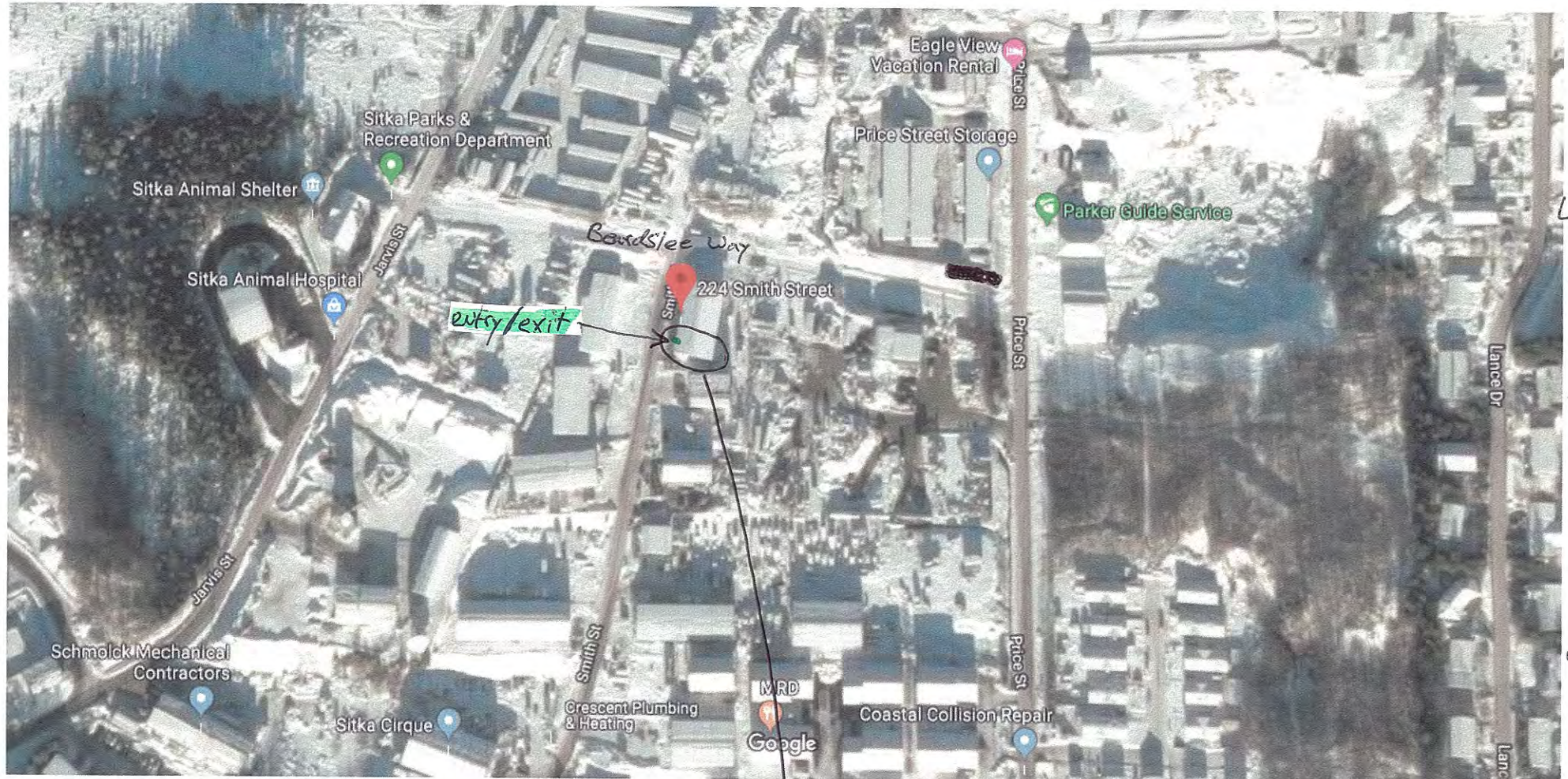
S 00°02'51" V 340.48' (RECORD PLAT 189-6)
(S 00°00' V 340.82' RECORD BLK)
S 00°02'51" V 340.63' (M)

CLIENT: CRESENT PLUMBING
804 KATLIAN STREET
SITKA, ALASKA 99835

DRAWN BY: JCH/ACAD
CHECKED BY: PKO
DATE PLATTED: 01 NOV 05
DATE SURVEYED: 01 NOV 05
SCALE: 1" = 30'
SURVEYOR: PATRICK K. O'NEILL
PROJ NO: 30521-02

DBA. VanGreen's LLC License #16738

Google Maps 224 Smith St



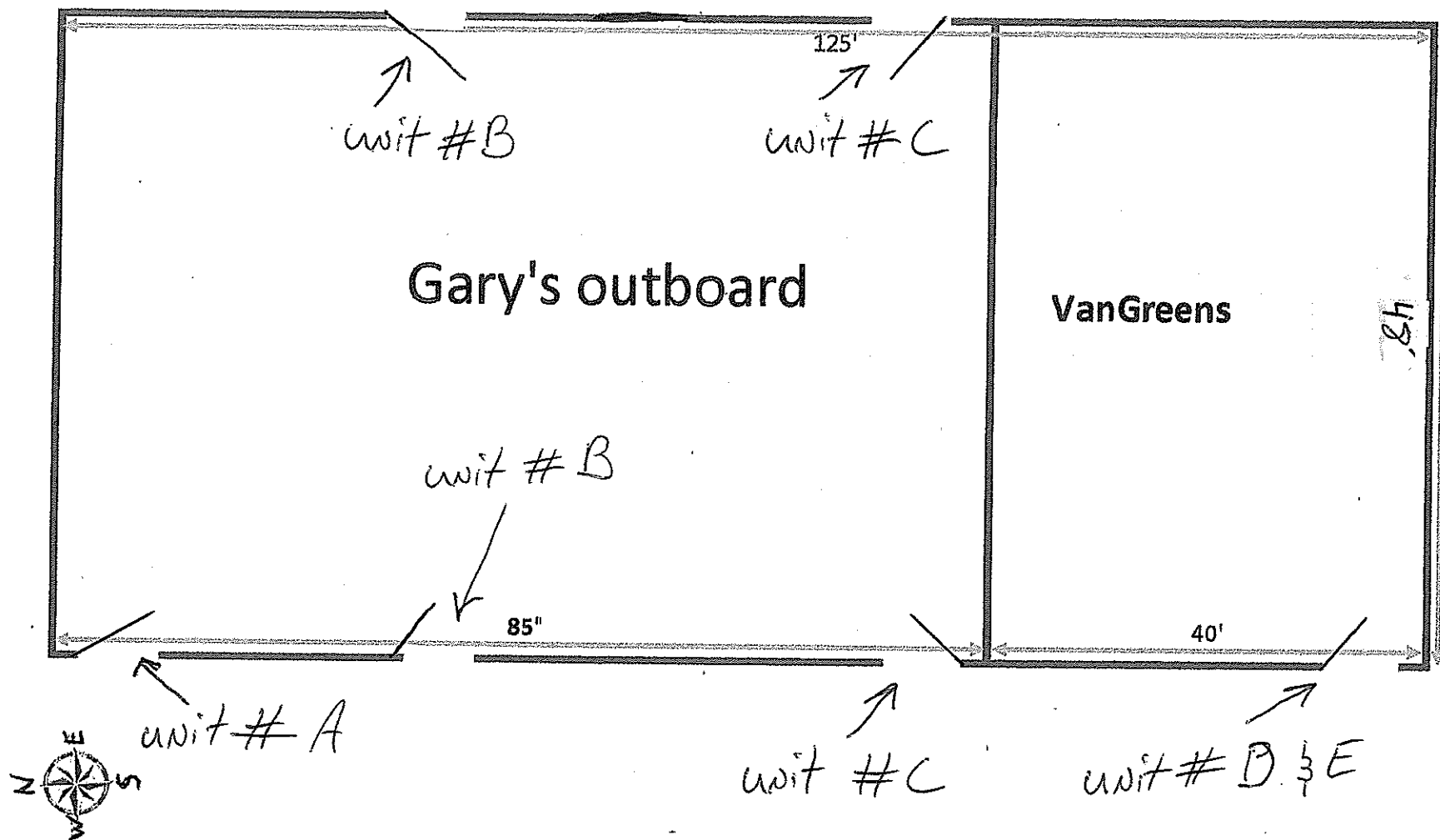
VanGreen's LLC.

DBA. VanGreen's LLC license # 16738

Diagram #4

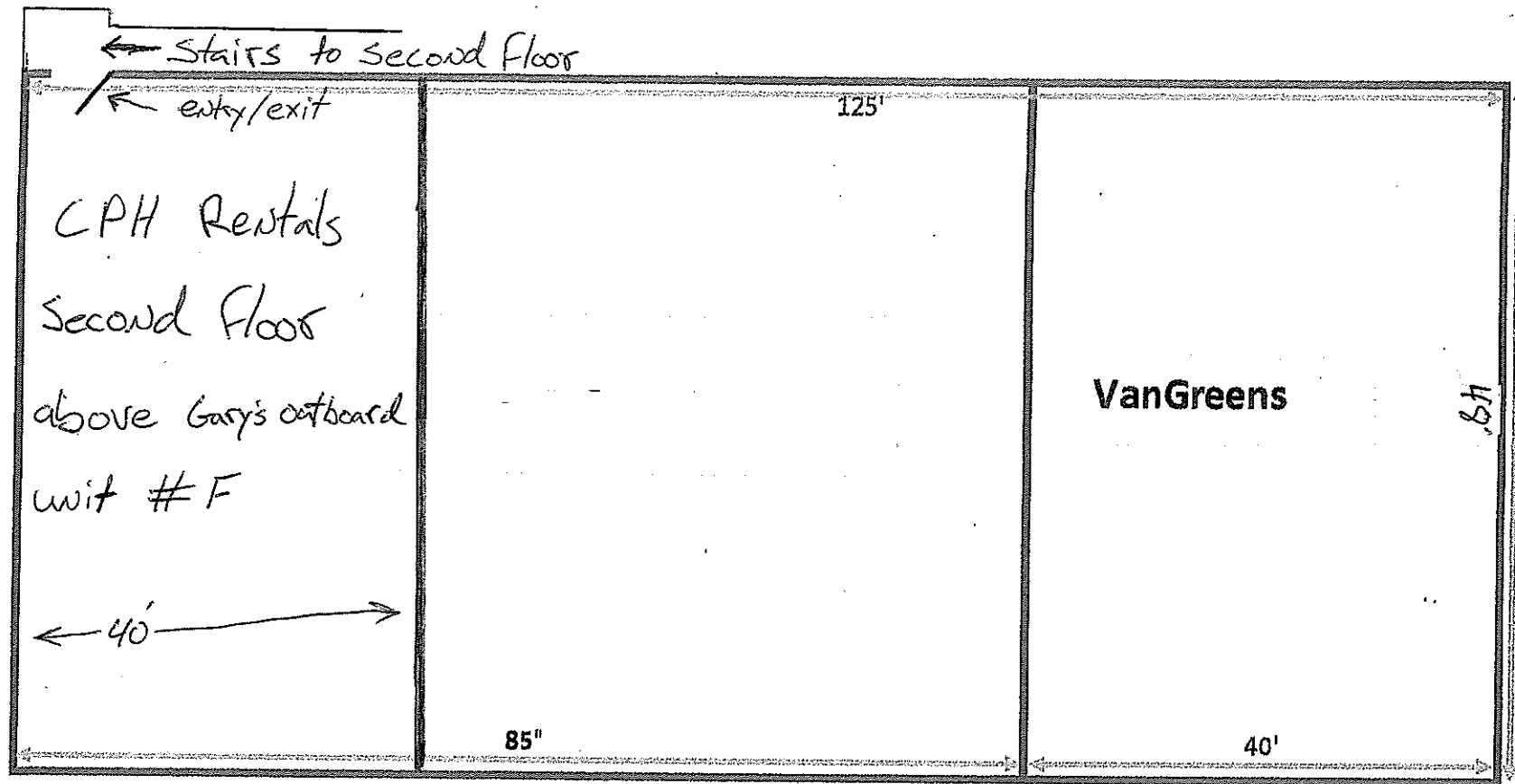
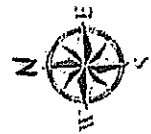
Page 1 of 1

Beardslee Way



Smith Street

Beardslee Way



Second Floor
above Gary's outBoard

Smith Street

DRA VanGreen's LLC license # 160738



Alaska Marijuana Control Board
Operating Plan Supplemental
Form MJ-04: Marijuana Cultivation Facility

What is this form?

This operating plan supplemental form is required for all applicants seeking a marijuana cultivation facility license and must accompany **Form MJ-01: Marijuana Establishment Operating Plan**, per 3 AAC 306.020(b)(11). Applicants should review **Chapter 306: Article 4** of the **Alaska Administrative Code**. This form will be used to document how an applicant intends to meet the requirements of the statutes and regulations.

If your business has a formal operating plan, you may include a copy of that operating plan with your application, but all fields of this form must still be completed per 3 AAC 306.020 and 3 AAC 306.420(2).

What additional information is required for cultivation facilities?

Applicants must identify how the proposed establishment will comply with applicable regulations regarding the following:

- Prohibitions
- Cultivation plan
- Waste disposal
- Odor control
- Testing procedure and protocols
- Packaging and labeling

This form must be completed and submitted to AMCO's main office before any new or transfer application for a standard marijuana cultivation facility or limited marijuana cultivation facility license will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	VanGreen's LLC	MJ License #:	16738		
License Type:	Standard Cultivation Facility				
Doing Business As:	VanGreen's LLC				
Premises Address:	224 Smith St. #D #E				
City:	Sitka	State:	Alaska	ZIP:	99835

**Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental****Section 2 – Overview of Operations**

2.1. Provide an overview of your proposed facility's operations. Include information regarding the flow of marijuana from seed or clone to harvest and transfer from your premises:

All mother plants, clones and seeds that are brought into the facility will be logged in the METRC system.

All seeds that produce will be transferred to clones and logged in the METRC system and in vanGreen's Clones log including:

- strain name
- clone batch date
- count

Any clones that become waste will be logged in the METRC system and in the Clones log book including:

- destroy date
- clone batch name
- count
- reason for disposal (i.e root rot)

Once clones develop strong roots and/or reach no bigger than 6" they will be assigned a METRC tag and transferred into the Veg room and logged in METRC and vanGreen's Transfers log.

After the Veg phase, plants will be transferred into the flower room and flower phase in METRC.

All veg plants that become waste will be logged in METRC and vanGreen's waste log including:

- tag #
- weight
- reason for disposal
- date

once a veg/flower plant is able to support the weight, the tag will be attached to the plant.

-See Atch-

Section 3 – Prohibitions

Review the requirements under 3 AAC 306.405 and 3 AAC 306.410.

3.1. I certify that the marijuana cultivation facility will not:

Initials

- a. sell, distribute, or transfer any marijuana or marijuana product to a consumer, with or without compensation;
- b. allow any person, including a licensee, employee, or agent, to consume marijuana or marijuana product on the licensed premises or within 20 feet of the exterior of any building or outdoor cultivation facility; or
- c. treat or otherwise adulterate marijuana with any organic or nonorganic chemical or compound to alter the color, appearance, weight, or odor of the marijuana.

[Signature]

[Signature]

[Signature]

Section 4 – Cultivation Plan

Review the requirements under 3 AAC 306.420 and 3 AAC 306.430.

4.1. Describe the size of the space(s) the marijuana cultivation facility intends to be under cultivation, including dimensions and overall square footage. Provide your calculations below:

Flower Room:

22' x 48' = 1,056 Sq. Ft.
 Ceiling Height = 22'
 concrete floor with floor drains
 (18) 4' x 8' growing tables on wheels
 (6) 3' x 6' growing tables on wheels
 12" vent ducting with filters
 computer controlled vents, lights,
 humidity, Co2 and irrigation
 55 LED lights

- see attached photos-

Veg Room:

48' x 18' = 864 Sq. Ft.
 Ceiling Height = 11'
 plywood floor covered with vinyl
 12" ventilation ducting with filters
 (8) 4' x 8' growing tables on wheels
 24 florescent lights



(Additional Space as Needed):

2.1 OVERVIEW OF OPERATIONS (CONT.)

All Flower plants that finish the flower phase will be harvested and moved into the harvested phase in METRC, moved into the trim room and logged in vanGreen's Harvest log book including:

- tag #
- weight
- harvest batch name and harvest date

Any flower plants that become waste and the waste made from harvesting plants will be logged into METRC and into vanGreen's waste log including:

- tag #
- weight
- reason for waste
- date

The tags from harvested plants will be kept on site for a minimum one year.

All harvested product will moved into the drying room and be labeled by harvest batch date and strain name and will go through the drying/curing process which last approximately 2 weeks. Once deemed ready for testing, a random test sample will be taken,assigned a package tag and logged in METRC and vanGreens packaging/transport log.

Once test results are back as passed product will packaged for wholesale in compliance with all proper tags and transfer paperwork and will be transfered to retail stores in compliance with AMCO regs.

Any product that fails testing will be either destroyed or sent to manufacturing if applicable. All waste product will be logged in metrc and VanGreen's waste log.

Attachment 4.1

Flower room

DBA VanGreen's LLC License # 16738

Attachment 4.1

Vet Room



DBA VanGreen's LLC license #16738



Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right: Initials

4.2. The proposed area(s) for cultivation are clearly identified on the Form MJ-02: Premises Diagram that is submitted with this application.

Answer "Yes" or "No" to the following question:

Yes No

4.3. Will the marijuana cultivation facility include outdoor production?

☐ ☒

If "Yes", describe the outdoor structure(s) or the expanse of open or clear ground and how it is fully-enclosed by a physical barrier:

N/A

4.4. Describe the method(s) used to ensure that any marijuana at the marijuana cultivation facility, whether indoors or outdoors, cannot be observed by the public from outside the facility:

Windows will be covered with a mirrored window tint and blinds. Windows will also be covered with steel screen for added security.

4.5. Describe the marijuana cultivation facility's growing medium(s) to be used:

Coco coir (coconut Husk)
Rock Wool (spun lime rock)
Hydroton (clay pebbles)

4.6. Describe the marijuana cultivation facility's fertilizers, chemicals, gases, and delivery systems, including carbon dioxide management, to be used:

VanGreen's will be using the following fertilizer brands:

- General Hydroponics
- Advanced Nutrients
- Holi Moli
- And other commonly used nutrients

Cleaning chemicals:

- hydrogen peroxide
- isopropyl alcohol
- And other commonly used cleaners

Co2 will be in tanks and controlled via computer and sensors equipped with auto shut off. Co2 tanks will automatically be shut off if levels go past set points.



Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental

4.7. Describe the marijuana cultivation facility's irrigation and waste water systems to be used:

Irrigation system:

Computer controlled irrigation.

Every growing bench will have its own reservoir in order to recycle water. Waste water is drained into the floor drains when needed. Mother plants will be hand watered like a typical house plant.

Section 5 – Waste Disposal

Review the requirements under 3 AAC 306.740.

You must be able to certify the statement below. Read the following and then sign your initials in the box to the right:

Initials

5.1. The marijuana cultivation facility shall give the board at least three days written notice required under 3 AAC 306.740(c) before making marijuana waste unusable and disposing of it.

5.2. Describe how you will store, manage, and dispose of any solid or liquid marijuana waste, including wastewater generated during marijuana cultivation, in compliance with any applicable laws. Include details about the material(s) you will mix with ground marijuana waste and the processes that you will use to make the marijuana waste unusable for any purpose for which it was grown:

Marijuana waste will be ground/mulched and mixed with one or more of the following at 50/50 equal parts:

- waste oil
- dirt
- ground up cardboard/paper
- coco coir
- bleach

All marijuana waste will be logged in METRC and vanGreen's waste log book including:

- tag number
- harvest batch
- weight
- reason for disposal
- waste date
- disposal date
- employee initials

Waste will be stored in a locked container until an employee brings it to the waste station.

All waste water will be drained into the city's sewage system.

vanGreen's will notify AMCO at least 72 hours before marijuana is rendered unusable and then disposed of in compliance under 3AAC.306.740

**Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental****Section 6 – Odor Control**

Review the requirements under 3 AAC 306.430.

Answer "Yes" or "No" to the following question:

Yes No

- 6.1. Have you received an exemption from your local government for the odor control requirement set forth in 3 AAC 306.430(c)(2)?

☐ Yes ☒ No

If "Yes", you must be able to certify the statement below. Read the following and then sign your initials in the box:

Initials

I am attaching to this form documentation of my odor control exemption from the local government.

☐

If "No" to question 6.1., describe the odor control method(s) to be used and how the marijuana cultivation facility will ensure that any marijuana at the facility does not emit an odor that is detectable by the public from outside the facility:

There will be charcoal filters on all exhaust fans that will be changed as required. Everyday a employee will walk around the building and check for odor and will document in a daily log book. If there is an odor detected it will be handled immediately.

Section 7 – Testing Procedure and Protocols

Review the requirements under 3 AAC 306.455 and 3 AAC 306.465.

You must be able to certify each statement below. Read the following and then sign your initials in the corresponding box:

Initials

- 7.1. I understand and agree that the board or director will, from time to time, require the marijuana cultivation facility to provide samples of the growing medium, soil amendments, fertilizers, crop production aids, pesticides, or water for random compliance checks.

☒

- 7.2. I will ensure that any individual responsible for collecting random, homogenous samples for required laboratory testing under 3 AAC 306.455 will prepare the necessary accompanying signed statement, provide the signed statement to the marijuana testing facility, and maintain a copy as a business record under 3 AAC 306.755.

☒

- 7.3. Describe the testing procedures and protocols the marijuana cultivation facility will follow:

Once a batch is deemed ready for testing, a employee will take a random sample from each harvest batch, and sign the sworn statement paperwork, weigh and package the sample with the assigned METRC tag, fill out transfer manifest and put the tagged samples into a sealed container and then transport accordingly.

vanGreen's will segregate the entire batch from which the testing sample was selected, until testing facility returns test results. During the segregation period, vanGreen's will keep segregated batches in a secure, cool and dry location. vanGreen's will not sell or transport any marijuana from the segregated batches until the marijuana testing facility has completed its testing and returned those results in writing. vanGreen's will maintain testing results as part of its business books and records. vanGreen's will transport the sampl to the testing facilities licensed premise in compliance with 3AAC.306.750



Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental

Section 8 – Packaging and Labeling

Review the requirements under 3 AAC 306.470 and 3 AAC 306.475.

Answer "Yes" or "No" to the following question:

Yes No

8.1. Will the marijuana cultivation facility be packaging marijuana for a retail marijuana store to sell to a consumer without repackaging?

☒ ☐

If "Yes", describe how the marijuana cultivation facility will ensure that the marijuana sold will meet the packaging requirements in 3 AAC 306.470, and provide a sample label that the facility will use to meet the labeling requirements set forth in 3 AAC 306.475:

vanGreen's will package its marijuana for sale to a retail marijuana store in a package not exceeding 1 ounce for resale to consumers without additional handling by the retail store except to add retail stores own name, logo and license number. Also in wholesale packages not exceeding 5 pounds for repackaging by the retail store or to a product manufacturing facility in a wholesale package not exceeding 5 pounds. Packaging for resale to consumers without repackaging will not have any printed images, including cartoon characters that target persons under 21 years of age. Packaging will protect product from contamination and will not impart any toxic or damaging substance to the marijuana. Each package prepared will be identified by a METRC tracking label generated by vanGreen's. Packages prepared for transport to another marijuana establishment will be placed in a sealed tamper-evident shipping container affixing a label in compliance with 3AAC.306.475, to the shipping container and accompanied with a transport manifest that will remain with the marijuana at all times while being transported and a copy will be given to the licensed marijuana establishment, along with test results, that receives the shipment.

All Packages will have the 5 warnings

-See Attachment- 8.1

Answer "Yes" or "No" to the following question:

Yes No

8.2. Will the marijuana cultivation facility be packaging marijuana in wholesale packages?

☒ ☐

If "Yes", describe how the marijuana cultivation facility will ensure that the marijuana sold will meet the packaging requirements in 3 AAC 306.470, and provide a sample label that the facility will use to meet the labeling requirements set forth in 3 AAC 306.475:

VANGREEN'S will vacuum seal all packages not to exceed 5 lbs. Every package will have a METRC tag, test results and transfer manifest. Sealed packages will be placed in a secure/locked container, then transported in compliance.

- See Attachment- 8.2

I certify that as a marijuana cultivation facility, I will submit monthly reports to the Department of Revenue and pay the excise tax required under AS 43.61.010 and AS 43.61.020 on all marijuana sold or provided as a sample to a marijuana establishment, as required under 3 AAC 306.480.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Eric vanVeen

Printed name of licensee

Notary Public in and for the State of Alaska

My commission expires: Oct. 17, 2019

Subscribed and sworn to before me this 10th day of September, 2018.

Form MJ-04: Marijuana Cultivation Facility Operating Plan Supplemental

(Additional Space as Needed):

attachment 8.2

When vangreen's transports wholesale marijuana for retail sale or for manufacturing, a label will be affixed to the shipping container showing that a licensed marijuana testing facility has tested each harvest batch in the shipment for;

- (1) A cannabinoid potency profile expressed as a range of percentages that extends from the lowest percentage to highest percentage of concentration for each cannabinoid listed from every test conducted on that strain of marijuana cultivated by vangreen's LLC within the last three months.
- (2) A statement listing the microbial results required under 3 aac 306.645 (b) (2)
- (3) A statement listing the residual solvent results required under 3 aac 306.645 (b) (3)
- (4) A statement listing any contaminants for which the product was tested in addition to contaminants for which 3 aac 306.645 (b) requires testing, any additional tested contaminants include,
 - (a) molds, mildew, and filth.
 - (b) herbicides, pesticides, and fungicides.
 - (c) harmful chemicals

When vangreen's transports wholesale marijuana from a harvest batch that has not been tested for each contaminant listed in 3 aac 306.475 section (e) (4) molds, mildew, filth, herbicides, pesticides, fungicides and harmful chemicals. The label for that batch will include a statement identifying each contaminant for which that harvest batch has not been tested for.

Every wholesale package will have test results affixed to the shipping container, from a AMCO licensed testing facility, and logo, metric tag, warning label, weight of marijuana, strain name, harvest batch date, license number.

I have attached a sample test result from canntest.

Blue Berry

Indica

HB # 8/05/18

METRC # 1A402030000157D000000678

Cultivator:

VanGreen's LLC #16738

THC: 25.75 %

CBD: 0.12 %

Total Cannabinoid: 27.32 %

SOLD BY

WEED DUDES

Lic #: 10220

Pesticides: none

Fungicides: none

Herbicides: none

(A) "Marijuana has intoxicating effects and may be habit forming and addictive."; (B) "Marijuana impairs concentration, coordination, and judgment. Do not operate a vehicle or machinery under its influence."; (C)

"There are health risks associated with consumption of marijuana."; (D) "For use only by adults twenty-one and older. Keep out of the reach of children."; (E)

"Marijuana should not be used by women who are pregnant or breast feeding.".



1/8 oz

3.5g

Blueberry Kush

INDICA

1/8 ounce or 3.5 grams

Cultivator: vanGreen's Lic# 16738

HB#:5/10/18

Metro # 1A40203000000B1000000005

Strain: Blueberry

Pesticides, Herbicides, Fungicides: None

Total THC:18.43% Total CBD:0.04%

THCA:18.30% THC:0.13%

CBDA:0.04%, CBD:<0.01% , CBN:<0.01%

Sold by: Weed Dudes Lic#10220

(A) "Marijuana has intoxicating effects and may be habit forming and

addictive."; (B) "Marijuana impairs concentration, coordination, and

judgment. Do not operate a vehicle or machinery under its influence."; (C)

"There are health risks associated with consumption of marijuana."; (D) "For

use only by adults twenty-one and older. Keep out of the reach of children."; (E)

"Marijuana should not be used by women who are pregnant or breast feeding.".



620 E Whitney Ave.
Anchorage, AK 99501
Phone: 907-258-6878

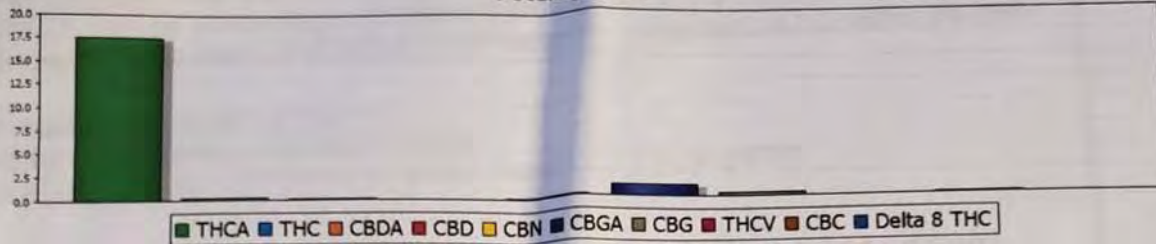
Sample ID: 825
Company: VanGreen's LLC
METRC ID: 0000033901
Transport ID: 1A40203000004B1000000003
Date Received: 2017-03-10

Moisture Content: 3.72

Strain: SFVOG

Matrix: Dried Flower

Potency Profile



Total THC %: 15.52

Total CBD %: 0.03

Total Cannabinoid %: 19.22

THCA %: 17.49

CBDA %: 0.04

THC %: 0.18

CBD %: <0.01

CBN %: <0.01

THCV %: <0.01

CBGA %: 1.20

CBG %: 0.30

D-8 THC %: <0.01

CBC %: <0.01

TERPENES RESULTS

Alpha Pinene %: 0.02

Beta Pinene %: 0.04

Beta Myrcene %: 1.02

Camphene %: <0.01

D 3 Carene %: <0.01

A-Terpinene %: <0.01

P Cymene %: 0.18

Limonene %: <0.01

Ocimene %: <0.01

G-Terpinene %: <0.01

Terpinolene %: 0.02

Linalool %: <0.01

Isopulegol %: 0.01

Geraniol %: <0.01

B-Caryophyllene %: 0.07

A-Humulene %: 0.02

Nerolidol %: 0.04

A- Bisabolol %: 0.03

Guaiol %: 0.02

Total Terpene %: 1.50

MICROBIAL RESULTS:

Overall Result: Passed

E-Coli (STEC): Passed

Salmonella Result:

Passed

Aspergillus Fumigatus Result: Passed

Aspergillus Flavus Result:

Passed

Aspergillus Niger Result: Passed

MICROSCOPE EVALUATION:

Observations:



DBA VanGreen's LLC

lic #16738

3-13-2017



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

Alaska Marijuana Control Board

Form MJ-07: Public Notice Posting Affidavit

What is this form?

A public notice posting affidavit is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(10). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by posting a true copy of the application for ten (10) days at the location of the proposed licensed premises and one other conspicuous location in the area of the proposed premises, per 3 AAC 306.025(b)(1).

This form must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	VanGreen's LLC	License Number:	16738
License Type:	Standard marijuana Cultivation Facility		
Doing Business As:	VanGreen's LLC		
Premises Address:	224 Smith St. #D & #E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 – Certification

I certify that I have met the public notice requirement set forth under 3 AAC 306.025(b)(1) by posting a copy of my application for the following 10-day period at the location of the proposed licensed premises and at the following conspicuous location in the area of the proposed premises:

Start Date: 09/20/2018

End Date: 09/25/2018

Other conspicuous location: Cascade Convenience 1211 Sawmill Creek Rd. #A

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Eric vanVeen
Signature of licensee

Eric vanVeen

Printed name of licensee

[Signature]
Notary Public in and for the State of Alaska

My commission expires: Oct. 17, 2019

Subscribed and sworn to before me this 26th day of September, 2018.



Public Notice

Application for Marijuana Establishment License

License Number: 16738

License Status: Initiated

License Type: Standard Marijuana Cultivation Facility

Doing Business As: VANGREEN'S LLC

Business License Number: 1063448

Email Address: vangreen907@gmail.com

Latitude, Longitude: 57.051394, -135.307136

Physical Address: 224 Smith Street #D & #E
Sitka, AK 99835
UNITED STATES

Licensee #1

Type: Entity

Alaska Entity Number: 10073693

Alaska Entity Name: vanGreen's LLC

Phone Number: 907-738-9554

Email Address: vangreen907@gmail.com

Mailing Address: 107 Somer Drive
Sitka, AK 99835
UNITED STATES

Entity Official #1

Type: Individual

Name: Eric vanVeen

Phone Number: 907-738-9554

Email Address: vangreen907@gmail.com

Mailing Address: 107 Somer Dr.
Sitka, AK 99835
UNITED STATES

Entity Official #2

Type: Individual

Name: Anna Cleaver

Phone Number: 907-738-6423

Email Address: amsitka@gmail.com

Mailing Address: 100 Bahovec Court
Sitka, AK 99835
UNITED STATES

Entity Official #3

Type: Individual

Name: Darby Ipock

Phone Number: 907-738-9905

Email Address: dipock10@live.com

Mailing Address: 707 B Lake St.
Sitka, AK 99835
UNITED STATES

Entity Official #4

Type: Individual

Name: Bae Olney-Miller

Phone Number: 907-738-8170

Email Address: boeolneymiller@yahoo.com

Mailing Address: 505 O'Cain St.
Sitka, AK 99835
UNITED STATES

Entity Official #5

Type: Individual

Name: Virginia Olney

Phone Number: 206-802-8889

Email Address: ginnyolney@gmail.com

Mailing Address: PO Box 2456
Sitka, AK 99835
UNITED STATES

Entity Official #6**Type:** Individual**Name:** Lewis Schumejda**Phone Number:** 907-752-0792**Email Address:** lewdawg121@gmail.com**Mailing Address:** PO Box 2182
Sitka, AK 99835
UNITED STATES**Entity Official #7****Type:** Individual**Name:** Carol Wright**Phone Number:** 907-738-1521**Email Address:** jwright@acsalaska.net**Mailing Address:** 409 Mills St
Sitka, AK 99835
UNITED STATES

Note: No affiliates entered for this license.

Interested persons may object to the application by submitting a written statement of reasons for the objection to their local government, the applicant, and the Alcohol & Marijuana Control Office (AMCO) not later than 30 days after the director has determined the application to be complete and has given written notice to the local government. Once an application is determined to be complete, the objection deadline and a copy of the application will be posted on AMCO's website at <https://www.commerce.alaska.gov/web/amco>. Objections should be sent to AMCO at marijuana.licensing@alaska.gov or to 550 W 7th Ave, Suite 1600, Anchorage, AK 99501.

POSTING DATE 9-20-18



Alaska Marijuana Control Board

Form MJ-08: Local Government Notice Affidavit**What is this form?**

A local government notice affidavit is required for all marijuana establishment license applications with a proposed premises that is located within a local government, per 3 AAC 306.025(b)(3). As soon as practical after initiating a marijuana establishment license application, an applicant must give notice of the application to the public by submitting a copy of the application to each local government and any community council in the area of the proposed licensed premises. For an establishment located inside the boundaries of city that is within a borough, both the city and the borough must be notified.

This form must be completed and submitted to AMCO's main office before any new or transfer license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	VanGreen's LLC	License Number:	16738
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	VanGreen's LLC		
Premises Address:	224 Smith St. #D & #E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 – Certification

I certify that I have met the local government notice requirement set forth under 3 AAC 306.025(b)(3) by submitting a copy of my application to the following local government (LG) official(s) and community council (if applicable):

Local Government(s): City of Sitka Date Submitted: 9-26-18

Name/Title of LG Official 1: Sara Peterson / city clerk Name/Title of LG Official 2: _____

Community Council: _____ Date Submitted: _____
(Municipality of Anchorage and Matanuska-Susitna Borough only)

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Eric vanVeen
Signature of licensee

Eric vanVeen

Printed name of licensee

Lynn Blankenship
Notary Public in and for the State of Alaska

My commission expires: Oct. 17, 2019

Subscribed and sworn to before me this 26th day of September, 2018.



Alcohol and Marijuana Control Office

550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

marijuana.licensing@alaska.gov

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

Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each proposed licensee or affiliate before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	vanGreen's LLC	License Number:	16738
License Type:	standard <i>Marijuana cultivation Facility</i>		
Doing Business As:	vanGreen's <i>LLC</i>		
Premises Address:	224 Smith St. #D & #E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Eric vanVeen
Title:	owner
SSN:	[REDACTED]



Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Alcohol and Marijuana Control Office

550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

marijuana.licensing@alaska.gov

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

Phone: 907.269.0350

Section 3 – Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

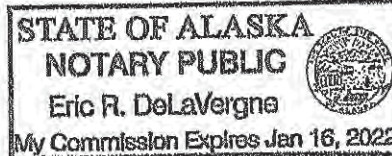
I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

Signature of licensee/affiliate

Eric Van Veen

Printed name

Subscribed and sworn to before me this 26th day of January, 2018.



