



# 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*

*Interim Municipal Administrator: Dave Miller  
Municipal Attorney: Brian Hanson  
Municipal Clerk: Sara Peterson*

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Tuesday, August 13, 2019

6:00 PM

Assembly Chambers

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#### REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

[19-174](#) Reminders, Calendars and General Correspondence

Attachments: [Reminders and Calendars](#)

[Marine Street N-1 Project Update 2019.08.01](#)

[PW Assembly Update 8.6.2019 Final](#)

[GPIP Action Item Update August 2019](#)

V. CEREMONIAL MATTERS

[19-173](#) Athletic Awards - Sitka Little League Majors Baseball and Softball All-Star Teams

Attachments: [Baseball Athletic Award](#)

[Softball Athletic 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)

**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**     [19-168](#)     Approve the minutes of the July 23 Assembly meeting  
**Attachments:** [Consent and Minutes](#)
- B**     [19-169](#)     Approve an application for the renewal of a standard marijuana cultivation facility license for Darren H. Phillips dba Fiberflite at 120 Jarvis Street Unit C  
**Attachments:** [Motion and memos](#)  
[01 Renewal - LG Notice - Standard Marijuana Cultivation Facility - Fiberflite Lice](#)  
[02 13577 MJ-20 Renewal Application Certifications](#)  
[03 13577 Online Application Redacted](#)  
[04 13577 POPPP](#)
- C**     [RES 19-23](#)     Authorizing a \$33,000 grant reallocation application to the Department of Homeland Security and Emergency Management (DHS & EM)  
**Attachments:** [Motion Memo and Res 2019-23](#)

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

- D**     [19-175](#)     Appoint Candace Rutledge to an unexpired term on the Historic Preservation Commission in the category of At-Large  
**Attachments:** [Motion appointment](#)  
[Rutledge Application](#)

**XI. UNFINISHED BUSINESS:**

- E      [ORD 19-33](#)      Amending Chapter 2.38 "Gary Paxton Industrial Park" of the Sitka General Code, at Section 2.38.010 "Designation", by removing Lot 17, Lot 18, and 7,496 square feet of the easement adjacent to Lot 17 from the site designated as the Gary Paxton Industrial Park

**Attachments:** [Motion Ord 2019-33](#)

[Assembly memo - GPIIP Lot 17 acquisition](#)

[Ord 2019-33 and Exhibits](#)

[figure 1](#)

[figure 2 - survey drawing](#)

[figure 3 - SCIP Resubdivision 1](#)

[Attachment 1](#)

[Attachment 2](#)

[Attachment 3](#)

- F      [19-066](#)      Discussion / Direction / Decision on the selection of a Police Department third party investigator (postponed from the April 23 meeting)

**Attachments:** [Discussion Direction Police Department third party investigator](#)

[Minutes Feb 26.](#)

[Minutes March 26.](#)

[Minutes April 11.](#)

[Minutes April 23.](#)

## XII.      **NEW BUSINESS:**

### **New Business First Reading**

- G      [ORD 19-34](#)      Making supplemental appropriations for FY2019 and FY2020

**Attachments:** [Motion Ord 2019-34](#)

[Memo Ord 2019-34](#)

[Ord 2019-34](#)

[Historic Preservation grant](#)

### **Additional New Business Items**

- H      [19-166](#)      Approve the 2019-2022 International Brotherhood of Electrical Workers (IBEW), Local 1547 Collective Bargaining Agreement  
*Attachments:* [Motion IBEW](#)  
[01 Assembly Memo IBEW 8-1-2019 re Salary Survey 2018](#)  
[02 Final Summary of Changes to 2019-2022 Agreement for Assembly \(002\)](#)  
[03 Final Draft for Assembly Approval - Sitka and IBEW 2019-2022 Tentative Ag](#)  
[04 Financial Effects Of 2019 IBEW Tentative Agreement Assembly One Page S](#)
- I      [19-170](#)      Approve the Assembly Position Subcommittee recommendations from the August 5 meeting for the following positions: Library Assistant, Scanner/Records Destruction Clerk (temporary), Customer Service Representative (temporary), Police Officers, Dispatch and Records Clerk  
*Attachments:* [Motion Subcommittee](#)  
[DRAFT 2019-08-05](#)
- J      [19-171](#)      Discussion / Decision of Assembly Member Nelson's attendance at the White House Office of Intergovernmental Affairs State Leadership Day events on September 10  
*Attachments:* [Discussion Decision Nelson travel](#)
- K      [19-172](#)      Update and discussion / direction on next steps for the Municipal Administrator recruitment process and discussion of memo from Interim Municipal Administrator Dave Miller  
*Attachments:* [Next steps](#)

**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**

*not anticipated*

**XV. ADJOURNMENT**

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

*Sara Peterson, MMC, Municipal Clerk  
Publish: August 9*



# CITY AND BOROUGH OF SITKA

## Legislation Details

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**File #:** 19-174      **Version:** 1      **Name:**  
**Type:** Item      **Status:** AGENDA READY  
**File created:** 8/7/2019      **In control:** City and Borough Assembly  
**On agenda:** 8/13/2019      **Final action:**  
**Title:** Reminders, Calendars and General Correspondence  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Reminders and Calendars](#)  
[Marine Street N-1 Project Update 2019.08.01](#)  
[PW Assembly Update 8.6.2019 Final](#)  
[GPIP Action Item Update August 2019](#)

Date	Ver.	Action By	Action	Result
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# REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, August 13	Regular Meeting	6:00 PM
Tuesday, August 27	Regular Meeting	6:00 PM



## *Municipal Election Reminders*

Tuesday, July 23	Last scheduled meeting to introduce ordinance charter changes and ballot measures
Friday, August 2	5:00 PM deadline for filing candidate petitions
Tuesday, August 13	Last scheduled meeting to adopt ordinances for charter changes and ballot measures
Tuesday, October 1	Municipal Election

### Expiring Terms:

Assembly  
Kevin Knox  
Aaron Bean

School Board  
Jennifer McNichol

# Assembly Calendar

[2018](#)  
 [Jan](#)  
 [Feb](#)  
 [Mar](#)  
 [Apr](#)  
 [May](#)  
 [Jun](#)  
 [Jul](#)  
 [Aug](#)  
 [Sep](#)  
 [Oct](#)  
 [Nov](#)  
 [Dec](#)  
 [2020](#)

## August 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28 <u>Jul</u>	29	30	31	1 <u>Aug</u>	2	3
4	5	6	7	8	9	10
	12:00pm Assembly Position Subcommittee		6:00pm Library Commission 6:00pm School Board	12:00pm SEDA Board Meeting 1:30pm Health Needs & Human Services Commission		
11	12	13	14	15	16	17
		Nelson 12:00pm Parks & Rec 6:00pm <u>Regular Assembly Mtg</u> 6:00pm School Board	Nelson 6:00pm Historic Preservation	Nelson	Nelson	Nelson
18	19	20	21	22	23	24
Nelson	Nelson 12:00pm Assembly Position Subcommittee	Nelson 12:00pm <u>Tree/Landscape</u>	Nelson	6:30pm Health Needs Affordability Work Shop #3		
25	26	27	28	29	30	31 <u>Sep</u>
		6:00pm <u>Regular Assembly Mtg</u>	6:00pm Police and Fire Commission			

# Assembly Calendar

[2018](#)  
 [Jan](#)  
 [Feb](#)  
 [Mar](#)  
 [Apr](#)  
 [May](#)  
 [Jun](#)  
 [Jul](#)  
 [Aug](#)  
 [Sep](#)  
 [Oct](#)  
 [Nov](#)  
 [Dec](#)  
 [2020](#)

## September 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Sep	2	3	4	5	6	7
	HOLIDAY 12:00pm Assembly Position Subcommittee		6:00pm School Board 7:00pm Planning Commission	12:00pm SEDA Board Meeting		
8	9	10	11	12	13	14
		12:00pm Parks & Rec 6:00pm <u>Regular Assembly Mtg</u>	6:00pm Library Commission 6:00pm Historic Preservation 6:00pm Port & Harbors Commission	12:00pm LEPC 1:30pm Health Needs & Human Services Commission		
15	16	17	18	19	20	21
	12:00pm Assembly Position Subcommittee	2:00am Health Needs and Human Service work session 12:00pm <u>Tree/Landscape</u>	<u>Southeast Conference</u> 7:00pm Planning Commission	<u>Southeast Conference</u>	<u>Southeast Conference</u>	
22	23	24	25	26	27	28
		6:00pm <u>Regular Assembly Mtg</u>	6:00pm Police and Fire Commission	6:00pm <u>Govt to Govt Dinner - location to be announced</u>		
29	30	1	<u>Oct</u>	2	3	4
			6:00pm Library Commission 6:00pm School Board 7:00pm Planning Commission	12:00pm SEDA Board Meeting		



# Memorandum

August 1, 2019

To: Acting Municipal Administrator

Cc: Assembly Members

From: Bryan Bertacchi, Utility Director

A handwritten signature in dark ink, appearing to be "BB", is written over the name "Bryan Bertacchi".

Subject: Marine Street N-1 Project Update

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## Executive Summary:

Over eighty percent of Electric Customers are served from the forty year old Marine Street Substation and a failure of this critical substation would result in a complete power loss for those customers for an extended period (likely months). Originating in 2016 the Assembly approved an appropriation for a total of \$4.3M for the Marine Street N-1 project which was funded by existing unspent bond proceeds and did not require new funding. This project will provide for a redundant substation directly adjacent to the existing substation at Marine Street and will allow needed maintenance for the old substation. Although the major equipment has been procured within budget, it is expected that unforeseen costs will require an increase in the total appropriation for this project. It is expected that a more detailed and accurate estimate will be available within a few months and the Electric Department will return to the Assembly for approval of a modification to the original appropriation. This new appropriation will result in a consolidated plan that will delay other existing capital projects, rather than requiring new and unknown capital funding. Overall, a total of \$1.7M has been expensed on this project with an additional \$1.5M encumbered leaving a current balance of \$1.1M. Of that remaining \$1.1M a contract with CBC for the civil portion of the work is being executed for approximately \$978,000 which leave approximately \$120,000 balance of the total appropriated funds for this project.

## Detail:

Some of the causes of this change are:

1. Detailed Geo Technical drilling results revealed that significant additional and unforeseen civil work would be required (A large retaining wall and much greater excavation and fill).
2. The detailed survey revealed that the forty year old electric transmission poles on the Marine Street route will need to be replaced.
3. A detailed survey indicated that the underground Electric Feeders along the route will need to be replaced.
4. Accommodation for increases in load on Japonski Island needed to be incorporated in the design.