Notary Public in and for the State of Alaska.

My commission expires: Jan 16, 2022



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

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each proposed licensee or affiliate before any license application will be considered complete.

Section 1 - Establishment Information

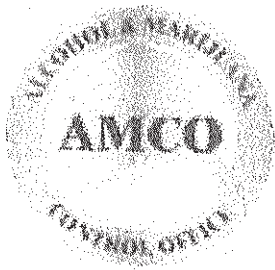
Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	vanGreen's LLC	License Number:	16738
License Type:	standard <i>Marijuana Cultivation Facility</i>		
Doing Business As:	vanGreen's <i>LLC</i>		
Premises Address:	224 Smith St. #D & #E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 - Individual Information

Enter information for the individual licensee or affiliate.

Name:	<i>Anna Cleaves</i>		
Title:	owner		
SSN:	[REDACTED]		



Alcohol and Marijuana Control Office
550 W 3rd Avenue, Suite 1600
Anchorage, AK 99501
amco@alaska.gov
http://www.alaskamarijuanacontrol.org
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 - Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(c)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI), and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record. The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

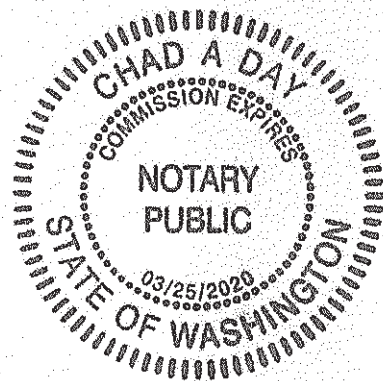
Anna Michelle Cleaver
Signature of licensee

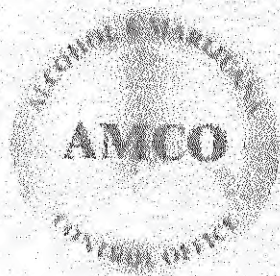
Chad A. Day
Notary Public in and for the State of Alaska Washington

Anna Michelle Cleaver
Printed name of licensee

My commission expires: *March 25, 2020*

Subscribed and sworn to before me this *30th* day of *January*, 20*18*





Alcohol and Marijuana Control Office
550 W. 7th Avenue, Suite 3600
Anchorage, AK 99501
Telephone: 907.269.3333
Fax: 907.269.3344

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each proposed licensee or affiliate before any license application will be considered complete.

Section 1 - Establishment Information

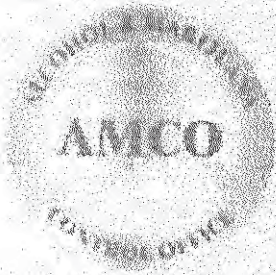
Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	vanGreen's LLC	License Number:	16738		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	vanGreen's LLC				
Premises Address:	224 Smith St. #D & #E				
City:	Sitka	State:	AK	ZIP:	99835

Section 2 - Individual Information

Enter information for the individual licensee or affiliate.

Name:	Darby Ipock		
Title:	Owner		
SSN:	[REDACTED]	Date of Birth:	[REDACTED]



Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest


Section 3 - Certifications

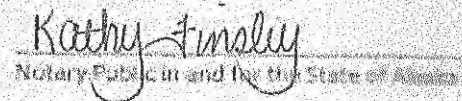
I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.013(e)(1), in the business for which a marijuana establishment license is being applied for.

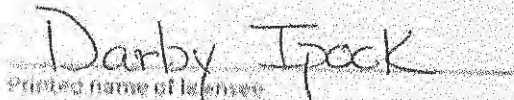
I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.010.

I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI), and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record. The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.


Signature of licensee


Notary Public in and for the State of Alaska


Printed name of licensee

My commission expires 02/25/19

Subscribed and sworn to before me this 30th day of January 2018





Alcohol and Marijuana Control Office
300 W. 7th Avenue, Suite 1000
Anchorage, AK 99501
Phone: 907.269.1100

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.020(a)(1)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each proposed licensee or affiliate before any license application will be considered complete.

Section 1 - Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	vanGreen's LLC	License Number:	16738
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	vanGreen's LLC		
Premises Address:	224 Smith St. #D3#E		
City:	Sitka	State:	AK
		ZIP:	99835

Section 2 - Individual Information

Enter information for the individual licensee or affiliate.

Name:	Bae Olney-Miller		
Title:	Owner		
SSN:	[REDACTED]	Date of Birth:	[REDACTED]



Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Alcohol and Marijuana Control Office

550 W 7th Avenue, Suite 1600

Anchorage, AK 99501

marijuana.licensing@alaska.gov

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

Phone: 907.269.0350

Section 3 – Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

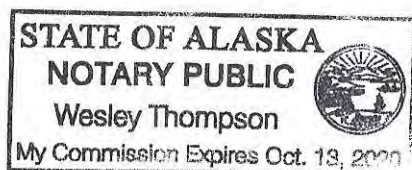
I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I declare under penalty of perjury that I have examined this form, including all accompanying schedules and statements, and to the best of my knowledge and belief find it to be true, correct, and complete.

Signature of licensee/affiliate

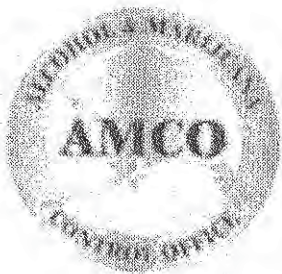
Bae Olney-Miller
Printed name

Subscribed and sworn to before me this 1 day of February, 2018.



[Signature]
Notary Public in and for the State of Alaska.

My commission expires: Oct 13, 2020



Alcohol and Marijuana Control Office
550 W 7th Avenue, Suite 1050
Anchorage, AK 99501
www.alaska.gov/marijuana
<https://www.commerce.state.ak.us/marijuana>
Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

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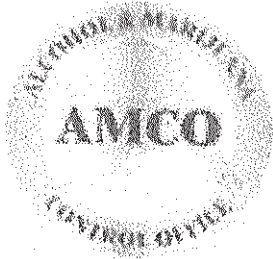
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Licensee:	vanGreen's LLC	License Number:	16738		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	vanGreen's LLC				
Premises Address:	224 Smith St #D3#E				
City:	Sitka	State:	Ak	ZIP:	99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Virginia Olney				
Title:	Owner				
SSN:	[REDACTED]		Date of Birth:	[REDACTED]	



Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Alcohol and Marijuana Control Office
2100 W. 7th Avenue, Suite 200
Anchorage, AK 99501
www.alaska.gov/marijuana
Phone: 907.269.2000

Section 3 - Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(j)(1), in the business for which a marijuana establishment license is being applied for.

I further certify that any ownership change shall be reported to the board as required under 3 AAC 306.040.

I understand that my fingerprints will be used to check the criminal history records of the Federal Bureau of Investigation (FBI) and that I have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record. The proceedings for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

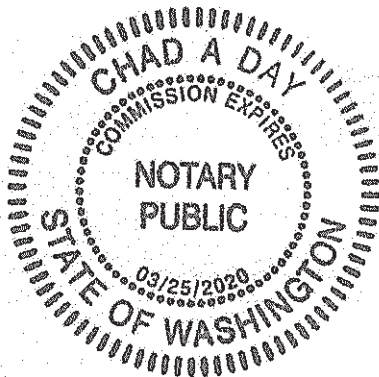
Signature of licensee

Printed name of licensee

Chad A Day
Notary Public in and for the State of ~~Alaska~~ Washington

My commission expires: *March 25, 2020*

Subscribed and sworn to before me this *30th* day of *January*, 2018





Alcohol and Marijuana Control Office

550 W 7th Avenue, Suite 1100

Anchorage, AK 99501

<http://www.alaskamarijuanacontrol.org>

<http://www.alaskamarijuanacontrol.org>

Phone: 907.269.0350

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

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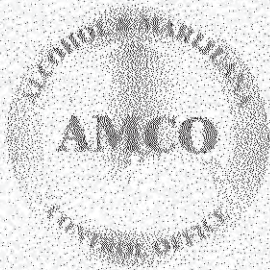
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Licensee:	vanGreen's LLC	License Number:	16738		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	vanGreen's LLC				
Premises Address:	224 Smith St. #D 3 #E				
City:	Sitka	State:	Ak	ZIP:	99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Lewis Schumejda		
Title:	Owner		
SSN:	[REDACTED]	Date of Birth:	[REDACTED]



Alcohol and Marijuana Control Office
350 W. 7th Avenue, Suite 1600
Anchorage, AK 99501
marijuana.licensing@alaska.gov
<http://www.alaska.gov/commerce/akstate/amlj/amlj.html>
Phone: 907.269.0050

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 - Certifications

I certify that no person other than a proposed licensee listed on my marijuana establishment license application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which a marijuana establishment license is being applied for.

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I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Lewis M. Schmejda
Signature of licensee

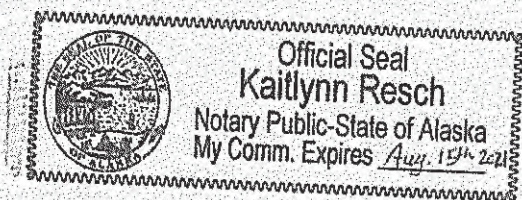
Lewis M. Schmejda
Printed name of licensee

Kaitlynn Resch

Notary Public in and for the State of Alaska

My commission expires: Aug. 15th 2021

Subscribed and sworn to before me this 6th day of Feb., 2018.





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

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

What is this form?

A statement of financial interest completed by each proposed licensee (as defined in 3 AAC 306.020(b)(2)) and affiliate (as defined in 3 AAC 306.990(a)(1)) is required for all marijuana establishment license applications, per 3 AAC 306.020(b)(4). A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each proposed licensee or affiliate before any license application will be considered complete.

Section 1 – Establishment Information

Enter information for the business seeking to be licensed, as identified on the license application.

Licensee:	vanGreen's LLC	License Number:	16738		
License Type:	Standard Marijuana Cultivation Facility				
Doing Business As:	vanGreen's LLC				
Premises Address:	224 Smith St. #D 3 #E				
City:	Sitka	State:	AK	ZIP:	99835

Section 2 – Individual Information

Enter information for the individual licensee or affiliate.

Name:	Carol Wright		
Title:	Owner		
SSN:	[REDACTED]	Date of Birth:	[REDACTED]



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

Alaska Marijuana Control Board

Form MJ-09: Statement of Financial Interest

Section 3 – Certifications

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The procedures for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

I declare under penalty of unsworn falsification that this form, including all accompanying schedules and statements, is true, correct, and complete.

Signature of licensee

Carol Lynn Wright

Printed name of licensee



Alina Farrell
Notary Public
State of Florida
My Commission Expires
February 15, 2021
Commission No. GG 73338

Notary Public in and for the State of ~~ALASKA~~ FLORIDA

My commission expires: 2/15/2021

Subscribed and sworn to before me this 5th day of February, 2018.

Alcohol & Marijuana Control Office

Initiating License Application

9/20/2018 3:23:35 PM

License Number: 16738**License Status:** New**License Type:** Standard Marijuana Cultivation Facility**Doing Business As:** VANGREEN'S LLC**Business License Number:** 1063448**Designated Licensee:** Eric vanVeen**Email Address:** vangreen907@gmail.com**Local Government:** Sitka (City and Borough of)**Community Council:****Latitude, Longitude:** 57.051394, -135.307136**Physical Address:** 224 Smith Street #D & #E
Sitka, AK 99835
UNITED STATES**Licensee #1****Type:** Entity**Alaska Entity Number:** 10073693**Alaska Entity Name:** vanGreen's LLC**Phone Number:** 907-738-9554**Email Address:** vangreen907@gmail.com**Mailing Address:** 107 Somer Drive
Sitka, AK 99835
UNITED STATES**Entity Official #1****Type:** Individual**Name:** Eric vanVeen
[REDACTED]
[REDACTED]**Phone Number:** 907-738-9554**Email Address:** vangreen907@gmail.com**Mailing Address:** 107 Somer Dr.
Sitka, AK 99835
UNITED STATES**Entity Official #2****Type:** Individual**Name:** Anna Cleaver
[REDACTED]
[REDACTED]**Phone Number:** 907-738-6423**Email Address:** amtsitka@gmail.com**Mailing Address:** 100 Bahovec Court
Sitka, AK 99835
UNITED STATES**Entity Official #3****Type:** Individual**Name:** Darby Ipock
[REDACTED]
[REDACTED]**Phone Number:** 907-738-9905**Email Address:** dipock10@live.com**Mailing Address:** 707 B Lake St.
Sitka, AK 99835
UNITED STATES**Entity Official #4****Type:** Individual**Name:** Bae Olney-Miller
[REDACTED]
[REDACTED]**Phone Number:** 907-738-8170**Email Address:** boeolneymiller@yahoo.com**Mailing Address:** 505 O'Cain St.
Sitka, AK 99835
UNITED STATES**Entity Official #5****Type:** Individual**Name:** Virginia Olney
[REDACTED]
[REDACTED]**Phone Number:** 206-802-8889**Email Address:** ginnyolney@gmail.com**Mailing Address:** PO Box 2456
Sitka, AK 99835
UNITED STATES

Entity Official #6**Type:** Individual**Name:** Lewis Schumejda

[REDACTED]

[REDACTED]

Phone Number: 907-752-0792**Email Address:** lewdawg121@gmail.com**Mailing Address:** PO Box 2182
Sitka, AK 99835
UNITED STATES**Entity Official #7****Type:** Individual**Name:** Carol Wright

[REDACTED]

[REDACTED]

Phone Number: 907-738-1521**Email Address:** jwright@acsalaska.net**Mailing Address:** 409 Mills St.
Sitka, AK 99835
UNITED STATES**Note:** No affiliates entered for this license.

COMMERCIAL LEASE

THIS COMMERCIAL LEASE (the "Lease") is made by and between Steve Skannes of CPH Rentals (hereinafter called the "Lessor" or "Landlord") of 224 Smith Street, Sitka, AK 99835, and vanGreen's, LLC (hereinafter called the "Lessee" or "Tenant") of 107 Somer Drive, Sitka, AK 99835, for the property known as 224 Smith Street, Units D & E, Sitka, AK 99835

1. Property. In consideration of the mutual covenants contained herein, the Lessor hereby leases to the Lessee, and the Lessee hereby leases from the Lessor the "Lease Space" located at the above rental address. This lease includes parking in front of Lease Space, directly in back, or to the side of the building. However, Lessee may not impact Gary's Outboard business. The Lessee has inspected and shall accept the Premises in its current condition, for the purpose of a marijuana cultivation business. **Landlord acknowledges that the premises will be used for a marijuana establishment.**

2. Term. The Lessee is to have and hold the Premises for a term of Thirty Six (36) months. The term shall commence on February 1, 2018 (the "commencement date") and shall expire on January 31, 2021 (the "expiration date").

In the event the City of Sitka or the State of Alaska does not approve Lessee for a marijuana license(s), the lease term shall be for one (1) year.

It is the intention of the parties that Lessee have the option to purchase the Premises.

3. Rental Amount.

(a) Monthly Base Rent. The Lessee shall pay to the Lessor monthly base rent (the "monthly base rent") on or before the first day of each calendar month in an amount equal to Three Thousand Six Hundred (\$3,600.00) per calendar month, and begin on February 1, 2018 and each month of this lease thereafter. All monthly base rent shall be paid to the Lessor at the address to which notices to the Lessor are given.

(b) Sales Tax. The Lessee shall pay to the Lessor any applicable sales tax on the monthly base rent.

(c) Late Penalty. Any rent or other sum required under this Lease to be paid that is not paid within five (5) days of the due date shall be assessed a late charge of One Hundred Dollars (\$100.00); such amount shall be considered liquidated damages and shall be due and payable as additional rent. In the event the late charge assessed above exceeds the maximum amount allowable by law, the amount assessed will be adjusted to the maximum amount allowable by law. To be considered paid, Lessor must have received the rent or other sum required under this Lease.

d) First and last month's rent and a security deposit (of equal amount) in the amount of \$10,800 shall be due on signing.

4. Utilities. The Lessee, at its costs, shall pay all costs for quantities of water, sewer, garbage, electricity, and other utilities used or consumed on the Premises, or which become due and payable. Lessee shall arrange with the City and Borough of Sitka to be the named persons responsible for all payments for utilities provided by the City and Borough of Sitka to the Premises. The Lessee shall be responsible for, shall arrange for delivery of, and shall pay for all fuel oil (diesel fuel #2), if any, required to operate the any utilities provided with the Premises. If applicable, the Lessor shall provide a full fuel tank when the Lessee takes possession. Likewise, if applicable, the Lessee shall leave a full fuel tank upon termination of the term or extended term of this Lease.

5. Maintenance and Repair. The Lessee, at its cost, shall: maintain the Premises in good condition; make all repairs of whatever kind and nature, foreseen and unforeseen, as may be necessary or appropriate to keep the Premises in good condition and neat; and, remove from the Premises all debris and garbage, and provide all landscaping, gardening, and ice and snow removal. The Lessee, at its cost, shall furnish all janitorial and cleaning services and supplies for the Premises. Lessee shall be responsible for making the premises suitable for its business, and shall be solely responsible for security any necessary permits, licenses, and other approvals.

Any modifications or remodels must be pre-approved by Landlord before the start of any project. This includes exterior, interior, and groundwork on the Premises, or any property common areas. Any impact on utilities or sprinkler design will be paid by Lessee, and Lessee will only use licensed, bonded, and insured contractors for any major remodel. Landlord determines what is a major remodel and what is not. When Premises is vacated, all remodels are to be removed and premises is to be restored to its original condition by Lessee, and if Lessee fails to do so, all costs will be done by Landlord and billed to Lessee.

6. Landlords Right of Entry. Due to state laws regulating cannabis, Landlord and tenant agree that Landlord may only enter the Premises when accompanied by authorized Lessee personnel.

7. Insurance Requirements. The Lessee, at its cost, shall maintain a comprehensive general liability policy against all liability of the Lessee and its authorized representatives arising out of and in connection with the Lessees use or occupancy of the Premises. The Lessee shall deliver a certificate or copy of such policy, together with evidence of all premiums, to the Lessor within 30 days after commencement of this Lease. The Lessee shall also deliver to the Lessor satisfactory evidence of the renewal of such policy and the payment of all renewal premiums not less than thirty (30) days before the expiration of any policy.