5. Delays in the procurement process caused unforeseen delays in the project schedule resulting in overall inflation impacts.
6. Escalation due to these unforeseen delays

# Project Expense Performance Report

Fiscal-Year-to-Date And Life-to-Date To: 8/1/2019

Project Number	Description	Status	Budget	Expenses	Encumbrances	Balance	% Used
Project 90623	Marine St. N-1 Design to New HPR	Active					
Sub Project 1000	Revenues	Active					
Sub Project 1000 Total:			YTD \$0.00	\$0.00	\$0.00	\$0.00	+++
			LTD \$0.00	\$0.00	\$0.00	\$0.00	+++
Sub Project 3000	Expenses	Active					
Sub Project 3000 Total:			YTD \$0.00	\$83,128.79	\$6,898.48	(\$90,027.27)	+++
			LTD \$4,300,000.00	\$1,704,458.06	\$1,489,241.34	\$1,106,300.60	74%
Project 90623 Total:			YTD \$0.00	\$83,128.79	\$6,898.48	(\$90,027.27)	+++
			LTD \$4,300,000.00	\$1,704,458.06	\$1,489,241.34	\$1,106,300.60	74%
<b>Grand Total:</b>			YTD \$0.00	\$83,128.79	\$6,898.48	(\$90,027.27)	+++
			LTD \$4,300,000.00	\$1,704,458.06	\$1,489,241.34	\$1,106,300.60	74%

# Project Expense Performance Report

Fiscal-Year-to-Date And Life-to-Date To: 11/14/2018

Project Number	Description	Status	Budget	Expenses	Encumbrances	Balance	% Used
Project: 90823	Marine St. N-1 Design to New HPR	Active					
Sub Project: 1000	Revenues	Active					
Sub Project 1000 Total:							
			YTD	\$0.00	\$0.00	\$0.00	+++
			LTD	\$0.00	\$0.00	\$0.00	+++
Sub Project: 3000	Expenses	Active					
Sub Project 3000 Total:							
			YTD	\$0.00	\$298,771.17	(\$371,222.00)	+++
			LTD	\$4,300,000.00	\$298,771.17	\$3,298,627.43	23%
Project 90823 Total:							
			YTD	\$0.00	\$72,450.83	(\$371,222.00)	+++
			LTD	\$4,300,000.00	\$298,771.17	\$3,298,627.43	23%
<b>Grand Total:</b>							
			YTD	\$0.00	\$298,771.17	(\$371,222.00)	+++
			LTD	\$4,300,000.00	\$298,771.17	\$3,298,627.43	23%

**PUBLIC WORKS ASSEMBLY UPDATE**  
**WORK COMPLETED THROUGH JULY 2019**

**Wastewater Treatment Plant (WWTP) Rehabilitation (DESIGN PHASE)**

**Milestones This Period**

- 99% completion of the SCADA design for the bid documents and working on full set coordination and QC review for the 100% bid set- due mid-September.

**Future Milestones**

- Complete the bidding documents for a September 2019 bid.
- Award construction contract and begin construction of the WWTP rehabilitation project October 2019, assuming sufficient funding is available.
- Anticipated project completion Spring 2021.

**Background**

The Wastewater Treatment Plant was built in the early 1980's and most of the building systems, especially the HVAC (ventilation air) systems have failed or are past their useful life and require replacement. The air quality within the building is inadequate and corrosive and the exposed piping and metal within the building are corroded. The building's envelope leaks air and does not allow for proper pressurization of the office areas and other clean rooms. Corrosive air in these spaces results in electronics regularly becoming dysfunctional within months, in addition to creating an unhealthy air quality for the WWTP operators. It is the intent of Public Works to move this project forward as quickly as possible as there are life safety issues that need to be addressed in the existing facility. It is anticipated that the current project funding will be insufficient to rehabilitate the building, correct the life safety, code compliance and non-functional existing conditions. The preliminary total project cost is estimated at \$10 million. Funding for this project is provided by the following sources: \$263,000 in Wastewater fund Working Capital and DEC loans for \$2,832,500 and \$1,825,000 (secured) and a third DEC loan of \$5,079,500 (approved and pending signed agreement).

Current Contracts: McCool Carlson Green (design) \$835,584

**SMC Transmission Main Break Repair (CONSTRUCTION PHASE)**

**Milestones This Period**

- Conducted leak detection on transmission main, July 11, 2019.
- Negotiated time-and-materials contract with K&E for labor and equipment support.

**Future Milestones**

- Arrival of all construction materials, scheduled for August 8, 2019.
- Repair water main, August 2019.

**Background**

Public Works has discovered a break in the 24-inch water transmission main to town on Sawmill Creek Road (SMC) by the Indian River Bridge. Staff has worked to develop a repair plan and procure materials while developing a new Capital Project in the budget. The Assembly passed Ordinance 2019-28 at the June 25 meeting to establish a \$400,000 budget for the project. Second reading is scheduled for July 9. In the

meantime, Public Works is utilizing operating capital in the Water Fund budget to fund the work.

Current Contracts: Core & Main (materials Purchase Order) \$76,213

**O’Connell Lightering Float Pile Replacement (CONSTRUCTION PHASE)**

**Milestones This Period**

- None, continue progress on closeout documents.

**Future Milestones**

- Final project closeout paperwork, late August 2019.

**Background**

With lightering traffic reduced due to cruise ships mooring at Old Sitka Dock, and what lightering remains shifting to the Crescent Lightering Facility near Harrigan Centennial Hall, Harbor Staff have found O’Connell to be a popular moorage location for yacht owners. However, the existing piling at the O’Connell Lightering Float were installed too shallow to support yacht moorage as evidenced by several piles being displaced during a storm event. This project will replace all piling at the facility with new rock-socketed piling specifically designed to support large yachts. The Assembly approved an appropriation of \$280,000 from the Harbor Fund Undesignated Working Capital on September 12, 2017, on 2<sup>nd</sup> reading. This amount was insufficient given regulatory agency feedback and timeframes. An additional \$290,000 appropriation from the Harbor Fund Undesignated Working Capital was approved by the Assembly on March 27, 2018, on 2<sup>nd</sup> reading.

Current Contracts: PND Engineers (design) \$35,380  
Turnagain Marine (construction) \$483,800

**Lincoln Street Paving – Harbor Way to Harbor Drive (DESIGN PHASE)**

**Milestones This Period**

- Project start date pushed out one year based on feedback from Assembly received at July 9, 2019 meeting.

**Future Milestones**

- Project purpose and vision to be revisited with community and Assembly input, beginning September 2019.
- Construction anticipated Fall 2020 to Spring 2021.

**Background**

The project includes replacing non-ADA-compliant curb ramps, failing storm drain, limited curb, gutter and sidewalk and all asphalt pavement on Lincoln Street from approximately Harbor Way to Harbor Drive. Red concrete crosswalks are planned to be bid as an additive alternate. Funding for the project is provided by:

\$1,760,000 – General Fund  
 \$105,000 – CPET funding  
 \$20,000 – Water Fund  
\$20,000 – Sewer Fund  
 \$1,905,000 – Total Available Project Funding

Current Contracts: Professional and Technical Services, Inc.	\$394,986
(Lincoln portion of Lincoln & Katlian contract)	
Anderson Land Planning (design)	\$5,000

**Katlian Street (DESIGN PHASE)**

**Milestones This Period**

- No significant milestones achieved.

**Future Milestones**

- Finalize easements by end of August 2019.
- Construction anticipated Spring/Summer 2020.

**Background**

The project includes replacing non-ADA compliant curb ramps, failing storm drain, and limited curb, gutter and sidewalk and all asphalt pavement on Katlian Street from Halibut Point Road to the MSC. Currently, funding for the project is provided by: Total Available Project Funding: \$747,868 (General Fund).

Current Contracts: Professional and Technical Services, Inc.	\$394,986
(Lincoln & Katlian design projects, combined)	

**Knutson Drive Road Repair (INVESTIGATION PHASE)**

**Milestones This Period**

- DOWL geotechnical investigation completed July 11, 2019.

**Future Milestones**

- DOWL geotechnical report and recommendations due August 2, 2019.

**Background**

CBS engaged with DOWL in June 2019 to investigate evidence of road failure in two locations on Knutson Drive. The outside edge of the roadway is settling and the guardrail is slowly sinking and falling away from the street. The consultant was hired to study the road failure, potential causes, and evaluate the potential risk of a more significant road failure. DOWL will return in July 2019 to conduct a more thorough geotechnical study, including roadway drilling and sampling, to evaluate subsurface conditions. CBS will be seeking recommendations from DOWL for next steps and remediation options. We have a high level of concern for this situation and we're moving rapidly to identify solutions.

Current Contracts: DOWL	\$47,549.50
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## **East DeGroff Water, Sewer and Street Repairs (CONSTRUCTION PHASE)**

### **Milestones This Period**

- Asphalt paving completed July 19, 2019.
- Sidewalk construction completed July 26, 2019.
- Unofficial Substantial Completion established on July 31, 2019.

### **Future Milestones**

- Punch list work to be completed within 30 days of established Substantial Completion – estimated Physical Completion, August 30, 2019.

### **Background**

The project includes replacement of aging, failing water, sewer and storm drainage infrastructure in DeGroff Street from Hollywood Way to Sawmill Creek Road. The project will replace all pavement, curb, gutter and sidewalk. Scope will also include utility trenching work in Sawmill Creek Road, ahead of an Alaska Department of Transportation project to re-pave SMC in 2019 or 2020. Funding for the project is provided by the following sources: \$2.24 million from FY2015 ADEC Water and Sewer Loans, \$175,000 from the FY17 Water Enterprise Fund and \$45,000 from the FY17 Wastewater Enterprise Fund and \$300,000 from the FY18 General Fund.

Current Contracts: PND Engineers (design)	\$144,747
K&E Alaska (construction)	\$2,170,978

## **Sitka Seaplane Base (SPB) (PLANNING PHASE)**

### **Milestones This Period**

- Negotiated Scope of Work and Fees with the DOWL consulting team to perform the environmental assessment and the remaining planning activities to be completed before moving the project into the design phase.
- Preparation of the AIP Planning Grant application, for the Environmental Assessment and the remaining aviation planning activities.
- Received a 'Letter of Cooperation' from the State of Alaska Department of Education and Early Development (DEED) for the proposed CBS purchase of the upland SPB property from DEED.

### **Future Milestones**

- Finalize and submit the AIP grant application- anticipated in early August after FAA final review of proposed scope of work and costs.

### **Background**

Assembly Resolution supporting the acquisition of the preferred location/land parcel for the Seaplane Base, October 9, 2018. The Assembly approved Supplemental Appropriations for FY19, Ordinance 2018-49, for the SPB. Finance Dept. submitted project information to FAA by October 31, 2018 – required step in order to be considered to receive any of the \$1 billion AIP Supplemental funding. Improvement or replacement of the seaplane base has been discussed on and off for the past two decades. The Assembly has made it a priority to look into the development of a new seaplane base for the economic development of Sitka, a key component to making this happen is land acquisition. Part of the due diligence that staff is doing for the Assembly is working on what staffing, money, and land acquisition we need for adequate

maintenance, operations and reporting. The seaplane base study, which included an Economic Impact Study, showed that property on Japonski Island was the preferred site for the seaplane base. The AIP grants from FAA could help fund planning, design, land acquisition, and construction costs for the new SPB. \$16 million is the estimated Project Cost submitted to FAA for AIP grant funding, which may require (6.25%) matching funds from CBS unless the project wins a grant from the Supplemental AIP funding, which funds 100% without any required match.

### **Nelson Logging Road Upgrades (CONSTRUCTION PHASE)**

#### **Milestones This Period**

- Contractor is working on Punch List items.

#### **Future Milestones.**

- Physical Completion is scheduled for August 2019.
- DNR Survey information provided to Surveyor to prepare easement plan, August 2019.
- Final Project closeout September 2019

#### **Background**

The project includes replacing both inadequate bridges, realignment at HPR intersection to raise the road elevation out of the stream floodplain, upgrading Nelson Logging Road to include drainage improvements, resurfacing, widening, and pedestrian amenities. Funding for the project is provided by a \$2,343,000 State of Alaska Department of Commerce Community and Economic Development Grant.

Current Contracts:	LEI Engineers & Surveying (design)	\$471,120
	K & E Alaska, Inc (construction)	\$1,544,280

### **Davidoff Storm Sewer Rehabilitation (CONSTRUCTION PHASE)**

#### **Milestones This Period**

- Storm drain work completed and road patch paving completed July 19, 2019.
- Unofficial Substantial Completion established on July 26, 2019.

#### **Future Milestones**

- Punch list work to be completed within 30 days of established Substantial Completion – estimated Physical Completion, August 25, 2019.

#### **Background**

The project includes rehabilitation and/or replacement of deteriorated storm drain infrastructure including two 30” and two 36” metal culverts and two metal storm structures adjacent to Davidoff Street, between Charteris and HPR. Funding for the project is provided by:

\$350,000 – General Fund FY2018  
 \$150,000 – General Fund FY2019  
(\$100,000) – transferred to Peterson Street Sewer Rehab project  
 \$400,000 – Total Available Project Funding

Current Contracts: StephI Engineering (design)	\$37,500
K&E Alaska, Inc. (construction)	\$289,172

**Airport Terminal Improvements (DESIGN PHASE)**

**Milestones This Period**

- Resubmitted the 30% design package/reports with the design revisions discussed with TSA.

**Future Milestones**

- It is anticipated the TSA review will take 2-3 weeks and the formal 30% review meeting to occur in Aug. 2019, after the approval of which, the rest of the project design will resume.
- Complete the 35% revisions for the ‘rest of the terminal improvements design’ & move into the Design Development Phase (65%) where the Improvements will be developed & defined in separate phases for construction & funding.
- ADOT involvement 65%, especially regarding potential FAA AIP funding & Improvement staging.
- Other funding sources for terminal improvements beyond the PFC/Bonding and AIP grant requests are being developed for consideration, including airport terminal user fees and TSA grants for screening/security improvements.
- Phased construction has been delayed to 2020 through 2023 due to the Federal Government shutdown at the end of 2018.
- Still awaiting and anticipating the State of Alaska DOT sending the CBS information about the upcoming parking lot management changes and options.

**Background**

The Airport Terminal Improvement Project is intended to remedy some of the existing critical problems identified in the Airport Terminal Master Plan 2008-2011, including working conditions in the baggage make-up area and TSA baggage screening area, as well as problems with congested passenger queuing, screening, baggage, fish boxes, waiting areas and passenger flow. CBS accepted a TSA design grant in the amount of \$158,569.25 to design specific improvements to the TSA Baggage Screening Area. Other areas impacted by these design changes are ineligible for the TSA design funding. The Assembly approved moving forward to the 65% Schematic Design Milestone for the preferred concept plan that was presented in the Assembly work-session August 8, 2017. Passenger Facility Charges (PFC) were applied for and approved by ADOT and FAA. Collection of the PFCs began May 1, 2018 and will. The total anticipated revenue collection over the 20-year period of collection is \$6,840,000.00, which is anticipated to finance the \$4,025,000 revenue bond along with its fees and debt service.

The current estimated cost for the project as identified is approximately \$15-million. The current funding plan outlines the following components:

- Passenger Facility Charge Revenue \$4,025,000 Bond in progress
- TSA Funding \$3,397,500 Unsecured
- Eligible AIP Grant Request \$10,283,954 Unsecured
- Potential User Fees & Airline TBD – dependent on securing grants

Current contracts: MCG Architects (design) \$449,069

**Crescent Harbor Float Replacement – Phase I (DESIGN PHASE)**

**Milestones This Period**

- Design-Build Contract Phase I executed with Turnagain, July 17, 2019.
- Approved Third Party Estimator Contract with Moffatt and Nichol, July 2, 2019.
- Third Party Estimator provided review comments for 35% Harbor Design and 90% Float Design.
- Jacobs provided review comments on 35% Harbor Design and 90% Float Design.
- Public Meeting held July 8, 2019.
- Cost estimate review meeting scheduled for July 31, 2019.

**Future Milestones**

- Turnagain Phase 2 (procurement of floats), August 2019.
- 65% Harbor Plans due August 2019.
- Construction project scheduled Fall 2019 to March 15, 2020.

**Background**

The physical condition of Crescent Harbor has deteriorated to point where in-house repairs are no longer sufficient to adequately maintain the facility. Harbor Department staff and Public Works Department engineers have determined that the harbor now presents an operational and safety risk due to floats sinking, decay of wooden beams, corrosion of metal fixtures and failure of walk-down ramps to meet ADA accessibility requirements. The project has estimated total cost of \$14,025,000. Of this, the harbor grant will provide \$5,000,000. The Harbor Fund working capital has allocated \$1,000,000 for the project. The remaining \$9,025,000 is planned to be provided with \$8,025,000 in harbor revenue bond proceeds and the use of the Harbor Fund working capital in the amount of \$1,000,000 noted above.

Current Contracts:	Jacobs (project admin & Plan review)	\$90,090
	Moffatt and Nichol (third party estimating)	\$79,948
	Turnagain Phase I Design Build Contract	\$700,000

## **Peterson Storm Sewer Rehabilitation (DESIGN PHASE)**

### **Milestones This Period**

- Preliminary Engineering Estimate provided.
- Additional Grant allocation by U.S. Fish and Wildlife Service for construction - grant application submitted.

### **Future Milestones**

- Bid construction project, May, 2020.
- Complete construction work, September, 2020.

### **Background**

The project includes replacement of deteriorated 60" corrugated metal culvert crossing under Peterson Street, allowing for fish passage. Funding for the project is provided by:

\$150,000 – General Fund FY2019  
(\$50,000) – transferred to Davidoff Street Sewer Rehab project  
\$ 60,000 – U.S. Fish and Wildlife Service Fish Passage Program grant  
\$ 55,000 – U.S. Fish and Wildlife Service Fish Passage construction grant  
\$215,000 – Total Available Project Funding

Current Contracts: DOWL (design) \$78,072

## **Critical Secondary Water Supply (DESIGN PHASE)**

### **Milestones This Period**

- CBS request to acquire GPIIP Lot 17 for filter plant construction at July 23 Assembly meeting approved on First Reading.

### **Future Milestones**

- Second Reading for CBS request to acquire GPIIP Lot 17 for filter plant construction, August 13, 2019.
- Filtration equipment RFP, August 2019
- Solicit construction bids, August 2020.
- Substantial Completion for secondary water source project anticipated in September 2021.

### **Background**

The project is for design and construction of a secondary water source, for when the primary water source – Blue Lake water treated with ultraviolet (UV) radiation – is unavailable. Blue Lake water will not be available when the Electric Department inspects and maintains the penstock providing water from the dam to the power plant. Blue Lake water may also require filtration – not just UV treatment – if turbidity levels continue to exceed regulatory thresholds. Total project cost is estimated at \$18 million. Funding for the project is provided by:

\$150,000 – Working Capital  
\$380,000 – transferred from UV Disinfection project Working Capital  
\$17,620,000 – Alaska Clean Water Fund loan  
\$18,150,000 – Total Available Project Funding

Current Contracts: CRW Engineering Group, L.L.C. (design) \$362,780

## **Brady, Channel and Eagle Way Lift Station Rehabilitation (DESIGN PHASE)**

### **Milestones This Period**

- Received & reviewed 35% design drawings for Brady and Crescent lift stations.

### **Future Milestones**

- Bid period: October to November 2019.
- Construction notice-to-proceed, November 2019.
- Rehabilitate lift station, Winter 2019 - Spring 2020.

### **Background**

Eagle Way Lift Station is responsible for pumping all sewage east of Eagle Way toward the Wastewater Treatment Plant (WWTP). Brady Lift Station is responsible for all sewage north of Brady Street. Channel Lift Station is responsible for an apartment complex and one private residence on Halibut Point Road. All three lift stations require excess maintenance due to corrosion and/or outdated pumping equipment. Project will rehabilitate lift stations, re-using existing infrastructure to the extent feasible. Funding for the project is provided by:

#### *Eagle Way Lift Station*

\$250,000 – DCCED grant

\$220,000 – Wastewater Fund Working Capital

#### *Brady Lift Station*

\$217,400 – ACWF loan

\$165,000 – Wastewater Fund Working Capital

#### *Channel Lift Station*

\$300,000 – ACWF loan (left over from larger, four-lift station loan)

\$100,000 – Wastewater Fund Working Capital

\$1,222,400 – Total Available Project Funding

Current Contracts: DOWL (design)

\$128,930

## **Bio-solids Municipal Landfill Expansion (PLANNING & DESIGN PHASE)**

### **Milestones This Period**

- Complete civil design plans July 2019 pending COE approval.

### **Future Milestones**

- COE permit expected, August 2019.
- Bid Construction project, August 2019
- Construction planned to start, Fall 2019.

### **Background**

The project is required because the existing limits of the Bio-Solids Landfill are nearing available storage limits. A COE permit is required to expand the limits of the landfill to the current DEC permit. The project is funded in fiscal year 2018 for \$500,000.00.

Current Contracts: Stantec (design)

\$48,019

## **Gary Paxton Industrial Park Access Ramp (PLANNING PHASE)**

### **Milestones This Period**

- PND has researched boat haul out numbers from other southeast harbors to determine the size of the treatment facility for boat wash down water. Treatment facility type and layout provided for review.

**Future Milestones**

- Complete change order tasks and scoping study, September 30, 2019.