8. Destruction.

(a) Option to Terminate. In the event the Premises is damaged or destroyed so as to render the Premises totally or partially untenable, the Lessor may elect to terminate this Lease by giving a notice of termination to the Lessee within ninety (90) days from the date of such damage or destruction. In the event the Lessor does not elect to terminate this Lease, the Lessor shall restore the Premises. In the event the Lessor elects to terminate this Lease, this Lease shall terminate on the date the Lessee received the Lessor's notice of termination.

(b) Restoration. In the event the Premises is to be restored, the Lessor with all due diligence shall restore the Premises to substantially the same condition as immediately prior to the date of such damage or destruction, and the Lessee, at its cost, shall restore or repair its improvements, fixtures, and equipment as may be necessary and appropriate to reopen and operate the Premises. All restoration shall be in accordance with the Lessor's plans and specifications at that time and in full compliance with all applicable laws and ordinances.

(c) Abatement of Rent. During the period of untenantability, the monthly base rent shall abate in the same ratio as the portion of the Premises rendered untenantable bears to the whole of the Premises, but all terms and conditions of the Lease shall remain in full force and effect.

9. Alterations and Improvements. Lessee is responsible for all costs of alteration, additions and improvements. Lessee is permitted to make reasonable alterations inside the Premises, but only with the written consent of Landlord.

10. Default. The occurrence of any of the following shall constitute a default by the Lessee:

a) Nonpayment. The failure to make payment of any installment of the monthly base rent, or of any other sum required under this Lease to be paid by Lessee if not paid by the due date;

b). Abandonment. The abandonment of the Premises (failure to operate the Sublet Premises) for a period of thirty (30) consecutive days shall be deemed an abandonment;

c) Receiver. The appointment of a receiver or a debtor-in-possession to take possession of the Premises or improvements or of the Lessee's interest in the leasehold estate or of the Lessee's operations on the Premises by reason of the Lessee's insolvency;

d) Bankruptcy. An assignment by the Lessee for the benefit of creditors or the filing of a voluntary or involuntary petition by or against the Lessee under any law for the purpose of adjudicating the Lessee a bankrupt; or for extending time for payment, adjustment, or satisfaction of the Lessee's liabilities; or for reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency; unless the assignment or proceeding, and all consequent orders, adjudications, custodies and supervision are dismissed, vacated, or otherwise permanently stayed or terminated within thirty (30) days after the assignment, filing, or other initial event;

e) Enforcement Action or Noncompliance with State or Local Laws. Federal law enforcement action against Lessee or Lessor for marijuana activities on the premises including prosecution, investigation, or forfeiture; the non-compliance by Lessee with other Federal law (other than marijuana related), noncompliance with any state or local statute, law, or ordinance, including but not limited to the state marijuana licensing and program rules and local zoning ordinances, any civil action faced by Lessee or Lessor as a result of the marijuana cultivation business; and

f) Violation of Agreement. The failure to observe or perform any of the Lease Agreement's other covenants, agreements, or obligations hereunder, if any such default shall not be cured within thirty (30) days after notice of default has been given to the Lessee.

In the event of default by Lessee, Landlord will immediately notify AMCO. Landlord will not remove or take possession of marijuana without prior written permission from AMCO on its disposal.

11. Remedies and Vacation/Surrender of the Premises. In the event of default, after AMCO has been notified and has authorized disposal of marijuana, the Lessor shall have the following remedies in addition to all other rights and remedies allowable at law or equity, to which the Lessor may resort cumulatively or in the alternative:

a) Relet. The Lessor shall have the right, at its election, during the period that the Lessee is in default, to enter the Premises and relet it, or any part of it, to any third party for the Lessee's account, and the Lessee shall remain liable under this Lease for all costs the Lessor incurs in reletting the Premises, including, but not limited to, brokers' commissions, demolition, remodeling, and similar costs. In the event the Lessor reenters and relets the Premises, the Lessee shall pay to the Lessor all rent due under this Lease, less the rent the Lessor receives from any such reletting.

b) Terminate. The Lessor shall have the right, at its election, during the period that Lessee is in default, to give the Lessee notice of the Lessor's intention to terminate this Lease and all of the Lessee's rights hereunder, and on the date specified in such notice, including early and/or immediate termination of the term of this Lease, and all rights granted the Lessee hereunder shall come to an end as fully as if the lease then expired by its own terms.

c) Retake. In the event of termination of this Lease, the Lessor shall have the right to repossess the Sublet Premises either with process of law or through any form of suit or proceeding, as well as the right to sue for and recover all rents and other sums accrued up to the time of such termination, and damages arising out of any breach on the part of the Lessee, including damages for rent not then accrued. The Lessor shall also have the right, without resuming possession of the Premises or terminating this Lease, to sue for and recover all rents and other sums, including damages at any time and from time to time.

Upon termination of this Lease, for default or otherwise (such as expiration of this Lease), Lessee shall vacate the Premises and surrender it to Landlord.

12. Assignment. The Lessee shall not voluntarily assign or encumber its interest in this lease or in the Premises, or sublease all or any part of the Premises, or allow any other person or entity (except the Lessee's authorized representatives) to occupy or use all or any part of the Premises, without first obtaining the Lessor's written consent. Any dissolution, merger, consolidation, or other reorganization of the Lessee, or the sale or other transfer of a controlling percentage of the capital stock of the Lessee, or the sale of at least fifty-one percent (51%) of the value of the assets of the Lessee, shall be deemed a voluntary assignment. "Controlling percentage" shall mean the ownership of and tie right to vote stock possession at least fifty-one percent (51%) of the total combined voting power of all classes of the Lessee's capital stock

issued, outstanding, and entitled to vote for the election of directors. Any assignment, encumbrance, or sublease without the Lessor's written consent shall be voidable and, at the Lessor's election, shall constitute a default. No consent to any assignment, encumbrance, or sublease shall constitute a further waiver of the provisions of this Section 15.

13. Miscellaneous.

A. Severability. If any part or parts of this Lease shall be held unenforceable for any reason, the remainder of this Lease shall continue in full force and effect. If any provision of this Lease is deemed invalid or unenforceable by any court of competent jurisdiction, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

B. Binding Effect. The covenants and conditions contained in the Lease shall apply to and bind the parties and the heirs, legal representatives, successors and permitted assigns of the parties.

C. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of Alaska.

D. Entire Agreement. This Lease constitutes the entire agreement between the Parties and supersedes any prior understanding or representation of any kind preceding the date of this Lease. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified in writing and must be signed by both Landlord and Tenant.

E. Notice. Any notice required or otherwise given pursuant to this Lease shall be in writing and mailed certified return receipt requested, postage prepaid, or delivered by overnight delivery service, if to Lessee, at the Premises and if to Landlord, at the address for payment of Rent. Either party may change such addresses from time to time by providing notice as set forth above.

F. Waiver. The failure of either party to enforce any provisions of this Lease shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease. The acceptance of Rent by Landlord does not waive Landlord's right to enforce any provisions of this Lease.

G. Federal law. The parties mutually agree that federal illegality of cannabis operations on the premises is not a valid defense to any claim arising from this Lease Agreement. Thus, the parties waive the right to present any such defense related to the status of cannabis under federal law.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed the day and year first above written.

LANDLORD:

Steve Skannes
(Signature)
Steve Skannes
(Print Name)
landlord
Title (if applicable)

TENANT:

Eric VanVeen 9-25-18
(Signature), vanGreen's, LLC
By its Manager Eric VanVeen
Designated licensee
Title (if applicable)

Affidavit of Publication

STATE OF ALASKA
FIRST JUDICIAL DISTRICT) ss.
AT SITKA, ALASKA

Travis Smith, being first sworn, says she or he
is the publisher, managing editor or business manager of the DAILY SITKA
SENTINEL, a newspaper printed and published in Sitka, Alaska, and le-
gally qualified as a medium of official and legal publications, and that the
Legal Notice a copy of
which is hereto annexed, was published in the Daily Sitka Sentinel on:

9/10/18, _____, _____,
_____, _____, _____,
_____, _____, _____,
_____, _____, _____,
_____, _____, _____,

Signature [Signature]

Sworn and subscribed to
before me this 1 day of 9, 20 18

Notary Public for Alaska [Signature]
My commission expires _____, 20 _____

STATE OF ALASKA
NOTARY PUBLIC
AMABEL F. POULSON
My Commission Expires 1-15-22

LEGAL NOTICE
vanGreen's LLC is applying under 3 AAC 306.400(a)(1) for a new
Standard Marijuana Cultivation Facility license, license #16738,
doing business as VANGREEN'S LLC, located at 224 Smith St.
#D & #E, Sitka, AK, 99835, UNITED STATES.
Interested persons may object to the application by submitting a
written statement of reasons for the objection to their local govern-
ment, the applicant, and the Alcohol & Marijuana Control Office
(AMCO) not later than 30 days after the director has determined
the application to be complete and has given written notice to the
local government. Once an application is determined to be com-
plete, the objection deadline and a copy of the application will
be posted on AMCO's website at <https://www.commerce.alaska.gov/web/amco>. Objections should be sent to AMCO at marijuana.licensing@alaska.gov or to 550 W. 7th Ave., Suite 1600, Anchor-
age, AK 99501.
Published: September 10, 2018

DBA vanGreen's LLC license #16738



CITY AND BOROUGH OF SITKA

Legislation Details

File #: RES 18-23 Version: 1 Name:

Type: Resolution Status: AGENDA READY

File created: 10/16/2018 In control: City and Borough Assembly

On agenda: 10/23/2018 Final action:

Title: Supporting full funding from the State of Alaska for the Municipal Harbor Facility Grant Program

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Memo and Res 2018-23.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 2018-23 on
first and final reading.

Note: The Port and Harbors Commission, at their meeting of October 10, approved a motion in support of Resolution 2018-23.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

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

From: Stan Eliason, Harbormaster

Date: October 10th 2018

Subject: Approval of Resolution in Support of Full Funding from the State of Alaska for the Municipal Harbor Facility Grant Program

Background

The substantive portions of this resolution were drafted by the Alaska Association of Harbormasters and Port Administrators (AAHPA), of which CBS Harbor Department is a member. This resolution recommends full funding for the State of Alaska Department of Transportation's Harbor facility Grant Program. CBS has been a beneficiary of approximately \$11.6 million in harbor grant funding since the program's inception (2006).

The CBS has submitted two applications this year for a total of \$1.7M for Eliason Harbor electrical upgrades and for the installation of zinc anodes in Thomsen Harbor. The City & Borough of Sitka along with the municipalities of the City of Ketchikan, the City and Borough of Juneau, the Municipality of Anchorage and the City of Angoon have offered to contribute \$7,409,439 in local match funding for FY2020 towards seven harbor projects of significant importance for Alaska.

Recommendation

Approve Resolution 2018-23.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2018-23

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA SUPPORTING FULL FUNDING FROM THE STATE OF ALASKA FOR THE MUNICIPAL HARBOR FACILITY GRANT PROGRAM

WHEREAS, a majority of the public boat harbors in Alaska were constructed by the State during the 1960s and 1970s; and

WHEREAS, these harbor facilities represent critical transportation links and are the transportation hubs for waterfront commerce and economic development in Alaskan coastal communities; and

WHEREAS, these harbor facilities are ports of refuge and areas for protection of oceangoing vessels and fishermen throughout the State of Alaska, especially in coastal Alaskan communities; and

WHEREAS, over the past 30 years, the State of Alaska has transferred ownership of most of these state-owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

WHEREAS, the municipalities accepted ownership from the State of Alaska despite knowing that the harbor facilities were in poor condition at the time of transfer due to the State's failure to keep up with deferred maintenance; and

WHEREAS, consequently, when local municipal harbormasters formulated their annual harbor facility budgets, they inherited a major financial burden that their local municipal governments could not afford; and

WHEREAS, in response to this financial burden, the Governor and the Alaska Legislature passed legislation in 2006, supported by the Alaska Association of Harbormasters and Port Administrators, to create the Harbor Facility Grant Program, AS 29.60.800; and

WHEREAS, the Department of Transportation and Public Facilities administers this program by reviewing, scoring, and ranking applicants seeking the limited state funds; and

WHEREAS, for each harbor facility grant application, the municipalities have committed to invest 100 percent of the design and permitting costs and 50 percent of the construction cost; and

WHEREAS, the City and Borough of Sitka along with the municipalities of the City of Ketchikan, the City and Borough of Juneau, the Municipality of Anchorage, and the City of Angoon have offered to contribute \$7,409,439 in local match funding for FY2020 towards seven harbor projects of significant local importance, as required by the Municipal Harbor Facility Grant Program; and

WHEREAS, completion of these harbor facility projects is dependent on the 50 percent match from the State of Alaska's Municipal Harbor Facility Grant Program; and

WHEREAS, during the last ten years the Municipal Harbor Facility Grant Program has only been fully funded twice; and

54
55 **WHEREAS**, during the last ten years the backlog of projects necessary to repair and replace these
56 former state-owned harbors has increased to over \$100,000,000.
57
58

59 **NOW, THEREFORE, BE IT RESOLVED** by the Assembly of the City and Borough of Sitka that the
60 City and Borough of Sitka urges full funding in the amount of \$7,409,439 by the Governor and the
61 Alaska Legislature for the State of Alaska's Harbor Facility Grant Program in the FY2020 State Capital
62 Budget in order to ensure enhanced safety and economic prosperity among Alaskan coastal
63 communities.
64

65 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska on
66 this 23rd day of October, 2018.
67
68

69
70 _____
71 Gary L Paxton, Mayor

72 ATTEST:
73
74

75 _____
76 Sara Peterson, MMC
77 Municipal Clerk

78 1st and final reading 10/23/18
79

80 Sponsor: Administrator



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 18-202 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 10/16/2018 In control: City and Borough Assembly

On agenda: 10/23/2018 Final action:

Title: Reappointments: 1) Ken Creamer to a three-year term on the Port and Harbors Commission 2) Randy Hughey to a three-year term on the Planning Commission 3) Jeff Arndt to a three-year term on the Health Needs and Human Services Commission

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Reappointments.pdf](#)
[Creamer Application.pdf](#)
[Hughey Application.pdf](#)
[Arndt Application.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO reappoint 1) Ken Creamer to a three-year term on the Port and Harbors Commission, 2) Randy Hughey to a three-year term on the Planning Commission and 3) Jeff Arndt to a three-year term on the Health Needs and Human Services Commission.



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

Board/Commission/Committee: Port & Harbors
Name: Ken Creamer Daytime Phone: [REDACTED]
Address: [REDACTED] Evening Phone: [REDACTED]
Email Address: [REDACTED] Fax Number: [REDACTED]
Length of Residence in Sitka: 24 years Registered to vote in Sitka? ☒ Yes ☐ No
Employer: [REDACTED]
Organizations you belong to or participate in: Masons, Elks, NRA

Explain your main reason for applying:

To help develop harbors plans

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

Have served on Port & Harbors Commission previously and understand how it functions

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: 10-8-18 Signature: Ken Creamer

Your complete application and resume should be returned to the Municipal Clerk's Office by noon on the Wednesday prior to an advertised Assembly meeting. Applications received after the deadline will be considered but will not be included in the Assembly packets for review prior to appointment.

Appointments are normally made during open session of an Assembly meeting, however, Assembly members may vote to discuss applicant(s) in closed executive session. In this case, do you wish to be present when your application is discussed? ☒ Yes ☐ No

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



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 12/12/20	CHAIR
MELISSA GREENHALGH PO Box 25	738-1320 melissarae1984@yahoo.com	2/11/15 5/24/16	3/26/16 5/24/19	VICE CHAIR
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 3/13/18	3/24/18 3/13/21	
CHRIS YSTAD 104 Chirikov Drive	738-1560 fathom99835@yahoo.com	5/22/18	5/22/21	
<i>BRENDAN JONES PO Box 6265</i>	<i>738-8209 brendanisaacjones@gmail.com</i>	<i>2/9/16 6/14/16</i>	<i>6/11/16 6/14/19</i>	<i>Resigned 8/7/18</i>
Stan Eliason Office: 617 Katlian Street	747-3439 w 738-0832 stan.eliason@cityofsitka.org			Harbormaster Non-voting
Aaron Bean 103 Toivo Circle	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 Wednesday 6:15 p.m.
 Harrigan Centennial Hall, 300 Harbor Drive

Revised: August 7, 2018



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

Board/Commission/Committee: Planning Commission
Name: Randy Hughes Daytime Phone: [REDACTED]
Address: [REDACTED] Evening Phone: 11
Email Address: [REDACTED] Fax Number: _____
Length of Residence in Sitka: 28 years Registered to vote in Sitka? ☒ Yes ☐ No
Employer: Retired / SCLT
Organizations you belong to or participate in:
SCLT

Explain your main reason for applying:

Serving Sitka

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

34 years in Education, 3 years in Construction, 3 years on Planning Comm.