**Background**

The project includes planning and design for a multipurpose boat ramp for the Gary Paxton Industrial Park. The ramp is to be associated with the new existing barge ramp constructed adjacent to the Boat Building Lot. Project funding of \$40,000 provided in Gary Paxton Industrial Park Budget. Additional funding approved by Assembly March 3, 2019 for \$21,960 for a total of \$61,960.

Current Contracts: PND Engineers Inc. (design) \$49,716

**Police Station Planning Study (PLANNING PHASE) - 99% complete**

**Milestones This Period**

- No significant milestones achieved.

**Future Milestones**

- Anticipate minor report revisions due to Title Search then printing final copies of the report mid-August 2019.

**Background**

The Sitka Police Department and Jail occupies one-third of the first floor in the City/State Court/Office Building. The Sitka Police Offices and jail do not meet current industry standards. It is nonfunctional, unsafe, and severely inhibits the effective delivery of police service to Sitka. The City/State Building was built in 1974-76 in partnership with the State of Alaska. The City owns the land including the parking lot and is joint owner with the State of the building. Expenses for maintenance and operations per agreement December 1993, are split 34% CBS and 66% State based on the occupancy remaining within the building. Maintenance of the facility and its building systems, along with replacement of non-functional and obsolete infrastructure, has not kept pace with facility needs. Repairs to the facility to address its deferred maintenance are conservatively estimated to exceed \$1 million. How these costs are to be shared is to be determined, and is complicated by the shared ownership of the facility with the State of Alaska. Given Alaska’s current fiscal status, reaching a timely cost-sharing agreement is a point of significant concern.

Current Contracts: Stantec (planning) \$57,558

**MAINTENANCE ACTIVITIES**

**Streets**

- Graded gravel roads and dust control.
- Painted crosswalks and striping on roads.
- Worked on vegetation control.
- Buried approximately 80 yards of bio-solids from the Wastewater Plant.

- Assisted on waterline leak by Indian River.

### **Central Garage**

- 37 repair items, mostly routine items.
- One major repair, replaced transmission on Unit #384, 2007 Ford Ranger truck.
- Completed de-icing equipment rack.

### **Scrapyard**

- Shipped out 6 gondolas with 148,610lbs (74.3 tons), averaging 12.3 tons/container.

### **Grounds Maintenance**

- Power washed Library front entrance, hardscape, and sidewalk along the main parking.
- Cleaned City Hall entrance and back parking lot side of building.
- Seasonal rotation for mowing and maintenance on grounds and athletic fields.
- Prepared athletic fields for special events/games and completed the following:
  - Multiple moves of Upper Moller pitching mound due to special high school baseball tournaments. Upper Moller turf field maintenance rotation (dragging, pellets, etc).
  - Support operations related to Little League Tournament
    - Upper Moller pitching mound removed for Little League Tournaments.
    - Bleachers and bike rack moved to Moller Site for Tournaments.
    - Extra trash 330 gal pick up (\$900) and other supplies.
  - Support to soccer program on Kruger Field.
  - Support to Adult Softball Association – Kimsham Complex.
  - Cross Trails brushing in full from Kramer to Yaw Drive and each neighborhood connectors.
  - Thimbleberry Trailhead brushing (trail needs clearing as well).
  - Heart Lake Trailhead brushing up to bridge along Beaver Lake (only City-owned land of the trail system).
  - Herring Cove parking lot and fire pit area (along the beach) brushing and cleanup.
  - Keet Gooshi Heen Bus Lane brushing.
  - Keet Gooshi Heen Parking Lot brushing.
  - Cut Throat Creek Trail brushing and maintenance to damage boardwalks.
    - NOTE: need to look at life cycle plan for trail system and possibly retract from areas.
  - Summer fertilization rotation on Rotation A and B plans only, consisting of downtown areas, athletic fields, and some harbor areas.
  - Seawalk boardwalk maintenance and repairs to cable rail system.
  - Sitka High School weeding and pruning of vegetation in specific beds.
  - Kimsham Complex needs attention on Field D (Kruger) to fill-in settling areas.
- Community Playground repairs:

- Playground entrance at Crescent Harbor – maintenance concerns on standing water in footings of entryway totems, possibly not all sand was removed prior to group install. Will need to monitor.
- Graffiti/Vandalism cleanup and repairs:
  - Moller Batting Cage - (1 police report).
  - Kimsham Complex attempt – (police notified)
  - Whale Park Gazebo Structure handrail knocked. Replacement rail installed.
  - Homeless camp clean up around Library exterior mechanical area.
  - Goddard Hot Springs damage done to hot water supply line. Temporary repairs made. List for next convenient trip by possible contractor or staff.
  - Provide support for Street Crew work and labor on painting.
- Working on updates on policy and procedures for training, rotation plans, and work management for next season's crew.

## **Building Maintenance**

### COMPLETED:

- Police Department, FRP (fiber reinforced plastic) installed where evidence lockers were removed, touch up and painting.
- Repaired boiler at Public Service Center and contracted boiler chemical inspections.
- Senior Center emergency repairs to rear deck landing and stairs.
- Marine Service Center – special repair to freezer curtains. New hanging bracket hardware on order, along with new freezer curtains.
- Preventive maintenance schedule – normal operations.
- Assisted with the removal of cultural property and artwork from Sitka Community Hospital.

### ONGOING:

- Airport luggage cart maintenance.
- City Hall utility counter demo and installation – electrical contractor work complete now Building Maintenance and IT work – Schedule around work hours to finalize cabinet removal, carpet repairs, and IT networking.
- Harrigan Centennial Hall gutter membrane installation – received bid price (funding based off original CIP).
- Library interior LED lighting – issue with restroom corridor fixture. Stock arrived, problem is electrical which requires access cut into floor of mechanical space.
- Marine Service Center asphalt patches around exterior of building, work scheduling in process.
- Marine Service Center interior lighting – having to work around schedule of occupants – busy season.
- Marine Service Center condenser – construction bid packet being finalized.
- Police Dept. assist with setting up a painting station and operations reconfiguration.

- Police Dept. quote for heat pump option. Police Department – HVAC Plan for short term solution and long term planning.
- Researching possible security camera options for athletic and recreation facilities.
- Transfer station building project continuation by Sitka High School.
- Senior Center kitchen hood suppression – scheduling work with contractor, August 2019.

MONITORING:

- WWTP boiler circulation pump 1 has leaking flanges (we are going to monitor due to renovations). Pump can be isolated, if needed. We have back up circulation using pump 2.
- WWTP fan unit 2 failed and temporary fan was installed (we will continue to monitor until renovation). Fan unit is for storage area exhaust.
- Harrigan Centennial Hall heating in room 117.
- Harrigan Centennial Hall – tile floor cracking common areas.

# GPIP Action Item Update

## Bid projects

### 1. Utility Dock RFP

<i>GPIP Board Approved</i>	<b>12/18/2018</b>	<i>Assembly Approved</i>	<b>NA</b>
<i>Submitted to CBS</i>	<b>12/18/2018</b>	<i>Completion</i>	<b>1/11/2019</b>
<i>Bid Due Date</i>	<b>01/25/2019</b>		

### Background

The Utility Dock RFP will allow the CBS to divest itself from the former APC Utility Dock. The dock is a non-performing asset. Private industry has expressed interest in obtaining facility to repair and create local jobs.

- Revenue – The Utility dock has never been in adequate condition to lease. Private Job creation is possible with dock being repaired for use.

### Update

The GPIP Board approved recommending selling the Utility Dock to Hanson Maritime at its February 27<sup>th</sup>, 2019 meeting. The Assembly approved at its March 26<sup>th</sup> meeting to allocate \$20,000 for outside legal counsel to research potential navigation issues and prepare a purchase and sales agreement for Assembly approval. Outside counsel prepared a term sheet for sale terms for Assembly review and approval at its July 23<sup>rd</sup> meeting, but the item was pulled from the agenda due to Hanson Maritime objections to the term sheet. Outside Counsel and CBS legal has met with Hanson Maritime to try to find a term sheet that is acceptable to both parties and are continuing to work towards a resolution.

## CBS Projects

### 1. Eckert Water Line Installation

<i>GPIP Board Approved</i>	<b>07/31/2017</b>	<i>Assembly Approved</i>	<b>09/12/2017</b>
<i>Submitted to CBS</i>	<b>9/27/2018</b>	<i>Suggested Completion</i>	<b>ASAP</b>

### Background

Eckert Fine Beverages established a water purchase agreement with the CBS in September 2017. Eckert needs infrastructure to fill containers with raw water to be shipped south to a bottling location. Per the water purchase agreement, Eckert is to design, fund, and construct a water loading station by tapping into the CBS raw

water pipeline. The CBS has the right to approve the water line design and construction. The CBS will take over ownership of the water line to allow for future water exports.

- Eckert's Engineer is in need of direction from the CBS.
- Revenue is unknown at this time.

## UPDATE

The GPIIP Board re-approved the location for the establishment of a water loading station at its February 2019 meeting.

CBS staff appears to have finalized its review of the design for the water loading system.

## **2. Rock removal**

<i>GPIIP Board Approved</i>	<b>9/24/2018</b>	<i>Assembly Approved</i>	<b>NA</b>
<i>Submitted to CBS</i>	<b>9/24/2018</b>	<i>Suggested Completion</i>	<b>3/24/2019</b>

### Background

Rock from the Blue Dam Expansion project has been stored on Lots 16b, 19, & 20 since the project began in 2013 without an established lease or lease fee. The GPIIP Board set a 6 month deadline for 09/24/2018 for the CBS Electric Department to have the rock removed from the site and have the lots brought to the original topography level before the lots were used.

- Rock removal from lots or a lease be established with market rate rent.
- Revenue – Potential loss of \$16,785 annually in lease rents from not having the lots available to lease.

### Update

Assembly approved a lease between GPIIP and CBS Electrical for use of the lots still covered in rock at its May 14<sup>th</sup> meeting. CBS Electrical has been advertising for rock removal by the public.

A majority of the rock is still located on the lots. It appears there is little interest from the public to take rock from the site.

## **3. Bulk Water Delivery Infrastructure**

<i>GPIIP Board Approved</i>	<b>3/29/2018</b>	<i>Assembly Approved</i>	<b>4/10/2018</b>
<i>Submitted to CBS</i>	<b>3/29/2018</b>	<i>Suggested Completion</i>	<b>ASAP</b>

## Background

The CBS is conducting an analysis of the operational capabilities of the existing bulk water delivery system. The GPIIP Board recommended and the Assembly approved a transfer of \$100,000 from the Raw Water Fund to complete the analysis.

- The GPIIP Board received the CBS Electrical Department's report on operational capabilities of high pressure water delivery system (Completed 1/29/2019).
- Revenue – unknown at this time.

## UPDATE

- The Assembly held a special meeting on April 30<sup>th</sup> to discuss needed repairs to the raw water delivery infrastructure. The Assembly requested information on why the infrastructure was not updated to meet increased water pressure issues with the Blue Lake Dam expansion project. The Assembly discussed not completing the repairs until the penstock and high pressure water system can be taken off line. The Assembly directed the GPIIP Director to continue to work with potential bulk water exporters and investors to help fund the project.
- The GPIIP Director continues to work with clients interested in exporting Sitka's water. Repairs to infrastructure are an impediment to moving the venture forward.

### **4. GPIIP Access Ramp**

<i>GPIIP Board Approved</i>	<b>WIP</b>	<i>Assembly Approved</i>	<b>WIP</b>
<i>Submitted to CBS</i>	<b>1/9/2017</b>	<i>Suggested Completion</i>	<b>ASAP</b>

## Background

The GPIIP Board's strategic plan calls for the establishment of an Access Ramp to allow for vessels to be haul out at the GPIIP. The GPIIP Board recommended that the Assembly approve \$40,000 in the GPIIP FY18 capital budget for the design and engineering of an access ramp. The GPIIP Board recommended that the \$40,000 be rolled over into the FY19 budget and that another \$20,000 be included for wash-down pad design and engineering. The CBS hired PND Engineering to conduct conceptual design of access ramp and associated water treatment and wash-down facilities. PND met with the GPIIP Board in June and July 2018 to discuss cost of entire facility (\$6.8 million) and a phased development.

- CBS is working with PND for a cost estimate on phase development conceptual design. Design is expected in September of 2019.

## UPDATE

The Assembly approved funding at its March 26<sup>th</sup> meeting to continue with the design and engineering for a phase development of the GPIIP Access Ramp.

## 5. Industrial Public Water Supply

<i>GPIIP Board Approved</i>	<b>WIP</b>	<i>Assembly Approved</i>	<b>WIP</b>
<i>Submitted to CBS</i>	<b>12/13/2017</b>	<i>Suggested Completion</i>	<b>ASAP</b>

### Background

The GPIIP Board met with NSRAA at its December 2017 meeting to approve a lease of Lot 3 at the GPIIP to NSRAA to increase salmon production. NSRAA requested an increase of industrial water for hatchery operations. CBS Electric Department staff suggested that additional water allocations would need to be investigated in relation to water flow restrictions. The GPIIP Board requested that the CBS work with NSRAA on a new water agreement.

- The GPIIP Board is awaiting direction on allocation of industrial water for NSRAA hatchery operations and other industrial public water supply potential. (Completed 1/29/2019).

### UPDATE

- The Assembly held a special meeting to determine future of the remaining Public Industrial Water supply. A detailed water delivery agreement is being developed between the CBS and NSRAA to allow NSRAA's hatchery expansion to move forward.
- No further action has occurred since April 2019.



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 19-173      Version: 1      Name:  
Type: Item      Status: AGENDA READY  
File created: 8/6/2019      In control: City and Borough Assembly  
On agenda: 8/13/2019      Final action:  
Title: Athletic Awards - Sitka Little League Majors Baseball and Softball All-Star Teams  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Baseball Athletic Award](#)  
[Softball Athletic Award](#)

Date	Ver.	Action By	Action	Result
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# *Athletic Award*

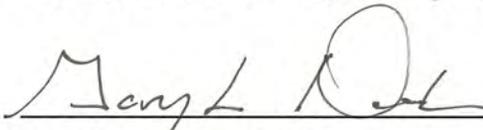
*is hereby presented to*

***Manager Rich McAlpin***

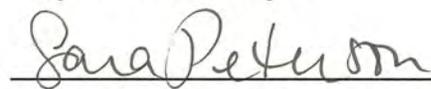
*for his outstanding managing of the Sitka Little League Majors Baseball All-Stars team  
and helping them place first in the state championship.*

*Presented this 13<sup>th</sup> day of August, 2019.*





Gary L. Paxton, Mayor



Attest: Sara Peterson, MMC, Municipal Clerk

# *Athletic Award*

is hereby presented to

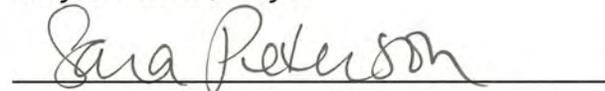
## ***Manager Mike Callahan***

*for his manager of the year award and his assistance with the Sitka Little League Majors Softball All-Stars team and helping them place first in the state championship.*

*Presented this 13<sup>th</sup> day of August, 2019.*



Gary L. Paxton, Mayor



Attest: Sara Peterson, MMC, Municipal Clerk





# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 19-168      Version: 1      Name:  
Type: Item      Status: AGENDA READY  
File created: 8/6/2019      In control: City and Borough Assembly  
On agenda: 8/13/2019      Final action:  
Title: Approve the minutes of the July 23 Assembly meeting  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Consent and Minutes](#)

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  
July 23 Assembly meeting.



# CITY AND BOROUGH OF SITKA

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

## Minutes - Draft

### 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*

*Interim Municipal Administrator: Dave Miller  
Municipal Attorney: Brian Hanson  
Municipal Clerk: Sara Peterson*

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Tuesday, July 23, 2019

6:00 PM

Assembly Chambers

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#### WORK SESSION:

**19-165** Floodplain management and updated regulations

Interim Municipal Administrator Dave Miller facilitated the work session. Assembly members heard from City Building Official/Fire Marshall Pat Swedeen and community members.

#### REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

**Present:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

IV. CORRESPONDENCE/AGENDA CHANGES

Mayor Paxton announced item J had been pulled from the agenda.

**19-164** Reminders, Calendars and General Correspondence

V. CEREMONIAL MATTERS

**19-154** Citation - Honoring U.S. Coast Guard Day

Mayor Paxton read and presented a Citation honoring August 4th as U.S. Coast Guard Day nationwide. Captain Mike Frawley and Master Chief Josh Ewing accepted the Citation.

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

**19-155** Special Reports: 1) Update on the SCH / SEARHC Affiliation Project - Jay Sweeney and Brian Hanson, 2) Gary Paxton Industrial Park Port Facility Overview - Garry White

Chief Finance and Administrative Officer Jay Sweeney provided an update on the SCH / SEARHC Affiliation Project. Sweeney relayed the Asset Purchase Agreement (APA) and exchange of documents was completed June 12; the focus now was on executing requirements and stipulations of the APA and Facility Lease Agreement, coordinating hand-offs, and, post-merger administration. Sweeney relayed post-closure finance and administration work would continue for another five months after closing on July 31. Sitka Community Hospital (SCH) had engaged Moss Adams, a CPA consulting firm, to prepare a detailed post-closing work plan. The work would be performed by a combination of a consultant, CBS temporary employee, contractual work in processing patient billings and accounts receivable and 1,384 hours of loaner employee time from ex-SCH employees who had moved to SEARHC.

Garry White, Director of the Gary Paxton Industrial Park (GPIP), updated the Assembly on efforts to develop a marine haul out at the GPIP. He expressed the importance of identifying funding and spoke to the possibility of a phased approach.

**VII. PERSONS TO BE HEARD**

Garry White spoke to the need for Assembly direction on the term sheet for the utility dock transaction between the City and Borough of Sitka and Hanson Maritime Company.

Gayle Young of the Homeless Coalition spoke to the need for a homeless shelter and commented the Sister's Lane location may not be feasible.

**VIII. REPORTS**

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

Mayor - Paxton reported on his attendance at community events.

Interim Administrator - Miller noted the PSEA and IBEW negotiations were in the final stages, told of his attendance at the ground-breaking ceremony for the road to Katlian Bay project, met with Senator Stedman and Randy Ruaro regarding floodplain regulations, and announced Southeast Conference would hold their annual conference in Sitka September 18-20.

Municipal Attorney - Hanson stated much of his time had been devoted to the SCH / SEARHC Affiliation Project.

Liaison Representatives - Wein reported on the Health Needs and Human Services Commission meeting.

Clerk - Peterson spoke to the vacancies in the upcoming Municipal Election and the candidate filing period dates.

**IX. CONSENT AGENDA**

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

Yes: 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

**A 19-156** Approve the minutes of the July 9 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

**B 19-162** Approve an application for the renewal of a standard marijuana cultivation facility license for vanGreen's LLC at 224 Smith Street #D and #E

Bean asked to be recused. There was no objection to his request.

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

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

Recused: 1 - Bean

**C 19-163** Approve an application for the renewal of a retail marijuana store license for Anna M Cleaver dba Weed Dudes at 1321 Sawmill Creek Road Suite #J

This item was APPROVED ON THE CONSENT AGENDA.

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

None.

**XI. UNFINISHED BUSINESS:**

**D ORD 19-32** Amending Title 20 "Environmentally Critical Areas" of the Sitka General Code by updating Chapter 20.04 "Floodplain Management" and adopting updated regulations

Wein believed for various reasons the ordinance needed to be approved. Nelson concurred and noted there were ramifications if the ordinance was not approved. Eisenbeisz reminded there was a process for citizens to follow if they wished to be removed from the floodplain designation.

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

Yes: 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

**XII. NEW BUSINESS:**

**New Business First Reading**

- E ORD 19-33** Amending Chapter 2.38 "Gary Paxton Industrial Park" of the Sitka General Code, at Section 2.38.010 "Designation", by removing Lot 17, Lot 18, and 7,496 square feet of the easement adjacent to Lot 17 from the site designated as the Gary Paxton Industrial Park (1st reading)

Nelson read an email from citizen Dan Jones. Jones spoke in support, however recommended the ordinance be amended to transfer \$113,000 (lot 17 market value) to the Gary Paxton Industrial Park (GPIP) Fund.

Nelson suggested an alternative site, such as Indian River, be considered for the Critical Secondary Water Treatment project. Eisenbeisz expressed reservation with the location and noted per the GPIP enacting ordinance, GPIP was not to be used for public improvement. Bean agreed with Nelson and Eisenbeisz. Wein stated he was opposed to the ordinance in light of new information - e.g. GPIP haul out, believed more conversation was needed, and noted lot 19 may be a possibility. He noted it was a difficult decision to spend 18 million on a facility that would be used intermittently. Mosher reminded money and staff time had been invested into this location.

Public Works Director Michael Harmon spoke to past work sessions on the topic and noted while other locations had been studied, they were more expensive. Staff had been motivated to keep costs down for rate payers. Interim Municipal Administrator Dave Miller urged the Assembly to approve the ordinance.