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: Oct 10, 2018 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

Randy W Hughey

Education

- 1982 Bachelor of Science in Industrial Education, Oregon State University
- 1983 Master of Science in Vocational Education, Oregon State University

Teaching Experience

- 1987-1982 Linn-Benton Community College, Albany, Oregon
Taught cabinetmaking and related construction courses
- 1983-1986 North Slope Borough School District, Nuiqsut, Alaska
Taught industrial education and computer courses and coached basketball
- 1987-1990 Chatham Straits School District, Angoon, Alaska
Taught industrial education and computer courses and coached basketball
- 1990-1993, Sitka School District, Sitka, Alaska
Taught woodworking, construction, and computer aided drafting
- 2000-2013, Sitka School District, Sitka, Alaska
Taught woodworking, construction, and computer aided drafting

Administrative and Career Counseling Experience

- 1993-2000, Sitka Education Consortium, Sitka, Alaska
Executive Director of a four school, secondary/postsecondary. private/public consortium of schools in Sitka. Responsible for program development, career counseling, grant writing, and grant management

Grant Writing and Management Experience

Primary writer and/or team member on a wide range of grants including Perkins competitive and non-competitive grants for secondary and postsecondary, National Science Foundation, Fund for the Improvement of Postsecondary Education, School-to-Work, Department of Economic Development, Department of Labor Career and Technical Education, and the Rasmuson Foundation

Trade Experience

- 1973-1974 Cabinetmaker, Harmon Land Corporation, Corvallis, Oregon
- 1986-1987 Cabinetmaker and team member in a family owned cabinet manufacturing business

References on Request



PLANNING COMMISSION

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
CHRIS SPIVEY 109 Lillian Drive	738-2524 c spi3050@yahoo.com	12/11/12	2/8/14 1/28/17 1/24/20	CHAIR
DARRELL WINDSOR PO Box 1973	738-4046 c dwindsor@gci.net	6/28/11	6/28/14 6/24/17 7/25/20	VICE CHAIR
RANDY HUGHEY 220 Lakeview Drive	738-2999 c randywhughey@gmail.com	2/24/15 10/13/15	10/23/15 10/13/18	
<i>RICHARD PARMELEE 405 Hemlock Street</i>	<i>738-0606 c rjparmelee@hotmail.com</i>	<i>9/27/16</i>	<i>4/26/19</i>	<i>Parker Song's term RESIGNED 6/15/18</i>
TAYLOR COLVIN 1308 Sawmill Creek Rd	970-485-4891 taycolvin@gmail.com	7/11/17	6/14/19	<i>Pohlman's term</i>
Planning Director	747-1815			Staff Liaison
Planner I	747-1814			Secretary
Aaron Bean 103 Toivo Circle	738-8923 assemblybean@cityofsitka.org			Alternate Assembly Liaison

5 members from public, 3-year terms

Established by Ordinance 74-118/SGC2.18 & Charter Article VIII

Must be registered to vote

First and Third Wednesday at 7:00 p.m. – Harrigan Centennial Hall, 330 Harbor Drive

CONFLICT OF INTEREST FORMS OATHS OF OFFICE

Revised: October 10, 2018



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

Board/Commission/Committee: HEALTH NEEDS + HUMAN SERVICES
Name: JEFF ARNDT Daytime Phone: [REDACTED]
Address: [REDACTED] Evening Phone: [REDACTED]
Email Address: [REDACTED] Fax Number: [REDACTED]
Length of Residence in Sitka: 6.5 YEARS Registered to vote in Sitka? ☒ Yes ☐ No
Employer: SELF - MENTAL HEALTH SUBSTANCE ABUSE THERAPIST
Organizations you belong to or participate in: SEE

Explain your main reason for applying:

ATTACHED

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. NO NE

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: 10-7-18 Signature: Jeff Arndt

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 second term on Health Needs and Human Services Commission

I am going to provide a brief update from my initial application

Organizations I belong to:

I am into my second term as a board member with Sitka Trailworks. I am a member of Sitka Conservation Society.

What is my main reason for (re)applying?

Please see my initial application for my reasons for wanting to serve on this commission. During my first term our commission was able to create and implement a cell phone ordinance. We recently succeeded in creating and implementing the Tobacco 21 ordinance. Currently we are working towards choosing new goal to work on and it appears the commission is coalescing around choosing a way to mitigate abuse use of alcohol in our community. I am really happy with what our commission accomplished during my first term and am excited to begin work on our next goal related to alcohol.

What background, experience or credential do I bring to the board?

Again please reference my initial application. I will update by mentioning that in addition to the two ordinances we successfully introduced, our Sitka Trailworks group accomplished the complex endeavor of putting all the pieces together to begin the final section of the Crosstrail (to Starrigavan area) and work will commence next spring.

10/10. 17



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

Board/Commission/Committee: HEALTH NEEDS COMMISSION
Name: JEFF ARNDT Daytime Phone: [REDACTED]
Address: [REDACTED] Evening Phone: [REDACTED]
Email Address: [REDACTED] Fax Number: [REDACTED]
Length of Residence in Sitka: 4 YEARS Registered to vote in Sitka? ☒ Yes ☐ No
Employer: SELF - MENTAL HEALTH + SUBSTANCE ABUSE COUNSELOR
Organizations you belong to or participate in: SEE ATTACHED

Explain your main reason for applying: [REDACTED]

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

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

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

NONE

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

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

Date: 11-2-15 Signature: Jeff Arndt

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

Organizations I belong to and participate in:

Recently elected to service as interim board member with Sitka Trailworks. Play tenor sax and flute in Sitka Big Band.

What is your main reason for applying?

Most of my working life has been devoted to enhancing or rebuilding the physical or mental health of individuals. I worked for many years as a Respiratory Therapist in various hospital settings. I witnessed firsthand how lifestyle choices eroded individual health and had siphoned vitality from family members, which resulted in less engagement in the greater community. It rendered the community less able to focus on community enhancement activities as much time, energy and money were expended to address the ramifications of illness.

The mental health of the sick and their loved ones also erodes and can lead to behaviors that start out as palliative but ultimately enhance the cycle of further eroding physical and mental health.

Of course physical illness is not the only source of mental and emotional distress. Whatever the origins of distress that lead to reduced mental (and usually physical) health, my goal as a mental health therapist has been to help folks address what is distressing them.

Through the years I have come to believe that mental and physical health are in many ways inseparable. Healthy people will always have these habits in their lifestyle: A healthy diet, fairly low stress levels, adequate sleep, regular exercise, feelings of safety and security, a purpose in life, others who love them and who they love, and engagement in the community.

My desire to be on the Health Needs Commission is an extension of what I have been doing much of my life. The difference for me is that the focus of the Commission is more of a lifting up of community well being than the individual work I do. I find this exciting, as the community focus benefits individuals who will then be better positioned to contribute to the community. It is a complete process that I believe in wholeheartedly.

I am very interested in being a contributor to what the Commission is working on now and what they may work on going forward. As a bike commuter, I am personally invested in the "Safe Streets-Focused Drivers" policy the Commission is working on. I understand a possible enhancement is being considered which involves developing safe car to bike distances based on policies developed in other communities.

I understand that the Assembly might ask the Commission to research items such as third hand smoke, various health policies. Also I find this an opportune time to join the Commission as Doug Osborne informed me that in December the Commission will choose new goals. I would love to be a part of that.

In our relatively small community, if one is alert it possible to get a sense of the vitality, of the the morale, of how the community perceives itself and how individuals perceive their community. The work I do in my professional life and the contribution I would endeavor to make on the Health Needs Commission can be positively influential and noticeable. A bit selfishly, I would like to enhance my own satisfaction for having further contributed to raising the level of individual and community health.

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

I recently applied to the Marijuana Commission and included my resume and other relevant information. If you could reference that I will keep this part short.

In summary, I was on the board for a citizen's group (in the Matsu Valley) that formed to stop an ill advised intertie from being developed. In the end we prevailed and the state judged the project not worthy to proceed.

I worked for a non profit organization called Friends of Matsu to ensure responsible development of Coalbed Methane in the Matsu Valley. We developed ordinances that the Borough adopted to address responsible development. The company involved was not willing to develop responsibly and abandoned the project. In the process we and an associated citizen's group led a campaign to recall a corrupt senator who was taking money from the company to smooth their way. We succeeded in getting him to resign.

What I learned from these experiences is how much a group of citizens can accomplish in this state if their cause is just, even in the face of well moneyed powerful opposition. I learned how to interact effectively and respectfully with all types of people and organizations, even with the opposition. Those projects were very activist, fighting against stopping a negative. I realize (and am relieved) that a seat on the Health Commission will be more about moving toward the positive, with far less opposition and more collaboration with various interested parties.

As I wrote recently in my application to Sitka Trailworks, "I work well in groups. I strongly believe in 'the group mind' as a powerful tool to discover the best ideas and putting them into effect. I also do well in leadership positions. I can make things happen. If I take on a task, I will follow it to its completion. I can be a leader or a follower."



Health Needs and Human Services Commission

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
DOUG OSBORNE 209 Moller Avenue	747-0373 dosborne@sitkahospital.org	1/27/15 10/24/17	10/14/17 10/24/20	CHAIR
LOYD PLATSON 805 Charles Street	747-3636 x226 w 623-7560 c lplatson@scpsak.org	8/25/15 11/7/17	10/28/17 11/7/20	VICE CHAIR
JEFF ARNDT 207 Cedar Heights	738-2025 queenmab@gci.net	11/11/15	11/11/18	
BARBARA KENDALL 206 Park Street	738-1808 bekendall40@yahoo.com	8/23/16	8/23/19	
VERA GIBSON 107 Rudolph Walton Circle	747-3636 x224 w 738-0812 c vgibson@scpsak.org	10/24/17	11/22/19	<i>Treas term</i>
MARTHA PEARSON 814 Charles Street	738-2534 marthap@searhc.org	11/7/17	12/8/18	<i>Gray's term</i>
CHARLIE WOODCOCK PO Box 115	747-2910 606-224-9958 charlie.woodcock@sitkayouth.org	9/25/18	9/13/19	Herrera's term
Melissa Henshaw Deputy Clerk/Records Specialist	747-1826 melissa.henshaw@cityofsitka.org			Secretary
Richard Wein PO Box 2424	738-0577 assemblywein@cityofsitka.org			Assembly Liaison

Established by Ordinance 2013-23

7 members, 3-year terms. A vacancy on the commission shall be filled by appointment by the Assembly for any remainder of an unexpired term.

Meeting schedule: 2nd Thursday of the month; 1:30 p.m. at Harrigan Centennial Hall, 330 Harbor Drive
– Meetings are to be held no less than four times per year.

Revised: September 27, 2018



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 18-49 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 10/3/2018 In control: City and Borough Assembly
On agenda: 10/23/2018 Final action:
Title: Making supplemental appropriations for Fiscal Year 2019 (Seaplane Base Project)
Sponsors:
Indexes:
Code sections:
Attachments: [Motion Memo and Ord 2018-49.pdf](#)

Date	Ver.	Action By	Action	Result
10/9/2018	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve Ordinance 2018-49
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

From: Jay Sweeney, Chief Finance and Administrative Officer

Date: October 2, 2018

Subject: Supplemental Capital Appropriation for Seaplane Base

Executive Summary

The purpose of ordinance 2018-49 is to make a supplemental capital appropriation from the General Fund for initial engineering work for the Seaplane Base.

Background and Discussion

Per direction of the Assembly, the City and Borough of Sitka is pursuing a grant from the Federal Aviation Administration (FAA) for the construction of a seaplane base. If the grant is obtained, up to 100% funding for eligible project costs could be possible. If there is a match required by the City and Borough of Sitka, it is likely to be less than 10% of the eligible expenses. Expenses that are not eligible for FAA funding will need to be limited to what funding the City and Borough of Sitka would like to contribute.

Some project costs are not eligible for grant funding. In particular, costs incurred in a project before the award date of a grant are not reimbursable from it. If such costs are incurred, they are borne by the grantee and usually do not qualify as grant match (the particular requirements of grantee match expenditures are set forth in each grants grant agreement).

In order to be able to complete and submit a grant agreement, as well as complete preliminary in-house planning work, preliminary project expenditures will be necessary. As such preliminary expenditures will not be eligible for grant funding or reimbursement, a supplemental capital appropriation is needed in order to properly account for preliminary project outlays. While using existing operating appropriations for engineer wages within the Public Works Department in combination with a project tracking number is an option, it is not optimal for two reasons: (1) per the

requirements of Article XI of the Charter, capital improvements are authorized and accounted for differently than operating outlays, and, (2) governmental accounting standards require that capital improvements be accounted for in a separate fund. For these two reasons, staff is recommending that the seaplane base capital project be established in the Governmental Capital Projects Fund (Fund 700) and funded from General Fund working capital.

The costs projected to be incurred on the seaplane base project prior to receipt of a grant will be predominantly composed of in-house wages. Other minor external costs necessary to complete a grant application and accomplish basic project planning work may also be incurred. If the State does not commit to providing land associated to the preferred location, this funding can be used to continue planning of an alternate site location.

General Fund versus Harbor Fund for Source of Funding

When FAA grant funding is accepted for construction of a facility, a grantee (in FAA parlance, "Project Sponsor") commits meeting to long-term financial and administrative requirements for the new facility. These requirements include specialized accounting requirements (detailed accounting for labor and maintenance costs), requirements for separation of collected revenue (co-mingling restrictions), and activity reporting to the FAA.

Staff is currently working to obtain full understanding of the scope of these responsibilities, and the amount of effort to accomplish them. Until a full understanding is obtained, a decision as to Departmental responsibility for the ultimate operation of the Seaplane Base is being deferred. All departments ultimately assigned responsibility for elements of the Seaplane Base must be provided adequate resources (people, money) to meet FAA requirements. Thus, while the Harbor Department is a strong choice to ultimately operate the facility, establishment of a new fund, or creation of a new Department within the General Fund, are also options which will be considered.

If it is ultimately decided that the Seaplane Base will be a managerial responsibility of the Harbor Department, the capital project will be transferred to the Harbor Fund. It is anticipated that staff would request that the Assembly approve reimbursement of the General Fund for any working capital outlays made during construction up to the point of transfer. Such a decision would rest both upon the recommendation of the Port and Harbors Commission as well as the financial condition and unrestricted fund balance (unassigned working capital) of the Harbor Fund.

Until a final decision is ultimately made on managerial responsibility for the Seaplane Base, staff feels the appropriate Fund to account for project outlays is the General Fund. The General Fund is the appropriate funding source for general governmental capital projects, which is what the Seaplane Base will be until its ultimate organizational destiny is decided.

Fiscal Note

By passing this supplemental budget ordinance, capital project expenditures from working capital for the Seaplane Base will be authorized in an amount not to exceed \$50,000. As this supplemental appropriation is capital in nature, it will not lapse until the project is either completed or abandoned.

When in-house engineering wages are expended towards a capital project, expenditures for such wages are recorded within the General Fund, Public Works Division, and Engineering Department. The General Fund then charges the Governmental Capital Projects Fund (Fund 700) for such wages, with the General Fund recording the charge as jobbing revenue (***FY2019 Budget, page 68, account 3491 000, jobbing labor***) and the capital projects fund recording the expenditure ultimately as a capital improvement asset.

While this may seem like a circular flow of accounting, it is necessary to ensure that the Charter is adhered to and proper accounting procedures followed. It is also the standard and traditional method for authorizing and accounting for in-house engineering labor expended on all General Fund capital projects. As a result, while overall expenditure appropriations will be increased, they will be offset by jobbing revenue, with a net increase in overall outlays attributable to just the external expenditures (permits, consultant charges, etc.)

At the present time, Municipal staff is researching what continuing administrative requirements it will commit to if it receives and accepts FAA Airport Improvement Program (AIP) grant funding. As a condition of accepting FAA funding, project sponsors (of which the CBS would become) are required to accomplish administrative reporting, accounting, financial reporting, and maintenance responsibilities for the life of the project.

Until the scope of ongoing required responsibilities is fully understood, the Administrator will be unable to determine if the responsibilities can be accomplished with existing staff, or, if additional staff will need to be hired. Compliance with FAA requirements will become part of the annual external audit once the facility is placed into service; audit findings could result if insufficient resources are made available to accomplish ongoing FAA requirements.

Accordingly, if the grant application is approved and a grant received, Municipal staff will advocate for adequate resources to ensure that all FAA requirements are complied with.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2018-49
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
MAKING SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2019
(SEAPLANE BASE 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 make a supplemental capital appropriation for Fiscal Year 2019.

4. **ENACTMENT.** In accordance with Section 11.10(a) of the Charter of the City and Borough of Sitka, Alaska, the Assembly hereby makes the following supplemental appropriations for the budget period beginning July 1, 2018 and ending June 30, 2019.

<u>FISCAL YEAR 2019 EXPENDITURE BUDGETS</u>
<u>CAPITAL PROJECTS</u>
Fund 700 - Seaplane Base Project: Increase capital appropriations in the amount of \$50,000 for the initial stage of acquiring the Seaplane Base. These funds will come from the General Fund working capital.

EXPLANATION

At the August 30th Assembly meeting, the Assembly gave direction for the Administrator to pursue the seaplane base and land acquisition project. To accomplish this, an appropriation 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 23rd Day of October, 2018.

ATTEST:

Gary L Paxton, Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading 10/9/18

2nd and final reading 10/23/18

Sponsor: Administrator



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 18-50 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 10/3/2018 In control: City and Borough Assembly

On agenda: 10/23/2018 Final action:

Title: Amending Title 3 "Procurement Policy" of the Sitka General Code by modifying Chapter 3.16 "Procurement Policy" Section 3.16.060 "Exceptions to Competitive Requirements"

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Memo and Ord 2018-50.pdf](#)

Date	Ver.	Action By	Action	Result
10/9/2018	1	City and Borough Assembly		

POSSIBLE MOTION

I MOVE TO approve Ordinance 2018-50
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

From: Jay Sweeney, Chief Finance and Administrative Officer

Date: October 3, 2018

Subject: Change to Title 3 of the SGC Necessitated by Federal Revisions to 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Grants)

Executive Summary

Portions of Federal revisions to 2 CFR Part 200 (*Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Grants*) have necessitated a wording change in the Municipality's procurement policy in order to comply with Federal law.

Background and Discussion

Portions of Federal revisions to 2 CFR Part 200 (*Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Grants*) became effective July 1, 2018, the start of the next fiscal year commencing after December 26, 2017). The applicable portions of 2 CFR Part 200 becoming effective July 1, 2018 include sections 200.317 thru 200.316, procurement standards.

The City and Borough of Sitka's external auditors, BDO USA LLP, have advised that the municipality's written procurement policy must explicitly state that it will comply with Federal procurement standards and guidelines outlined in 2 CFR Part 200 when expending Federal funds. Simply complying with Federal procurement standards in deed is insufficient.

The proposed wording change to Title 3 of the Sitka General Code is a policy commitment to adhere to Federal procurement guidelines when expending Federal funds. It is not applicable to all other procurements.

Sitka's procurement policy does differ from Federal procurement guidelines as set

forth in 2 CFR Part 200, in that Sitka's policy allows for greater exceptions to competitive bidding (notably, for professional services).

Failure to amend the procurement policy to include the proposed wording could possibly lead to a Federal Single Audit Act finding regarding internal controls over procurement with Federal funding.

Recommendation

Approve the proposed ordinance updating Title 3 of the Sitka General Code.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2018-50

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 3
"PROCUREMENT POLICY" OF THE SITKA GENERAL CODE BY MODIFYING
CHAPTER 3.16 "PROCUREMENT POLICY" SECTION 3.16.060 "EXCEPTIONS TO
COMPETITIVE REQUIREMENTS"**

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

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

3. PURPOSE. The purpose of this ordinance is to amend section 3.16.060 "Exceptions to competitive requirements" under Chapter 3.16 in Title 3 of the Sitka General Code. As recommended by the City and Borough Auditors, revisions to this section will ensure full compliance to federal regulations regarding procurement.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 3, Chapter 3.16, is amended by revising section 3.16.060, to read as follows (deleted language stricken, new language underlined):

**Title 3
PROCUREMENT**

Chapters:

3.16 Procurement policy

* * *

**Chapter 3.16
PROCUREMENT POLICY**

Sections:

<u>3.16.010</u>	Contract and purchase procedure.
<u>3.16.020</u>	Limitation on administrator's authority.
<u>3.16.025</u>	Purchase splitting.
<u>3.16.026</u>	Types of vendor solicitations.
<u>3.16.027</u>	Alternative contracting methods.
<u>3.16.030</u>	Purchases or contracts exceeding fifty thousand dollars.
<u>3.16.031</u>	Purchases or contracts from twenty-five thousand to fifty thousand dollars.
<u>3.16.032</u>	Purchases or contracts of less than twenty-five thousand dollars.
<u>3.16.040</u>	Advertising.
<u>3.16.050</u>	Processing of bids.
<u>3.16.060</u>	Exceptions to competitive requirements.
<u>3.16.070</u>	Lowest responsive and responsible bidder.