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

**Yes:** 4 - Eisenbeisz, Knox, Paxton, and Mosher

**No:** 3 - Bean, Wein, and Nelson

#### **Additional New Business Items**

- F RES 19-19** Supporting Sitka Maritime Heritage Society's application under the FY19 Historic Preservation Grant program for Certified Local Governments

Laura Bennett spoke to the Sitka Maritime Heritage Society application and rehabilitation of the historic Japonski Island Boathouse.

Nelson wondered of the time involved for the Finance Department to administer the grant. Chief Finance and Administrative Officer Jay Sweeney explained the City was the grant recipient. He noted the grant took more time to administer because the City had to enter into a subgrant agreement with the party, however was doable.

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

**Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

- G RES 19-20** Supporting St. Peter's by the Sea Episcopal Church and See House's application under the FY19 Historic Preservation Fund Grant program for Certified Local Governments

Kit Mellema spoke to St. Peter's by the Sea Episcopal Church's application. Mellema stated the purpose of the grant was to obtain a historical property assessment and obtain guidelines on preservation of the property.

Eisenbeisz wondered if there was a separation of church and state issue. Municipal Attorney Hanson stated there was no concern and reminded unlike a donation, this was federal monies being passed through to a church entity.

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

**Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

**H RES 19-21**

Supporting the Sitka Woman's Club's application under the FY19 Historic Preservation Fund Grant program for Certified Local Government

Robin McNeilley and Rachel Ranke spoke to the Sitka Woman's Club application and goals of the project.

**A motion was made by Knox that this Resolution be APPROVED ON FIRST READING. The motion PASSED by the following vote.**

**Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

**I RES 19-22**

Approving submittal and execution of Municipal Harbor Facility Grant applications to the State of Alaska, Department of Transportation and Public Facilities (DOT&PF) in the amounts of \$1,500,000 for the project entitled Eliason Harbor Electrical Replacement, and \$219,125 for the project entitled Thomsen Harbor Corrosion Protection

Harbormaster Stan Eliason provided an overview of the request. Eliason relayed this was a part of the State of Alaska Municipal Harbor Facility 50/50 Grant Program. The grant program was funded on an annual basis and applications were competitively scored. In the event the grants were not awarded, Eliason recommended the projects move forward with funding from working capital.

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

**Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

**J 19-153**

Approve the term sheet for the utility dock transaction between the City and Borough of Sitka and Hanson Maritime Company **PULLED**

**Item PULLED - no action taken.**

**K 19-159**

Action on possible transfer of balance of Southeast Alaska Economic Development Fund to Sitka Permanent Fund

Investment Committee Chair Mike Reif shared thoughts regarding a potential transfer of the Southeast Alaska Economic Development Fund (SEAEDF) balance to the Sitka Permanent Fund. Reif relayed the SEAEDF was created in 1997. Over the years the principal put in was 18 million with 6.5 million in earnings over 22 years.

At the May 23 Investment Committee meeting the idea of a transfer was endorsed to generate income on an annual basis of \$150,000 and secure the remaining balance of the SEAEDF. Reif asked the Assembly to consider three new developments that had arisen since the May 23 meeting in which funding sources might need to be identified: 1) decision by Halibut Point Marine to no longer provide haul out services and facilities, 2) suggestion to use funds from SEAEDF to shore up and repair the seawall at the Marine Service Center, and, 3) determination by the FAA that the Seaplane Facility could not be 100% grant funded.

Mosher desired to hold off on a transfer stating funds were locked once transferred. Eisenbeisz spoke in opposition to a transfer and noted SEAEDF was an easy target for those wishing to complete projects. The SEAEDF had been depleted over time by withdrawing small amounts. Nelson also spoke in opposition and wished to use the money for economic development. Wein believed the SEAEDF was unprotected money that had not been used as wisely as it could have been. While not wedded to the idea of a transfer, he wished for the money to be used wisely for economic development. Paxton wished to preserve the SEAEDF for now.

**A motion was made by Nelson to SUSPEND THE RULES to allow for public testimony. The motion PASSED by the following vote.**

**Yes:** 7 - Knox, Paxton, Wein, Mosher, Nelson, Bean and Eisenbeisz

Evy Kinnear spoke in opposition to a transfer. Kinnear, of Fortress of the Bear, stated the organization had been a recipient of the SEAEDF and stressed the importance of retaining the funds for businesses who may not have another option for funding.

Consensus of the Assembly was to refrain from a transfer.

**L 19-157**

Approve the Assembly Position Subcommittee recommendations of the July 15 meeting for the following positions: Assistant Landfill/Scrapyard Operator, Accountant (temporary position), and Clerk/Case Manager (temporary position)

Eisenbeisz, chair of the subcommittee, stated the committee had set regular meetings for noon on the Monday preceding Assembly agenda deadlines.

**A motion was made by Mosher to approve the recommendations of the Assembly Position Subcommittee as outlined in the draft meeting minutes of July 15, 2019 and forward to the Municipal Administrator:**

**1) Assistant Landfill / Scrapyard Operator**

**2) Accountant (temporary position not to extend beyond December 31, 2019)**

**3) Clerk / Case Manager for the Police Department not to exceed 90 days**

**The motion PASSED by the following vote.**

**Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

**M 19-158**

Discussion / Direction / Decision on the City and Borough of Sitka Municipal Administrator recruitment process

Paxton wished to hold off on advertising for an Administrator and instead work on filling the Human Resource (HR) Director position and Planning Director position. Nelson spoke to the need to advertise and noted Interim Municipal Administrator Dave Miller was being taken away from his role as Fire Chief. Bean concurred and believed it was important to hire someone who was familiar with Sitka. Mosher understood the need to advertise, however, did not want the process to be rushed and desired to fill the HR Director position first. Wein expressed the need to advertise and knew of four to five individuals who were interested in applying. He suggested the Assembly consider forming a subcommittee to review the current job description and compile a list of places to advertise. Knox was hesitant to move forward and expressed a need for the

HR Director citing their key role in the recruitment. Eisenbeisz believed the lack of an HR Director would make the recruitment process more difficult. Mosher and Nelson spoke in opposition to hiring a recruitment firm.

**A motion was made by Bean to direct the Interim Administrator to advertise for the Municipal Administrator position for 3 weeks beginning immediately: Daily Sitka Sentinel, State of Alaska Job Bank (ALEXsys), CBS website, Alaska Municipal League. Discussion/Direction item on August 13 agenda to determine next steps. The motion PASSED by the following vote.**

**Yes:** 4 - Eisenbeisz, Bean, Wein, and Nelson

**No:** 3 - Knox, Paxton, and Mosher

**XIII. PERSONS TO BE HEARD:**

Dave Miller announced the Sitka Fire Department's Super Saturday fundraising event was scheduled for Saturday, July 27, from 10 a.m. to 2:00 p.m.

**XIV. EXECUTIVE SESSION**

None.

**XV. ADJOURNMENT**

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

**ATTEST:** \_\_\_\_\_  
**Sara Peterson, MMC**  
**Municipal Clerk**



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 19-169      Version: 1      Name:  
Type: Item      Status: AGENDA READY  
File created: 8/6/2019      In control: City and Borough Assembly  
On agenda: 8/13/2019      Final action:  
Title: Approve an application for the renewal of a standard marijuana cultivation facility license for Darren H. Phillips dba Fiberlite at 120 Jarvis Street Unit C

Sponsors:

Indexes:

Code sections:

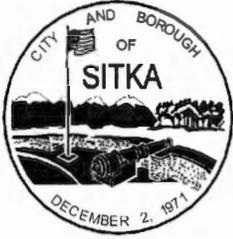
Attachments: [Motion and memos](#)  
[01 Renewal - LG Notice - Standard Marijuana Cultivation Facility - Fiberlite License #13577](#)  
[02 13577 MJ-20 Renewal Application Certifications](#)  
[03 13577 Online Application\\_Redacted](#)  
[04 13577 POPPP](#)

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 an application for the renewal of a standard marijuana cultivation facility license for Darren H. Phillips dba Fiberflite at 120 Jarvis Street Unit C and forward this approval to the Alcohol and Marijuana Control Office without objection.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
Dave Miller, Interim Municipal Administrator

**From:** Sara Peterson, Municipal Clerk

**Date:** August 7, 2019

**Subject:** Approve Standard Marijuana Cultivation Facility License Renewal – Fiberflite

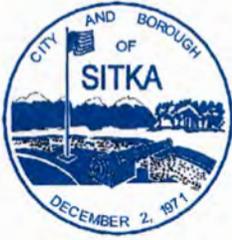
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Our office has received notification from the Alcohol and Marijuana Control Office of a renewal for a standard marijuana cultivation facility license submitted by:

License #:	13577
License Type:	Standard Marijuana Cultivation Facility
Licensee/Applicant:	Darren H Phillips
D.B.A.:	Fiberflite
Physical Address:	120 Jarvis Street Unit C; Sitka, AK
Designated Licensee:	Darren H Phillips

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

**Recommendation:** Approve an application for the renewal of a standard marijuana cultivation facility license for Darren H. Phillips dba Fiberflite at 120 Jarvis Street Unit C and forward this approval to the Alcohol and Marijuana Control Office without objection.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## Memorandum

To: Planning Department  
Collections - Carolyn  
Municipal Billings – Lindsey  
Sales Tax/Property Tax - Sunni  
Utility Billing Clerk – Diana  
Public Works Department – Shilo  
Fire Department  
Police Department  
Electric Department  
Building Official

From: Sara Peterson, Municipal Clerk

Date: July 29, 2019

Subject: Renewal Marijuana Cultivation Facility License

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The Municipal Clerk's Office has been notified by the Alcohol and Marijuana Control Office of a renewal for a standard marijuana cultivation facility license submitted by:

License #: 13577  
License Type: Standard Marijuana Cultivation Facility  
Licensee: Darren H Phillips  
D.B.A.: Fiberflite  
Physical Address: 120 Jarvis Street Unit C; Sitka, AK  
Designated Licensee: Darren H Phillips

Please notify me **no later than NOON on Monday, August 5** of any reason to protest this request. This license renewal is scheduled to go before the Assembly on August 13.

Thank you.



July 29, 2019

City & Borough of Sitka

Attn: City & Borough of Sitka

Via Email: [sara.peterson@cityofsitka.org](mailto:sara.peterson@cityofsitka.org)  
[melissa.henshaw@cityofsitka.org](mailto:melissa.henshaw@cityofsitka.org)  
[planning@cityofsitka.org](mailto:planning@cityofsitka.org)  
[brian.hanson@cityofsitka.org](mailto:brian.hanson@cityofsitka.org)

<b>License Number:</b>	13577
<b>License Type:</b>	Standard Marijuana Cultivation Facility
<b>Licensee:</b>	DARREN H PHILLIPS
<b>Doing Business As:</b>	FIBERFLITE
<b>Physical Address:</b>	120 Jarvis Street Unit C Sitka, AK 99835
<b>Designated Licensee:</b>	DARREN H PHILLIPS
<b>Phone Number:</b>	209-608-5500
<b>Email Address:</b>	fiberflite@gmail.com

**License Renewal Application**       **Endorsement Renewal Application**

AMCO has received a complete renewal application and/or endorsement renewal application for a marijuana establishment within your jurisdiction. This notice is required under 3 AAC 306.035(c)(2). Application documents will be sent to you separately via ZendTo.

To protest the approval of this application 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 306.060 states that the board will uphold a local government protest and deny an application for a marijuana establishment license unless the board finds that a protest by a local government is arbitrary, capricious, and unreasonable. If the protest is a “conditional protest” as defined in 3 AAC 306.060(d)(2) and the application otherwise meets all the criteria set forth by the regulations, the Marijuana Control Board may approve the license renewal, but require the applicant to show to the board’s satisfaction that the requirements of the local government have been met before the director issues the license.

At the May 15, 2017, Marijuana Control Board meeting, the board delegated to me the authority to approve renewal applications with no protests, objections, or notices of violation. However, if a timely protest or objection is filed for this application, or if any notices of violation have been issued for this license, the board will consider the application. In those situations, a temporary license will be issued pending board consideration.

If you have any questions, please email [amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov).

Sincerely,

*Erika McConnell*

Erika McConnell, Director  
[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)



Alaska Marijuana Control Board

# Form MJ-20: Renewal Application Certifications

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

### What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal 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. 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 licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

## Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	Darren Phillips	License Number:	13577
License Type:	Standard Marijuana Cultivation Facility		
Doing Business As:	Fiberflite		
Premises Address:	120 Jarvis St., Unit C		
City:	Sitka	State:	AK
		ZIP:	99835

## Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Darren Phillips
Title:	Owner

## Section 3 – Violations & Charges

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

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

Initials



I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.



I certify that a notice of violation has **not** been issued for this license.



Sign your initials to the following statement **only** if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).





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 no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.



I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.



I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.



I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.



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



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



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



As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

*Darren Phillips*

Signature of licensee

Darren Phillips

Printed name of licensee



*Eric Harmon*

Notary Public in and for the State of Alaska

My commission expires: 2/14/21

Subscribed and sworn to before me this 26 day of June, 2019.

7/26/19

Dear TJ,

Our apologies, we never received formal notification of the Notice of Violation and were unaware of it at the time of the renewal application submittal.

We were in violation of paying our excise tax on time. Between operating costs and approximately 30% excise tax, we are always struggling. We did speak to the tax department and also made a \$19,200 payment in cash yesterday which brings our payments current to date.

Sincerely,

Darren Phillips  
Owner  
Fiberlite  
120 Jarvis St., Unit C  
Sitka, AK 99835

# Alcohol & Marijuana Control Office

**License Number:** 13577

**License Status:** Active-Operating

**License Type:** Standard Marijuana Cultivation Facility

**Doing Business As:** FIBERFLITE

**Business License Number:** 1052278

**Designated Licensee:** DARREN H PHILLIPS

**Email Address:** fiberflite@gmail.com

**Local Government:** Sitka (City and Borough of)

**Community Council:**

**Latitude, Longitude:** 57.049904, -135.309382

**Physical Address:** 120 jarvis st  
Unit C  
sitka, AK 99835  
UNITED STATES

## Licensee #1

**Type:** Individual

**Name:** DARREN H PHILLIPS

[REDACTED]

[REDACTED]

**Phone Number:** 209-608-5500

**Email Address:** fiberflite@gmail.com

**Mailing Address:** PO BOX 645  
SITKA, AK 99835  
UNITED STATES

**Note:** No entity officials entered for this license.

**Note:** No affiliates entered for this license.

**FIRST AMENDMENT TO COMMERCIAL LEASE**

This First Amendment (*Amendment*) to that Commercial Lease (*Lease*) dated July 1, 2017, is made this 15 day of November 2017, by and between **Baranof Investments, LLC**, of Post Office Box 1874, Sitka, Alaska 99835, herein referred to as the *Landlord*, and, **Darren Phillips** dba FiberFlite, of Post Office Box 645, Sitka, Alaska 99035, herein referred to as the *Tenant*; and for valuable consideration, the receipt of which is acknowledged, the parties add a new subsection, and in furtherance thereof, agree:

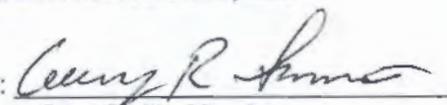
1. Add new subsection 24.b.v., to read as:

v. Without limiting the generality of the provision stated in this Section 24.b., of this Lease, Landlord covenants and agrees, that in the event of default by Tenant, Landlord shall not take possession of marijuana situated on the Premises, or otherwise handle, disturb or remove marijuana from the Premises without first giving notice of Tenant's default and Landlord's election to take possession of the Premises, to the Alcohol & Marijuana Control Board (herein, **AMCB**), 550 W. 7<sup>th</sup> Avenue, Suite 1600, Anchorage, Alaska 99501, telephone: 907-269-0350; and, proceeding as directed by the AMCB.

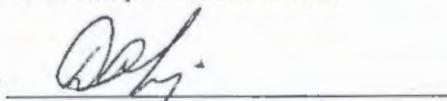
2. **Status of Lease.** Except as otherwise specifically provided in this First Amendment to the Lease, the Lease terms, conditions, and covenants shall continue in full force and effect as a legal, binding and enforceable agreement.

IN WITNESS, WHEREOF, the Landlord, and Tenant have hereunto set their hands, and this Lease shall be deemed effective this 15 day of November 2017.

**LANDLORD**  
**Baranof Investments, LLC**

By:   
Gary Smith, Member

**TENANT**  
**Darren Phillips dba FiberFlite**

By:   
Darren Phillips

STATE OF ALASKA            )  
  ) ss.  
FIRST JUDICIAL DISTRICT    )

THIS IS TO CERTIFY that on this 15 day of November, 2017, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Gary**

Smith, to me known to be the person who signed as a Member of **Baranof Investments, LLC.**, an Alaska limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company for the uses and purposes therein mentioned, and on oath stated that **Gary Smith** was duly qualified and acting as said member of said, that **Gary Smith** was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Eric Harmon  
Notary Public for Alaska  
Commission expires: 2/14/21

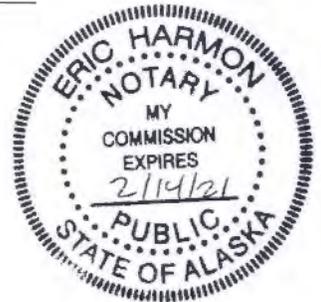


STATE OF ALASKA            )  
  ) ss:  
FIRST JUDICIAL DISTRICT    )

THIS IS TO CERTIFY that on this 15 day of November, 2017, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Darren Phillips, to me known to be the owner of the Fiberlite, and, the person described in and who executed the above and foregoing instrument; and who acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

Eric Harmon  
Notary Public for Alaska  
Commission expires: 2/14/21



**COMMERCIAL LEASE  
(120 Jarvis Street)**

THIS COMMERCIAL LEASE ("Lease") is entered into between **Baranof Investments, LLC**, an Alaskan limited liability company, referred to as *Landlord*, and Darren Phillips doing business as Fiberflite, herein referred to as *Tenant*, for the Lease of 120 Jarvis Street, Unit C, and in furthermore thereof agree as follows:

**1. Definitions**

**a. Basic Lease Information**

In addition to the terms that are defined elsewhere in this Lease, the following terms have the meaning assigned to them in this Section when a term appears as a capitalized term in this Lease. The following terms and provisions are giving the defined meaning in the Lease and are part of the Lease as follows:

- |       |                        |  |
|-------|------------------------|--|
| i.    | LEASE DATE:            | July 1, 2017   |
| ii.   | LANDLORD:              | Baranof Investments, LLC.  |
| iii.  | LANDLORD'S ADDRESS:    | Baranof Investments, LLC.<br>PO Box 1874<br>Sitka, Alaska 99835<br>Telephone: 907-747-3142                     |
| iv.   | TENANT:                | Darren Phillips dba FiberFlite   |
| v.    | TENANT'S ADDRESS:      | Post Office Box 645<br>Sitka, AK 99835<br>Telephone: <u>(209) 608-5500</u><br>Email: <u>fiberflite@aol.com</u> |
| vi.   | LAND                   | Land: legal description <b>APPENDIX A.</b>   |
| vii.  | BUILDING               | 120 Jarvis Street  |
| viii. | PREMISES:              | Described on <b>APPENDIX B.</b>  |
| ix.   | APPROX. PREMISES SIZE: | Building/Main Floor 1,500 sq. ft.<br>Mezzanine 500 sq. ft.   |
| x.    | COMMENCEMENT DATE:     | July 1 <sup>st</sup> 2017  |
| xi.   | INITIAL TERM:          | 12 Months.   |
| xii.  | MINIMUM ANNUAL RENT:   | <u>\$24,000.00 + Taxes &amp; Utilities.</u>  |

During the Initial Term, from July 1, 2017 to June 30, 2018 the minimum Annual Rent shall be \$24,000.00 per year plus City and Borough of Sitka sales tax. If Tenant exercises its renewal options set forth in Section 27 the annual minimum rent shall adjust as set forth in Section 27.

xiii. **PAID RENT AND SECURITY DEPOSIT:** Tenant will pay \$5,700.00 to Landlord on or before the Commencement Date of this Lease, which payment consists of the following: (a) first month's rent, (b) last month's rent, Taxes of \$200 (\$100 per month) and (c) security deposit of \$1,500.

xiv. **PERMITTED USE:** Tenant shall use the Premises for cultivation and production of marijuana under license issued by the State of Alaska, Department of Commerce, Community, and Economic Development, Alcohol & Marijuana Control Office, and limited to those activities authorized by the controlling statutes and regulations adopted by the State of Alaska related thereto, which activities are herein referred to as the **Permitted Use**. Tenant expressly acknowledges and agrees that the operation of a retail marijuana store within the Premises, or any activities permitted under AS 17.38.020, is not a Permitted Use and shall not be conducted within the Premises. Tenant shall at all times conduct the Permitted Use consistent with state and municipal laws, statutes, regulations and ordinances, as relate to marijuana cultivation, production, growing, processing, packaging and wholesale sale of marijuana product, and all other legal purposes related thereto. A material violation by Tenant of a state or municipal law, statute, regulation or ordinance relating to the cultivation and production of marijuana shall constitute a material breach of this Lease, and as provided in paragraph 24.a.viii, below.