- 3.16.080 [Reserved.]
3.16.090 [Reserved.]
3.16.100 Change orders—Administrator authority.
3.16.110 [Reserved.]
3.16.120 Procurement procedure manual.

* * *

3.16.060 Exceptions to competitive requirements.

A. Unless otherwise authorized by law, all procurement actions shall follow a competitive process. The following is a list of authorized exceptions which can be approved by department heads based on approval authority describing situations in which a competitive process is not required:

- ~~A.~~ 1. Negotiated procurement following unsuccessful efforts to obtain a qualified bid through competitive bidding.
- ~~B.~~ 2. Small procurement, below two thousand five hundred dollars.
- ~~C.~~ 3. Emergency acquisitions approved by the administrator or department head based on authorization limits.
- ~~D.~~ 4. Procurement of consultant and technical services.
- ~~E.~~ 5. Procurement of real estate.
- ~~F.~~ 6. [Reserved].
- ~~G.~~ 7. Interagency agreements.
- ~~H.~~ 8. Utilization of state or local government contracts.
- ~~I.~~ 9. Specialized equipment where standardization is a primary criteria.
- ~~J.~~ 10. Sole-Source Procurement.
- ~~1.~~ a. [Reserved].
- ~~2.~~ b. Placement of insurance coverage as defined in this chapter.
- ~~3.~~ c. Contracts for electronic data processing and system control software and hardware systems and other software systems shall be by professional services contract; provided, however:
- ~~a.~~ i. To be exempt from competitive bidding the service in question must be truly a "system" which is professionally designed.

b. ii. The purchase of hardware which is not an inextricable part of the system and can be bid separately shall be competitively bid.

c. iii. Software and systems readily available to the open market (e.g., computer operating systems) are not subject to this exception. Competition will be sought to the maximum extent practicable.

4. d. Best interest of the city and borough.

B. The provisions of Section 3.16.060 (A) notwithstanding, all procurement actions utilizing federal support or funding, which are subject to the procurement standards outlined in applicable federal regulations, will comply with those procurement standards in all respects except in cases where city and borough procurement code is stricter than applicable federal regulations. In such a case, the code must be followed. The administrator shall ensure that sufficient documents and records required by applicable federal regulations are retained in order to detail all procurements utilizing federal support or funding.

* * *

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 23rd day of October, 2018.

Gary L Paxton, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st reading 10/9/18

2nd and final reading 10/23/18

Sponsor: Administrator



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 18-51 Version: 1 Name:
Type: Ordinance Status: AGENDA READY
File created: 10/16/2018 In control: City and Borough Assembly
On agenda: 10/23/2018 Final action:
Title: Making supplemental appropriations for Fiscal Year 2019 (State of Alaska Grants)
Sponsors:
Indexes:
Code sections:
Attachments: [Motion Memo and Ord 2018-51.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Ordinance 2018-51
on first reading.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

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

From: Melissa Haley, Controller

Date: October 16, 2018

Subject: FY2019 budget adjustment 2018-51

Background:

The City and Borough of Sitka (CBS) received notice that a second grant to support the purchase of dispatch radio consoles for the Sitka Police Department has been approved. With the approval of this second grant, which augments a grant approved last fiscal year, there are sufficient funds to fully purchase these consoles through grant funding. The total additional appropriation for FY2019 is \$386,938. Replacement of these consoles is necessary as they will no longer be supported by the manufacturer. Additionally, anticipated FCC mandates on digital transmission will render the old units completely obsolete by 2020.

Two pass-through grants through the Alaska Historic Preservation Fund were approved in FY18, however were not expended. The CBS needs an appropriation to expend the funds (reimburse the sub-grantee organizations). The grants were awarded in the amount of \$25,000, however of that amount the State takes \$3,264 and the CBS withholds \$2,125 to cover the cost of administering the grants. \$19,611 is available to be reimbursed to the Sitka Fine Arts Camp for the restoration of the Fraser Hall building and \$19,611 is available to be reimbursed to the Sitka Sound Science Center for renovation of the Sheldon Jackson sawmill building.

Fiscal Note:

All proposed budget adjustments in 2018-51 are fully supported by additional revenue. In addition, for the pass-through grants, the CBS is covering the costs of administering these grants.

Recommendation:

Approve Ordinance 2018-51 to increase appropriations in the General Fund by a total of \$426,160.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2018-51
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
MAKING SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2019
(STATE OF ALASKA GRANTS)

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 make a supplemental capital appropriation for Fiscal Year 2019.

4. **ENACTMENT.** In accordance with Section 11.10(a) of the Charter of the City and Borough of Sitka, Alaska, the Assembly hereby makes the following supplemental appropriations for the budget period beginning July 1, 2018 and ending June 30, 2019.

<u>FISCAL YEAR 2019 EXPENDITURE BUDGETS</u>
GENERAL FUND
Other Expenditures – Operations: Recognize a pass thru grant and increase appropriations for a grant from the State of Alaska Historic Preservation Fund in the amount of \$19,611 for the Sitka Sawmill Design II Project.
Other Expenditures – Operations: Recognize a pass thru grant and increase appropriations for a grant from the State of Alaska Historic Preservation Fund in the amount of \$19,611 for the Fraser Hall Entry and Exterior Project.
Police Department – Fixed Assets: Recognize revenue from the State of Alaska, Division of Homeland Security and Emergency Management and increase appropriations in the amount of \$386,938 to purchase new radio console for the Sitka Police Department.

EXPLANATION

Necessary revisions in the FY2019 budget were identified. These changes involve the increase of expenditure accounts, however, as additional revenues have been identified, overall cash flows will not be impacted. A short explanation of each budget revision is included.

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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 8th Day of November, 2018.

ATTEST:

Gary L Paxton, Mayor

Sara Peterson, MMC
Municipal Clerk

1st reading 10/23/18

2nd and final reading 11/8/18



CITY AND BOROUGH OF SITKA

Legislation Details

File #: ORD 18-52 Version: 1 Name:

Type: Ordinance Status: AGENDA READY

File created: 10/16/2018 In control: City and Borough Assembly

On agenda: 10/23/2018 Final action:

Title: Amending Title 13 "Port and Harbors" of the Sitka General Code by adding Chapter 13.16 "Commercial Marine Trade Permit" and amending Chapter 13.04 "Definitions"

Sponsors:

Indexes:

Code sections:

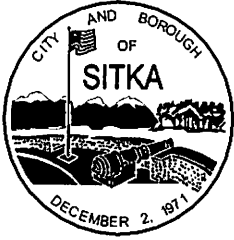
Attachments: [Motion Memo and Ord 2018-52.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTION

I MOVE TO approve Ordinance 2018-52
on first reading.

Note: The Port and Harbors Commission, at their meeting of October 10, approved motions in support of Ordinance 2018-52 with an amended term date of January 1 through December 31 – see lines 231 and 232 of the ordinance.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

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

From: Chuck Hackett, Deputy Harbormaster

Date: 10/16/2018

Subject: Approval of Ordinance No. 2018-52 "Commercial Marine Trades Permit"

Background

Eliason Harbor drive down dock built back in 1996, which was intended only as load/unload dock, has morphed over the years to allow commercial work to be done, due to being the only drive down dock in the City for 30 years. The Harbormaster, with the Port and Harbors Commission, drafted an ordinance to be able to provide a permit that would allow commercial business to do work on city infrastructure.

Analysis

The Marine Trades Permit will allow commercial business to be conducted in the designated work areas throughout the harbors. The permit will assist Harbor staff in creating a safe and efficient environment for both boat owner and commercial business to complete projects in a timely manner by collecting fees for the Harbor fund to help maintain infrastructure damaged in the course of these services being offered in the designated work areas.

Recommendation

Approve Ordinance 2018-52.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2018-52

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 13 "PORT AND HARBORS" OF THE SITKA GENERAL CODE BY ADDING CHAPTER 13.16 "COMMERCIAL MARINE TRADE PERMIT" AND AMENDING CHAPTER 13.04 "DEFINITIONS"

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

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

3. PURPOSE. The purpose of this ordinance is to add a new chapter 13.16 Commercial Marine Trade Permit and amend chapter 13.04 to add applicable definitions to Title 13. This ordinance will implement a for fee permit for business, commercial entities, or for profit enterprises engaged in offering services, work conducted, to commercial, charter or private marine users on city and borough owned marine infrastructure at designated harbor work areas. This permit will assist in creating a safe and productive work environment for these services as well as collect fees for the Harbor Fund to help maintain infrastructure damaged in the course of these services being offered in the designated work areas.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 13, be amended by adding chapter 13.16, entitled "Commercial Marine Trade Permit", and updating chapter 13.04, entitled "Definitions" to read as follows (deleted language stricken, new language underlined):

**Title 13
PORT AND HARBORS**

Chapters:

- 13.02 General Provisions**
- 13.04 Definitions**
- 13.06 Charges/Fees**
- 13.07 Harbor Use Privileges and Prohibitions**
- 13.08 Reserved Mooring Stalls**
- 13.09 Anchoring**
- 13.10 Float Regulations**
- 13.12 Enforcement**
- 13.13 Nuisances**
- 13.14 Vessel Impoundment and Disposition**
- 13.15 Float Homes**
- 13.16 Commercial Marine Trade Permits**

* * *

**Chapter 13.04
DEFINITIONS**

Sections:

13.04.010	Anchor.
13.04.020	Charter/vessel for hire.
13.04.030	Commercial marine trade.
13.04.040	Designated harbors.
13.04.050	Designated harbor work areas.
13.05.040	Dinghy/lighter.
13.04.050	Distress.
13.04.060	Emergency.
13.04.070	Float homes.
13.04.080-100	Harbor.
13.04.090	Harbormaster.
13.04.100	Hot berth.
13.04.110	Liveaboard.
13.04.120	Moor.
13.04.130	Permanent transient.
13.04.140	Person.
13.04.150	Qualifying interest.
13.04.160	Stall.
13.04.170	Transient vessel.
13.04.180	Transfer of cargo.
13.04.190	Traffic lanes.
13.04.200	Vessel.
13.04.210	Vessel length.
13.04.220	Waterborne structures.

13.04.010 Anchor.

“Anchor” means to secure a vessel to a bed or body of water by dropping a weighted ground line or tackle or by use of a buoy or other means to prevent more than a measurable movement of the vessel.

13.04.020 Charter/vessel for hire.

“Charter/vessel for hire” means any vessel licensed to carry passengers for hire; “bare boat” is a boat rented with or without crew or operator.

13.04.030 Commercial marine trade.

“Commercial marine trade” means any business, commercial entity, or for-profit enterprise engaged in offering services for the commercial or charter marine industry or private marine users in the designated harbors and designated harbor work areas. This can include, but is not exclusive to, welding, fabrication, electrical, and plumbing services, offered by a business operating within the city and borough.

13.04.040 Designated harbors.

“Designated harbors” means any of the city and borough owned harbors listed below where the city and borough infrastructure is used. These areas include; Sealing Cove harbor, Crescent Harbor, ANB harbor, Thompson harbor, and Eliason harbor.

13.04.050 Designated harbor work areas.

"Designated harbor work areas" means any of the areas listed below which the city and borough infrastructure is used. These areas include: Community port wall, Eliason harbor work float, Fishermen's work float, Crescent harbor high load dock, Crescent harbor pole float and the GPIIP dock.

13.04.04060 Dinghy/lighter.

"Dinghy/lighter" means a small vessel normally carried aboard a larger vessel or towed as a life boat or tender.

13.04.05070 Distress.

"Distress" means a state of disability or a present or obvious imminent danger which if unduly prolonged could endanger life or property.

13.04.06080 Emergency.

"Emergency" means a state of immediate danger to life or property in which time is of the essence.

13.04.07090 Float homes.

"Float homes" or "float houses" means a floating structure used wholly as a dwelling unit, which is not designed to travel on water and which is otherwise not a vessel, as defined herein, and meets construction requirements as provided in Chapters 13.15, 19.15, 19.16 and 19.17.

13.04.080100 Harbor.

"Harbor" means the Sitka harbor system or all waters, tidal areas and adjacent uplands areas, together with all facilities of a port or maritime nature publicly owned that are primarily used by or for the service of vessels, including docks, pilings, ramps, hoists, parking areas, leased water areas, concessions and/or service facilities located within.

13.04.090110 Harbormaster.

"Harbormaster" means the individual described in Section 13.02.020 and any assistant harbormaster or other person designated to act in the harbormaster's place.

13.04.100120 Hot berth.

"Hot berth" means the practice of allowing a vessel to temporarily occupy a stall or space not reserved to said vessel.

13.04.110130 Liveaboard.

"Liveaboard" means any vessel used by one or more persons as a primary residence while moored in the Sitka harbor system, which meets the following requirements. A liveaboard vessel must comply with all requirements imposed on any vessel moored in the harbor system including the requirement that the vessel be powered by an engine of sufficient size to propel the vessel at a speed allowing normal steerage and to maneuver out of and into the harbor. A liveaboard vessel must be registered as such with the harbor department. A liveaboard vessel must have a safe heating system, and food preparation system, and berthing accommodations for all occupants.

13.04.120140 Moor.

"Moor" means to secure a vessel by the use of lines to a dock, pier or other object providing a more secure fastening to a particular location than by anchoring.

13.04.130150 Permanent transient.

"Permanent transient" means a vessel which is on the wait list (Section 13.08.040). The vessel will not have a permanent stall assignment but will be provided moorage and be billed for permanent moorage under Section 13.06.010.

13.04.140160 Person.

"Person" means any natural person, individual, partnership, corporation or governmental agency. A corporation and natural person or individual will be considered the same if the natural person has control over the former.

13.04.150170 Qualifying interest.

"Qualifying interest" in a vessel means the interest of a person who owns the vessel or, under provisions of written charter or lease, has exclusive control over the operation and navigation of the vessel. A person who transfers title to a vessel or enters into a charter or lease of the vessel to another, seasonally or permanently, thereby relinquishes exclusive control over the use and operation of said vessel and ceases to have a qualifying interest in said vessel.

13.04.160180 Stall.

"Stall" means a place to moor individual vessels in the harbor.

13.04.170190 Transient vessel.

"Transient vessel" means any vessel occupying space in the Sitka harbor system for which a regular reserved stall has not been assigned.

13.04.180200 Transfer of cargo.

"Transfer of cargo" means all types of loading, unloading, transfer and/or containerization of any type of cargo including, but not limited to, fish, shellfish and other seafood products thereof.

13.04.190210 Traffic lanes.

"Traffic lanes" (navigation lanes) means those areas specifically set aside for movement to and from other locations and which will be kept open, free of obstructions and not for use for anchoring or mooring.

13.04.200220 Vessel.

"Vessel" means any ship, boat, skiff, barge, dredge and craft of every kind or description, whether used for commercial or pleasure purposes, which is on the water and is capable of being used as a means of transportation on or through the water, excluding seaplanes.

13.04.210230 Vessel length.

The method of determining vessel length within the harbor system: Vessel length will be computed as the actual overall length of any vessel, including bow sprits, outboards (in down position) or other extensions.

13.04.220240 Waterborne structures

"Waterborne structures" means other than a vessel. Examples include but are not limited to barges, float houses, or other, usually unpowered, structures.

Chapter 13.16
COMMERCIAL MARINE TRADE PERMITS

Sections:

- 13.16.010 Introduction.
- 13.16.020 Permit required.
- 13.16.030 Rules and regulation.
- 13.16.040 Enforcement and penalties.
- 13.16.050 Use of funds.

* * *

13.16.010 Introduction.

The city and borough owns and operates the harbor system which is under the authority of the harbormaster. This chapter intends to capture all locations where a commercial marine trade permit will be required for operation at designated harbors and designated harbor work areas, as defined in chapter 13.04. In adopting this chapter, the city and borough is exercising its proprietary interests as an owner and operator of all city and borough owned property. Nothing in this chapter, however, limits the city and borough's ability to further exercise its proprietary powers as it deems necessary to protect its interests or those of the public.

13.16.020 Permit required.

A. General. No person shall conduct, offer to conduct, solicit to conduct, or take orders to conduct commercial marine trade services in designated harbors or designated harbor work areas, except as authorized by a valid permit obtained from the city and borough pursuant to this chapter. A permit issued pursuant to this chapter shall be called a "commercial marine trade permit."

B. Terms.

1. An annual commercial marine trade permit shall be valid for the period from January 1st of each calendar year through December 31st of the same calendar year, unless sooner revoked or terminated. A commercial marine trade permit, or any rights or privileges thereunder, may not be assigned or transferred. Acceptance of a permit by the permittee shall constitute an agreement and acknowledgment by such permittee that the permittee has no property right in the permit. Acceptance of a permit by the permittee shall constitute an agreement and acknowledgment by such permittee that the permittee shall indemnify and hold the city and borough, its elected and appointed officers, its employees, and its agents, harmless from and against any and all loss, damage or expense for any injury to or death of any person or persons, or for damage to property, resulting from or arising out of any act or omission of such permittee, or any of the permittees' employees, agents, representatives, customers, or contractors. The city and borough, its elected and appointed officers, its employees, and its agents, make no representations concerning and assume no responsibility for or regarding any services sold or activities by any permittee, or any of permittee's employees, agents, representatives, customers, or contractors.

248 2. A weekly commercial marine trade permit shall be valid for the period of one week,
249 starting on the day the permit is issued and continuing for an additional six days after
250 the day of issuance.

251
252 C. Application. A person or entity seeking a permit shall file a written application on a form
253 provided by the city and borough. The application shall contain the following information:

254
255 1. Name, mailing address, and telephone number of the applicant and all
256 principals;

257
258 2. Name, mailing address and telephone number of the operations manager;

259
260 3. Type of commercial marine trade services to be provided; and

261
262 4. An acknowledgment by the applicant that applicant agrees to be bound by all
263 of the terms, conditions and provisions set forth in this chapter, and such additional
264 rules and regulations established by the harbormaster.

265
266 D. Fees. Each applicant for a permit issued under this chapter shall pay a nonrefundable
267 permit fee of five hundred dollars for the annual permit or fifty dollars for the weekly permit. The
268 permit fee must be paid before issuance of the permit. The annual permit fee shall not be
269 prorated, regardless of when application is made and permit issued.

270
271 E. Insurance. Each permittee shall at all times during the period of operations maintain a
272 current commercial general liability insurance policy in the amount of not less than one million
273 dollars combined single limit, which policy shall name the city and borough, its elected and
274 appointed officers, its employees, and its agents, as additional insured. The policy shall not
275 contain any self-insured retention, and shall include a provision requiring written notification to
276 be given to the city and borough by the insurance company not less than thirty days before the
277 policy is canceled, modified, or terminated for any reason. Permittees shall submit a copy of the
278 policy, or, at the option of the city and borough, other satisfactory proof of insurance, prior to
279 operations under the permit.

280
281 F. Issuance of Permit. The harbormaster shall grant the application upon finding that the
282 applicant is fit, willing, and able to comply with the law. The permit shall state the name and
283 address of the permittee, the date of issuance and such additional terms, conditions, provisions
284 and limitations. A decision to deny an application for a permit may be appealed by the applicant
285 to the city and borough administrator no later than seven days after such denial is delivered to
286 the applicant. A letter sent to the applicant's mailing address by first class mail shall constitute
287 delivery. An appeal from the decision of the city and borough administrator may be taken to the
288 superior court for the state of Alaska no later than thirty days after the administrator sends
289 notice of such denial to the applicant.

290
291 G. Terms of Renewal. Each permit issued under this chapter shall expire on the last day of
292 December following its issuance. Permits once issued and approved prior to start up of
293 operations may be renewed and reissued by the city and borough upon application to the city
294 and borough. All fees must be paid at or before time of permit issuance. Permits will not be
295 renewed unless the finance department certifies that all sales taxes have been paid.
296

13.16.030 Rules and regulation.

The harbormaster may establish rules and regulations necessary for the safe and orderly operation of the commercial marine trade services authorized by a commercial marine trade permit. The harbormaster shall provide prior written notice to all permittees of such rules and regulations, before they may be enforced.

13.16.040 Enforcement and penalties.

A. The harbormaster has the authority to enforce this chapter and the rules and regulations established under this chapter. The harbormaster shall issue a written notice of violation to the permittee or offender, which includes the fine imposed and/or action taken. Within seven days after the date of delivery of written notice of such fine and/ or action, the permittee may appeal the decision of the harbormaster to the city and borough administrator or his/her designee. Appeal from the administrator's decision may be made no later than thirty days after such decision to the superior court for the state of Alaska in Sitka.

B. The permittee is responsible for all violations of this chapter and the rules and regulations established under this chapter committed by the permittee, its employees, agents, representatives, customers, or contractors. The maximum penalty for violation of this chapter is five hundred dollars.

C. Conducting commercial marine trade services in violation of a permit is punishable by a fifty dollar fine for the first offense, a one hundred dollar fine for the second offense, and a fine of up to five hundred dollars for any subsequent offenses as determined by the harbormaster in his/her sole discretion. Such fines are separate from any revocation imposed pursuant to Section 13.16.040.E. For the purposes of this section, prior offenses must be within the previous five years.

D. Conducting commercial marine trade services without a permit is punishable by a one hundred dollar fine for the first offense, a two hundred dollar fine for the second offense, and a fine of up to five hundred dollars for any subsequent offenses as determined by the harbormaster in his/her sole discretion. For the purposes of this section, prior offenses must be within the previous five years.

E. Revocation. The harbormaster may at any time revoke a permit issued under this chapter for noncompliance with any term, condition, or provision of the permit, or violation of any provision of this chapter or other applicable local, state, or federal law, ordinance, rule, or regulation. The harbormaster may also revoke such a permit upon a determination that the operation of the permittee is causing a hazard, or a disruption of pedestrian, vehicular, or watercraft traffic, or that the area affected by the permit is required for another public purpose. The permittee shall be given written notice of the proposed revocation of the permit. Within seven days after the date of delivery of written notice of proposed revocation, the permittee may appeal the decision of the harbormaster to the city and borough administrator or his/her designee. Appeal from the administrator's decision may be made no later than thirty days after such decision to the superior court for the state of Alaska in Sitka.

13.16.050 Use of funds.

All fees collected under the terms of this chapter shall be deposited into the Harbor Fund.

* * *

5. EFFECTIVE DATE. This ordinance shall become effective January 1, 2019.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, this 8th day of November, 2018.

Gary L. Paxton, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st reading 10/23/18
2nd and final reading 11/8/18



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 18-203 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 10/16/2018 In control: City and Borough Assembly

On agenda: 10/23/2018 Final action:

Title: Discussion / Direction on the sale of the Marine Services Center

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Memo Marine Service Center.pdf](#)
[Assembly memo 181015 MSC CraigShoemaker Letter.pdf](#)
[Sitka - Marine Service Center Bulkhead Critical Repairs.pdf](#)
[15078000 Valuation Request 2016-12-11.pdf](#)

Date	Ver.	Action By	Action	Result
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Sponsor: Administrator

Discussion / Direction
on the sale of the Marine Services Center



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members

From: Keith Brady, Municipal Administrator

Date: October 15, 2018

Subject: Marine Service Center (MSC) Options Discussion

Summary

The CBS MSC has had the tenants of Sitka Sound Seafood (SSS) and Seafood Producers Co-op (SPC) for since 1991. Last year as both leases were up for renewal, SPC decided to renew while SSS did not. We have had discussions with Craig Shoemaker of SPC regarding renewal of his lease and possible sale (see attached letter). This discussion/direction is in an effort to take land and property off the city rolls and for economic development.

Fiscal Note

FY18 revenue was \$279,878 with two tenants and have been estimated at \$159,632 for FY19 due to only having one tenant plus CPI. Infrastructure Maintenance for FY19 is estimated at \$152,600 with long-range at \$1,070,726 outside of the bulkhead. Expenses for FY19 is \$171,306.00 for insurance, building repair & maintenance, contracted/purchased serves, interdepartmental services, and other expenses as per the budget. We will be operating at a loss this fiscal year unless we find another tenant or sell. Estimated fund balance at the end of FY18 is \$2,021,956. The big looming infrastructure need with the MSC is the bulkhead fix estimated at \$8.4M (see attached 2016 legislative priority documents).

Recommendation

Direction to move forward with an RFP to sell the MSC.

Details

The MSC was built with a \$1 million grant from Economic Development Administration of the US Department of Commerce. There was an agreement for the \$1M that the city could not sell the property for 25 years of the executed date of May 9, 1990. The obligations of the grant has now sunset. Total project cost at the time was \$2.7M. Building is approximately 21,000 sf completed in 1991.

In 2016 it was assessed at \$3,975,000. This valuation takes into consideration current market factors, documented ongoing maintenance of the cold storage facility by the City and Borough of Sitka, and contains a decremental adjustment for the recommended bulkhead repair. Due to the lack of relevant comparable sales data for similar properties, the cost approach was heavily weighted for this valuation (see assessment memo from 2016).

September 11, 2018

Mr. Keith Brady

City of Sitka Administrator

Thank you for meeting with me on August 31st. We would look forward to seeing the details of your proposed RFP regarding the SMSC when it is published. At this point, Seafood Producers Cooperative is not in a position to purchase the facility. In addition, we do not see a benefit in leasing the vacant half of the facility on a short term basis. In regards to the idea of switching sides in the facility, we are comfortable remaining in our current location.

As we discussed, original obligations of the grant have sunset. The City can now sell the facility and there is no requirement to provide public service. The original lease (1991) listed public access which was to be provided by SPC while Sitka Sound Seafood agreed to provide facility maintenance. The language in the extensions require SPC to continue public service. Since SSS chose not to renew their extension, the non-obligatory requirement falls wholly to SPC. We do not wish to continue public access under the current lease as conditions have changed. If the City wishes to continue public access, we suggest that it be written into the forthcoming RFP. Otherwise, SPC's lease rate should be adjusted to account for the reduced storage area which is being utilized by public access.

SPC currently has 1.65 million pounds of product on hand, 200,000 lbs. of which is being stored in containers because of a lack of cold storage space. There are 27 active accounts, and 22 non-active accounts totaling 207,000 pounds, of which 40,000 lbs. is waiting to be unloaded. Many of the items in the "public side", such as food can't be stacked which further reduces SPC's lease benefit.

SPC's goal to hold product for after season value added processing, which has been our strategy to provide more year round employment continues to be less achievable because of the reduced storage opportunity.

In the very least, the number of active accounts should be capped, and the storage and handling rates adjusted to a "Sitka" fair market value, not based on Seattle tariffs whose operating costs are well below Sitka's.

Again, if the City wishes to continue to provide public cold storage access the best avenue would be to include it in the forthcoming RFP, regardless of whether it is based on a sale, lease, or both.

I will be traveling until the second week of October but can be reached by email if necessary.

Sincerely,


Craig Shoemaker, SPC Sitka

Project Title: Sitka - Marine Service Center Bulkhead Critical Repairs

TPS Number: 57045

Priority: 4

Agency: Commerce, Community and Economic Development
Grants to Municipalities (AS 37.05.315)

Grant Recipient: Sitka

FY2017 State Funding Request: \$7,940,000

One-Time Need

Brief Project Description:

A 2011 condition assessment of the facility noted considerable corrosion and steel material loss, particularly on the steel tie rods which support the bulkhead. The existing bulkhead could fail at any time.

Funding Plan:

Total Project Cost:	\$8,440,000
Funding Already Secured:	(\$500,000)
FY2017 State Funding Request:	(\$7,940,000)
Project Deficit:	\$0

Explanation of Other Funds:

Additional funding required of \$500,000 will be paid by City and Borough of Sitka harbor fund.

CBS will provide 50% matching funds.

Detailed Project Description and Justification:

The City and Borough of Sitka (CBS) requests \$7,940,000 to complete critical repairs to the Marine Service Center Bulkhead. CBS will provide project funds from reserve working capital for this critical infrastructure need.

The Sitka Marine Service Bulkhead is a steel sheet pile structure, which was originally installed in 1976. Located along Katlian Street, the facility is bounded to the east by the Seafood Producers Cooperative (SPC) dock and fish processing facility and to the west by the Petro Marine fuel dock. The bulkhead is 36 feet high by 356 feet long and is a traditional wall design comprised of driven sheet piles. The sheet piles are restrained by two layers of tie rods which extend shoreward to a sheet pile anchor wall located 70 feet behind the face of the bulkhead. The bulkhead is the only facility in Sitka with a hoist capable of unloading/loading large fishing vessels and also presently experiences use as a transient berthing facility for fishing vessels. Overflow moorage use from vessels visiting the adjacent SPC dock is common along the eastern portions of the bulkhead. The facility also serves as a dock for small cruise vessels visiting Sitka a few times each year during the summer months.

A large cold storage building (140 feet long by 15 feet wide) is located 30 feet behind the face of the bulkhead and is supported by the structure. CBS owns the cold storage building. Two local seafood processors lease space in this building to store frozen fish products. It is estimated that 5,500 tons of fish product move through the facility each year at an estimated value of \$32 million. This facility is a critical piece of infrastructure to Southeast Alaska's fishing industry.

The existing bulkhead could fail at any time. A 2011 condition assessment of the facility noted considerable corrosion and steel material loss, particularly on the steel tie rods which support the bulkhead. It is critical that this facility be reconstructed before any of the tie rod supports fail, potentially undermining the cold storage building and rendering the site unsafe for its current use. Securing the state cost

share funding for this project will ensure that this critical piece of harbor infrastructure remains in service to help support a healthy and vibrant commercial fishing industry in Southeast Alaska. It should be noted that this facility is ineligible for funding under the Harbor Municipal Matching Grant Program as that funding specifically excludes bulkheads and sheet pile walls.

Project Timeline:

Begin Design in FY 2014 & Construction in FY 2017.

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

City and Borough of Sitka

Grant Recipient Contact Information:

Name: Maegan Bosak
Address: 100 Lincoln Street
Sitka, AK 99835
Phone Number: (907)747-1824
Email: maegan.bosak@cityofsitka.org

This project has been through a public review process at the local level and it is a community priority.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2015-22

**A RESOLUTION BY THE CITY AND BOROUGH OF SITKA
SUBMITTING CITY AND BOROUGH OF SITKA
FY 2017 STATE LEGISLATIVE PRIORITIES
TO STATE OF ALASKA AND 2016 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 2017 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 FURTHER BE IT RESOLVED that the Assembly of the City and Borough of Sitka, Alaska, adopts the attached FY 2017 City and Borough of Sitka 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 10th day of November, 2015.


Mim McConnell, Mayor

ATTEST:


Sara Peterson, CMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

2017 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.

LEGISLATIVE LANGUAGE CHANGE NEEDED...

TAXES ON ALCOHOL

CBS requests that the State of Alaska allow legislative language changes to AS 4.21.010 (C)(4) to allow municipalities to tax alcohol at a higher rate than other sales taxes. Municipalities require more taxing authority in order to offset declining state support.

PARKS MATTER...

RESTORE FUNDING ALASKA STATE PARKS IN SITKA

CBS requests the Alaska State Parks Division restore funding for the Sitka State Parks. Funding options include entering into a Memorandum of Understanding granting management rights of Halibut Point State Recreation Site to CBS, by way of a public/private partnership, for \$50,000 per year. These parks provide outdoor recreational opportunities while protecting the cultural and historic resources for all citizens.

ENHANCED VISITOR SERVICES...

COMMERCIAL PASSENGER VISITOR FACILITIES- LINCOLN STREET IMPROVEMENTS

CBS requests \$1,900,000 funding from the State of Alaska to complete a capital project to enhance commercial passenger vessel services and passenger safety, and support cruise ship visitor activities. This project includes replacing failing asphalt, curb and gutter and sidewalk along the Central Business District.

LET THE MUNICIPALITIES DECIDE...

SENIOR CITIZEN'S/DISABLED VETERAN'S PROPERTY TAX EXEMPTION

CBS requests that the State of Alaska fully fund the Senior Citizen's/Disabled Veteran's Property Tax exemption as required in AS 29.45.030(g); or convert this mandatory exemption to an optional exemption, giving control to local governments for those decisions. Sitka's population is aging and thus this mandatory exemption is eroding the local tax base due to this unfunded mandate.

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.

ECONOMIC DEVELOPMENT OPPORTUNITIES FOR STATE...

SITKA AIRPORT INFRASTRUCTURE UPGRADES

CBS requests the State of Alaska provide \$2,320,000 to Department of Transportation and Public Facilities (DOT&PF) to relocate DOT&PF and CBS utilities located on Japonski Island along the old access road to the airport and within the airport property. This infrastructure upgrade will create opportunities for additional revenue through new lease space.

PROTECT ALASKA'S RESOURCES...

TRANSBOUNDARY WATERS TREATY

CBS requests that the State of Alaska work with the International Joint Commission and the Alaska/British Columbia transboundary region to utilize all powers under the Boundary Waters Treaty to ensure that Alaska resources are not harmed by upstream development in BC. Maintaining and protecting healthy wild salmon populations throughout these river systems must be a priority.

CAPITAL PROJECT REQUESTS

WATER AND SEWER ARE ESSENTIAL SERVICES...

ADEC MUNICIPAL MATCHING GRANT (MMG) REQUESTS

The State of Alaska needs to continue to fund the FY 2017 Alaska Municipal Matching Grant program to help CBS complete these essential infrastructure replacement projects: South Lake Street, West DeGroff Street and Marine Street Water and Sewer Replacement, Wastewater Treatment Plant HVAC Replacement, and Channel, Crescent and Landfill Lift Stations Replacement.

Lake and DeGroff Street Water and Sewer Replacement...\$1,000,000 (Grant Request 70%)...\$645,000 (CBS Match 30%)
Marine Street Water and Sewer Replacement...\$1,000,000 (Grant Request 70%)...\$785,000 (CBS Match 30%)
WWTP HVAC Replacement...\$1,000,000 (Grant Request 70%)...\$1,905,000 (CBS Match 30%)
Channel, Crescent and Landfill Lift Stations...\$1,361,500 (Grant Request 70%)...\$583,000 (CBS Match 30%)

SEAFOOD IS INTEGRAL TO OUR ECONOMY...

MARINE SERVICE CENTER BULKHEAD CRITICAL REPAIRS

CBS requests \$7,940,000 to complete critical repairs to the Marine Service Center Bulkhead. The bulkhead is the only facility in Sitka with a hoist capable of loading/unloading large fishing vessels and also is used as a transient berthing facility for fishing vessels. The existing bulkhead is at risk of failure.

Total Project Cost...\$8,440,000 (100%)
FY 2017 State Funding Request...\$7,940,000 (94%)
Additional Funding Required (CBS Harbor Fund) ...\$500,000 (6%)

SUSTAINABLE RESOURCES...

NEW SECONDARY POTABLE WATER SUPPLY

The State of Alaska requires communities serving drinking water to more than 1,000 individuals develop an emergency alternate water supply. In 2012, CBS conducted a groundwater investigation in the Starrigavan Valley to determine the viability of a secondary water source. Results showed that the aquifer is capable of supplying sufficient groundwater to satisfy the demands of the water system. CBS requests \$6,304,000 in State funding to develop a secondary potable water source to meet the CBS's needs when water from the primary source of Blue Lake is not available.

UTILIZING OUR HYDROELECTRIC...

CONVERTING CBS FACILITIES TO RENEWABLE ELECTRIC HEAT

CBS requests \$1,820,000 from the Renewable Energy Fund (REF) to support a project which would convert up to six (6) additional CBS buildings, including the Sitka Community Hospital, from oil-fired boilers to clean electric driven heat and to make other energy efficient electrical improvements. This project is designed to effectively utilize the renewable energy from the Blue Lake hydro expansion.

Total Project Cost...\$2,669,000 (100%)
FY 2017 State Funding Request...\$1,820,000 (68%)
CBS Funding Committed and/or Expended...\$849,000 (32%)

MAINTENANCE OF CRITICAL HARBOR INFRASTRUCTURE...

MUNICIPAL HARBOR FACILITY GRANT PROGRAM CRESCENT HARBOR FLOAT REPLACEMENT- PHASE I

CBS requests that the state fund \$5,000,000 for Phase I of the Crescent Harbor Float Replacement Project under the Municipal Harbor Facility Matching Grant Program. The Crescent Harbor Float Replacement project has been divided into two phases to spread the costs.

Total Project Cost...\$12,000,000 (100%)
FY 2017 State Funding Request...\$5,000,000 (42%)
Additional Funding Required (CBS Harbor Fund)...\$7,000,000 (58%)

SUPPORTING EFFICIENT ENERGY...

SITKA ENERGY EFFICIENCY IMPROVEMENTS FOR THE WASTEWATER TREATMENT PLANT

CBS requests \$667,000 from the Renewable Energy Fund (REF) in conjunction with Alaska Department of Environmental Conservation (ADEC) Municipal Matching Grants (MMC) program to support a project to replace oil-fired boilers at the Wastewater Treatment Plant (WWTP) with heat pumps and to make other energy-efficiency improvements.

Total Project Cost...\$2,905,000 (100%)
FY 2017 State Funding Request...\$667,000 (23%)
CBS Funding Committed and /or Expended ...\$113,000 (4%)
Additional Funding Required...\$2,125,000 (73%)



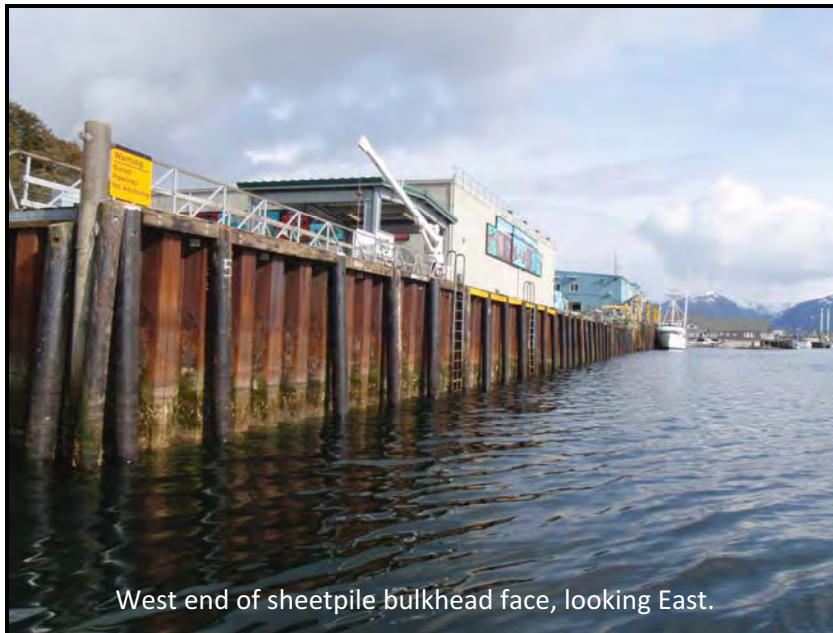


SITKA MARINE SERVICES CENTER BULKHEAD REPLACEMENT
ROM Budget Estimate - Upgraded Facility with Improved Cathodic Protection
Prepared By: PND Engineers, Inc., September 19, 2011

Item	Item Description	Units	Quantity	Unit Cost	Amount
1	Mobilization	LS	All Req'd	\$515,500	\$515,500
2	Demolition and Disposal	LS	All Req'd	\$200,000	\$200,000
3	Sheet Pile Face Wall, Galvanized	LF	360	\$3,300	\$1,188,000
4	Sheet Pile End Walls, Galvanized	LF	40	\$3,500	\$140,000
5	Drilled & Grouted Tie-Rod Anchors	EA	45	\$40,000	\$1,800,000
6	Steel Waler Assembly, Galvanized	LF	400	\$600	\$240,000
7	Shot Rock Fill, Vibrocompacted	CY	5,000	\$60	\$300,000
8	Drainage Improvements	LS	All Req'd	\$75,000	\$75,000
9	C.I.P. Concrete Bulkhead Cap	LF	400	\$1,000	\$400,000
10	Cathodic Protection System (Anodes)	LS	All Req'd	\$100,000	\$100,000
11	Energy Absorbing Fender System	LF	360	\$1,700	\$612,000
12	Area Lighting	LS	All Req'd	\$100,000	\$100,000
ESTIMATED CONSTRUCTION BID PRICE					\$5,670,500
CONTINGENCY (20%)					\$1,134,100
ENVIRONMENTAL PERMITTING, FINAL DESIGN, CONTRACT ADMINISTRATION, CONSTRUCTION INSPECTION & OTHER INDIRECT COSTS (20%)					\$1,134,100
2 YEAR INFLATION (6%)					\$340,230
TOTAL RECOMMENDED PROJECT BUDGET					\$8,278,930

COST INFLATION (2%)	\$8,440,000
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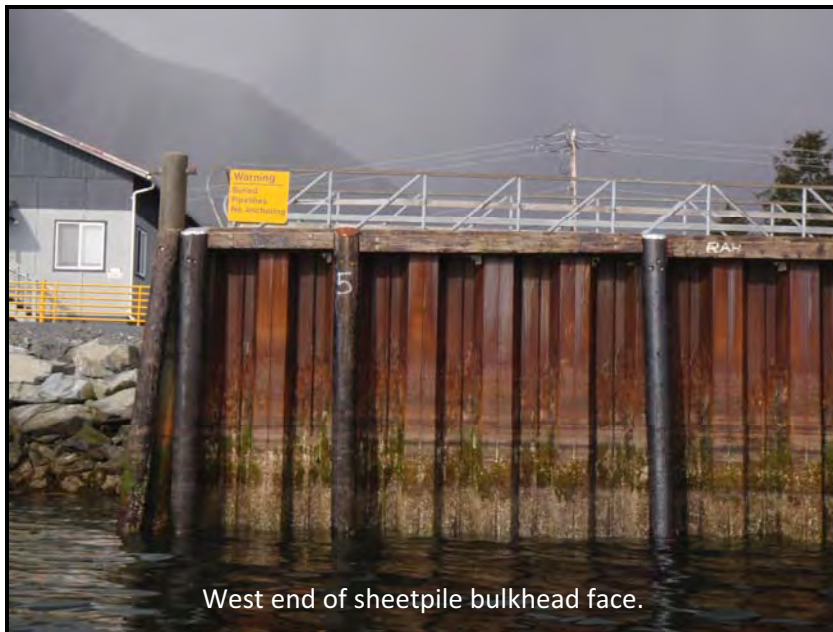




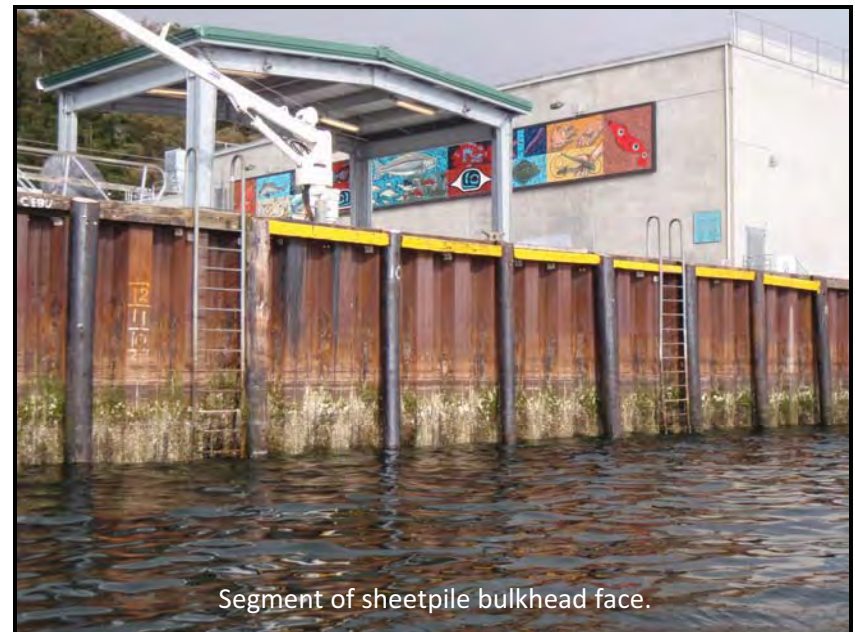
West end of sheetpile bulkhead face, looking East.



East end of sheetpile bulkhead face, looking West.

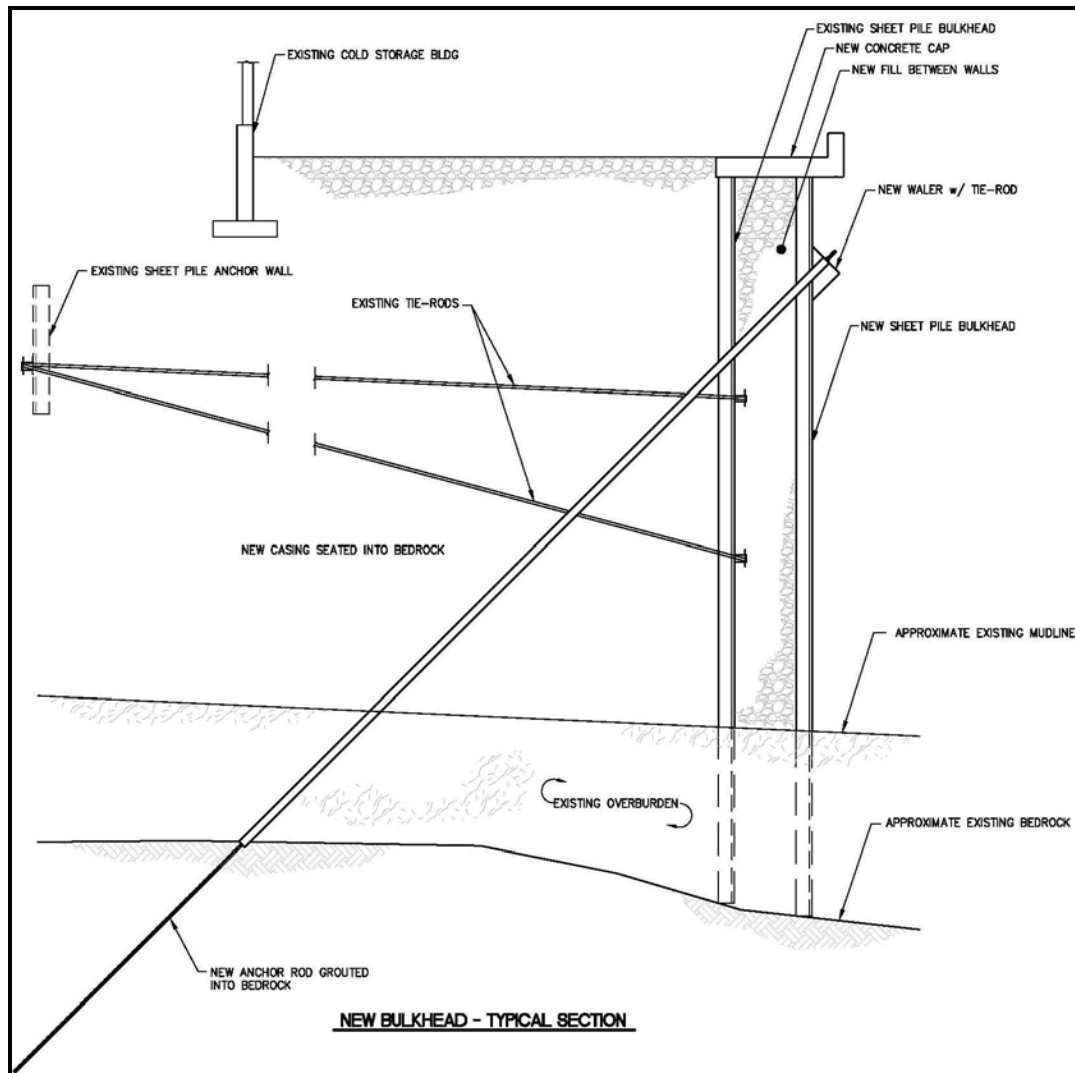


West end of sheetpile bulkhead face.

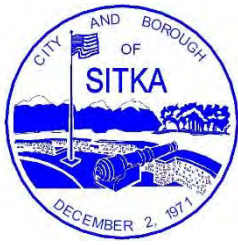


Segment of sheetpile bulkhead face.

materials and the other provides costs for an upgraded facility with superior materials and improved cathodic protection systems.



(Figure 2 – Typical replacement bulkhead wall section)



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Coast Guard City, USA

MEMORANDUM

To: Mark Gorman, Municipal Administrator
Thru: Michael Harmon, Public Works Director
Date: December 12, 2016
From: Wendy Lawrence, Assessing Director
Subject: Request for Estimate of Full and True Value of the Marine Services Center Pursuant to Home Rule Charter of the City and Borough of Sitka 13.01(a)

This report is submitted for the purposes of estimating *full and true value* for the Marine Services Center and was prepared under the reporting requirements of the Uniform Standards of Appraisal Practice (USPAP). A copy of the full report is on file for your reference. I would draw attention to the Assumptions and Limiting Conditions which are incorporated into the report where applicable. I have also noted where a departure from the USPAP requirements was necessary due to the need to adhere to the jurisdictional requirements of Alaska State Statute and Borough Code.

The purpose of this report is to provide an estimate of full and true value for the subject property commonly known as the Marine Services Center and legally described as:

A portion of Alaska Tidelands Survey No. 15, Sitka, Alaska, said portion commonly referred to as the Port Development Facility and more particularly described as follows: Beginning at the witness corner to meander Corner No. 11 of U.S. Survey 2542, Sitka Indian Village, Sitka, Alaska; thence N 39°59'56" W a distance of 433.22 feet to a point on the Southerly right-of-way of Katlian Avenue henceforth to be known as Corner No. 1 of this description and the true point of beginning; thence S 44°53'41" W a distance of 2.54 feet to Corner No. 2 of Parcel #4 of the property leased to Halibut Producers Cooperative by the City and Borough of Sitka, and Corner No. 2 of this description; thence S 44°53'41" W for 206.76 feet to Corner No. 3; thence S 45°06'49" E a distance of 40.00 feet to Corner No. 4; thence S 43°15'43" W for 16.00 feet to Corner No. 5; thence S 45°06'19" E a distance of 5.00 feet to Corner No. 6; thence S 44°53'41" W for 9.00 feet to Corner No. 7; thence N 45°32'30" W a distance of 356.66 feet to Corner No. 8; thence N 44°19'08" E a distance of 237.34 feet to a point on the Southerly right-of-way of Katlian Avenue as Corner No. 9; thence along the right-of-way of Katlian Avenue in a

southeasterly direction along a curve to the Left, whose delta angle is 27°57'49" and whose radius is 507.46 feet for a distance of 247.67 feet to Corner No. 10; thence S 57°00' E a distance of 3.00 feet to Corner No. 11, a point on a curve to the Right whose delta angle is 7°56'07" and whose radius is 477.46 feet, a distance of 66.13 feet to Corner No. 1 and the True Point of Beginning. Records of the Sitka Recording District, First Judicial District, State of Alaska.

Research and analysis indicate that the full and true value of the subject as of December 12, 2016, based upon available relevant market data, is:

\$3,975,000

Three Million, Nine Hundred Seventy Five Thousand Dollars

This valuation takes into consideration current market factors, documented ongoing maintenance of the cold storage facility by the City and Borough of Sitka, and contains a decremental adjustment for the recommended bulkhead repair. Due to the lack of relevant comparable sales data for similar properties, the cost approach was heavily weighted for this valuation.

Purpose

The purpose of this report is to determine an opinion of full and true value for the subject property. According to the Sitka General Code, Title 4.12.040, full and true value is defined as:

“Assessment of property at full and true value. Property shall be assessed at its full and true value in money, as of January 1st of the assessment year. In determining the full and true value of property in money, the person making the return or the assessor, as the case may be, shall not adopt a lower or different standard of value because the same is to serve as a basis of taxation, nor shall he adopt as a criterion of value the price for which the property would sell at auction, or at a forced sale, either separately or in the aggregate with all of the property in the taxing district, but he shall value the property at such sum as he believes the same to be fairly worth in money at the time of assessment. (B.C.S. § 3.20.040.)”

To the extent this definition conflicts with other industry definitions for full and true value, the appraiser claims a jurisdictional exception as allowed in USPAP.

Scope

The scope of work included in this assignment is as follows:

- 1) Research, verify, and analyze data from reliable sources to determine comparable market data.
- 2) A sales comparison approach was not developed due to the lack of relevant comparable sales for this special use property.
- 3) Report conclusion of final opinion of full and true value area in accordance with USPAP.

Statement of Assumptions and Limiting Conditions

- This report is not an appraisal at full and true value, which would require a different scope of work.
- This report it is an opinion of full and true value based upon standardized land and building cost valuation models established for the fair and equitable valuation of all taxable property per SGC 4.12.040.
- This report is an opinion of full and true value for assessment purposes only based on a market review of available and comparable market information.
- If an error is found, the appraiser reserves the right to review and amend the estimate of value.
- This report must be used and considered as a whole document. No part of this report is to be used out of context, and by itself alone, no part of this report is necessarily correct, as being only part of the evidence upon which the final judgment as to value is based. The appraiser is not responsible for unauthorized use of this report.

X *Wendy Lawrence*

Wendy Lawrence, Assessing Director
State of Alaska Certified Residential Real Estate Appraiser
License #740
Exp. 6/30/2017



CITY AND BOROUGH OF SITKA

Legislation Details

File #: 18-204 Version: 1 Name:

Type: Item Status: AGENDA READY

File created: 10/16/2018 In control: City and Borough Assembly

On agenda: 10/23/2018 Final action:

Title: Financial / Legal Matters regarding lawsuit involving the Sitka Police Department

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Executive Session.pdf](#)

Date	Ver.	Action By	Action	Result
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POSSIBLE MOTIONS

Step 1:

I MOVE to go into executive session* to receive and discuss an update from Municipal Attorney Brian Hanson and outside legal counsel, Michael Gatti and/or Megan Sandone, regarding financial and legal matters affecting the Municipality as a result of the lawsuit filed by Mary Ferguson on October 11, 2018.

Step 2:

I MOVE to reconvene as the Assembly in regular session.

*Sitka General Code 2.04.020 Meetings

D. All meetings shall be open to the public except that the following may be discussed in closed executive session:

1. Matters, the immediate knowledge of which would adversely affect the finances of the municipality;
2. Subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion;
3. Matters which by law, municipal Charter or ordinances are required to be confidential;
4. Communications with the municipal attorney or other legal advisors concerning legal matters affecting the municipality or legal consequences of past, present or future municipal actions.