#### b. **Appendices**

The following addendum and appendices are attached to this Lease and are made part of this Lease:

- Appendix A**—Legal Description of Land
- Appendix B**—Building, Premise, Parking Area Diagram
- Appendix C**—Rules and Regulations

### 2. **Agreement**

Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, according to this Lease. The duration of this Lease will be the term, commencing on the Commencement Date. The Premises under this Lease shall include the designated Parking Area shown in **Appendix B**.

### 3. **Term; Delivery of Premises; Tenant Improvements**

#### a. **Term**

The Lease term shall commence on July 1, 2017 and shall expire on June 30, 2018.

#### b. **Acceptance**

Tenant acknowledges that neither Landlord nor its agents or employees have made any representations or warranties as to the suitability or fitness of the Premises for the conduct of Tenant's business or for any other purpose, nor has Landlord or its agents or employees agreed to undertake any alterations or construct any Tenant improvements at the Premises.

TENANT ACCEPTS THE PREMISES AS-IS, WHERE-IS AND WITH-ALL-FAULTS, AS OF THE COMMENCEMENT DATE.

**c. Tenant Improvements**

Tenant may only perform Tenant Improvement work with the prior written consent of Landlord. All Tenant Improvements shall be completed in accordance with applicable laws, codes, regulations and municipal directives and the construction of same shall not create a public or private nuisance. Tenant shall allow no waste to occur on or about the Premises or Property. Prior to commencement of construction of Tenant improvement work, Tenant shall provide Landlord with copies of all design and shop plans, permits and all correspondence from the municipality overseeing construction. Tenant shall allow no liens to attach to the Premises or the Property. Under no circumstance, unless expressly approved and consented to by Landlord in writing, will Tenant penetrate the roof, walls or walls of the Premise for any purpose, including construction of Tenant Improvements. Landlord may require Tenant, at Tenant's cost and expense, to remove Tenant's fixtures, furnishings or equipment from the Premises and to repair any Premises damage associated with renewal, at Tenant's cost and expense, upon expiration or termination of the Lease, or Landlord may require that any or all of said fixtures, furnishings, and equipment be left in the Premises upon Lease termination or expiration, in which case, Landlord shall become the owner of said fixtures, furnishings, and equipment without delivery of any further consideration to Tenant. Any damage caused to the Premises or Property by Tenant's removal of fixtures, furnishings, equipment or other property shall be repaired at Tenant's sole cost and expense.

**4. Minimum Annual Rent; Security Deposit**

**a. Annual Rent**

Throughout the Term of this Lease, from and after the Commencement Date, Tenant will pay Annual Rent to Landlord in the amount described in Section 1. Annual Rent is due in twelve (12) equal monthly installments in the amount of \$2,000.00, plus applicable federal, state and City and Borough of Sitka sales tax, current rate: 5%. The monthly installment of rent shall be paid to Landlord on or before the first of each month commencing on July 1, 2017. Annual Rent for any partial first or last month shall be prorated in accordance with the actual number of days in said month. Annual Rent will be paid to Landlord without written notice or demand and without deduction or offset in lawful money of the United States of America at Landlord's notice address, or to such other address as Landlord may from time to time designate in writing.

**b. Security Deposit**

Tenant shall deliver to Landlord a security deposit in the amount set forth in Section 1 above upon execution of this Lease. Landlord shall hold and may comingle the security deposit. Any interest earned thereon shall belong to Landlord. Landlord may debit the security deposit at any time to pay for any obligations owed, or expenses incurred, because of Tenant's breach or default of this Lease. Thereafter, upon demand, Tenant shall deliver such sums as are required to return the security deposit to the amount set forth in Section 1.

**5. Operating Expenses**

**a. Landlord Responsibilities**

Landlord, at Landlord's cost, shall maintain, repair and replace the roof, foundation, exterior walls, ceiling, structural elements of the Building, utility systems, heat pump system, and removal of snow from common areas, unless the repair and replacement thereof is caused, in whole or in part, by the inadvertency, negligence, or misuse of Tenant. In such event, the cost to repair and replace a

damaged element of the Building caused by Tenant shall be the sole obligation and liability of Tenant. The failure or refusal of Tenant to pay for the cost to repair or replace a damaged element of the Building under this provision shall be deemed a material breach of the Lease. Landlord shall be responsible for the installation of signage for the Tenant's Premises, at Tenant's costs, as provided in the Uniform Signage Design Policy, Rules and Regulations, **Appendix C** to this Lease. Tenant shall make a request for signage in writing to Landlord, including what information Tenant wants stated on the face of the sign. Landlord will adopt a uniform design for Tenant signs placed on the Building, and will provide Tenant with a rendering of the proposed sign prior to placement on the Building to assure the information related to Tenant's business is corrected represented on the sign.

#### **b. Tenant Responsibilities**

Tenant shall maintain, repair and replace the interior of the Premises in their condition as of the Commencement Date, normal wear and tear excluded. Tenant's maintenance, repair and replacement obligations shall include, without limitation, the interior walls, drop ceiling if any, utility fixtures, electrical, alarm, lighting fixtures, interior and exterior windows, and doors, plumbing and restroom fixtures, and floor coverings at Tenant's sole cost and expense. Tenant shall immediately advise Landlord of any damage to the Premises or the Building. All damage or injury to the Premises, the Building, or the fixtures, appurtenances and equipment in the Premises or the Building that is caused by Tenant, its agents, employees, or invitees may be repaired, restored, or replaced by Landlord, at the expense of Tenant. Such expense (plus fifteen percent (15%) of such expense for Landlord's overhead if Landlord undertakes the repair or replacement) will be collectible as additional rent and will be paid by Tenant within ten (10) days after delivery of a statement for such expense. Tenant, not Landlord, must provide all security devices and security guards that Tenant deems necessary to adequately secure the Premises.

#### **c. Utilities and Taxes**

##### **i. Utilities**

Tenant shall pay for all utilities serving the Premises including, without limitation, heat, electric, telephone, internet, security systems, cable, water and sewer, garbage and janitorial, and Tenant shall establish electric utility in Tenant's name. If certain utilities are not separately metered to the Premises, Landlord may perform a reasonable estimate and bill Tenant for Tenant's estimated share of those utilities.

##### **ii. Taxes**

Tenant shall pay all City and Bureau of Sitka sales tax due on any rent described herein. Tenant shall pay any business property tax. Landlord shall pay real property taxes due on the Property.

#### **6. Insurance**

##### **a. Tenant's Liability Insurance**

Throughout the entire term of this Lease, including any renewal term, Tenant shall, at its sole expense, maintain in full force and effect a policy or policies of commercial general liability insurance issued by one or more insurance carriers, insuring against liability for bodily injury to or death of persons and loss of or damage to property occurring in or on the Premises, the Building, and the Land. This liability insurance shall be in an amount not less than One Million Dollar (\$1,000,000) combined single limit for bodily and personal injury and property damage.

**b. Worker's Compensation Insurance**

Tenant shall at all times maintain worker's compensation insurance in compliance with Alaska law.

**c. Tenant's Casualty Insurance**

Tenant shall during the term, at its sole expense, maintain in full force and effect a standard form policy or policies of property and all-risk coverage with an extended coverage endorsement covering all stock in trade, trade fixtures, equipment, Tenant improvements installed at Tenant's cost and expense and other personal property located in the Premises and/or the Building and used by Tenant in connection with its business to the extent of the full replacement value of the foregoing.

**d. Compliance with Regulations**

Tenant shall, at its own expense, comply with all requirements, including installation of fire extinguishers, smoke and carbon monoxide detectors, or other fire control systems required to be installed in the Premises by insurance underwriters or any governmental authority having jurisdiction, that are necessary for the maintenance of reasonable fire and extended insurance for the Premises and/or the Building.

**e. Release and Waiver of Subrogation**

Neither Landlord nor Tenant shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or tangible personal property of the other or of any third party occurring in or about the Premises or Building, even though the loss or damage might have been occasioned by the negligence of the other party, its agents or employees, if the loss or damage would fall within the scope of a fire and extended coverage (all risk) policy of insurance actually maintained or required by the terms of this Lease to be maintained by the party suffering the loss. Each party shall obtain from its respective insurer under each insurance policy it maintains a waiver of all rights of subrogation which the insurer of one party may have against the other party, and Landlord and Tenant shall each indemnify the other against any loss or expense, including reasonable attorneys' fees, resulting from the failure to obtain such a waiver.

**f. General Requirements**

i. All policies of insurance required to be carried under this Lease shall be written by companies licensed to do business in Alaska and which are rated A+ or better in the "Best's Key Rating Guide." Tenant shall furnish to Landlord a certificate evidencing the insurance required to be maintained pursuant to this Section and shall satisfy Landlord that each policy is in full force and effect and that all persons or entities who are required to be named as "Additional Insureds" as set forth in Section 6.f.III below have been added by endorsement to the policies of insurance.

ii. The insurance that Tenant is required to carry under this Lease shall be primary and non-contributing with the insurance carried by Landlord.

iii. Each insurance policy that Tenant is required to maintain under this Lease, during the Tenant improvement period, shall expressly include, severally and not collectively, as additional insured, the Landlord and any person or firm designated by the Landlord and having an insurable interest, hereinafter called "Additional Insured," as their respective interests may appear.

iv. Each insurance policy that Tenant is required to maintain under this Lease shall not be subject to cancellation or reduction in coverage except upon at least thirty (30) days'

prior written notice to Landlord. The policies of insurance or duly executed certificates evidencing them, together with satisfactory evidence of the payment of premiums, shall be deposited with Landlord at least thirty (30) days prior to the commencement date and not less than thirty (30) days prior to the expiration of the term of the coverage.

v. If Tenant fails to procure and maintain insurance as required by this Lease, Landlord may obtain that insurance and keep it in effect. If Landlord procures insurance on Tenant's behalf, then Tenant shall pay to Landlord the premium cost for that insurance, upon demand, and as additional rent.

vi. The limits of any insurance maintained by Tenant shall in no way limit the liability of Tenant under this Lease.

vii. All required insurance shall be in place and effective as of the Commencement Date.

## **7. Use**

The Premises will be used only for the purposes set forth in Section 1 and for no other purpose. Tenant will use the Premises in a careful, safe, and proper manner and in accordance with all applicable statutes, ordinances, regulations or laws. Tenant will not use or permit the Premises to be used or occupied for any purpose or in any manner prohibited by any applicable laws. Tenant will not commit waste or suffer or permit waste to be committed in, on, or about the Premises. Tenant will conduct its business and control its employees, agents, and invitees in such a manner as not to create any nuisance or interfere with, annoy, or disturb any other Tenant or occupant of the Building or Landlord in its operation of the Building.

## **8. Compliance with Law**

At its sole cost and expense, Tenant will promptly comply with all applicable laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force or in force after the Lease Date, with any direction or occupancy certificate issued pursuant to any law by any public officer or officers, as well as with the provisions of all recorded documents affecting the Premises, insofar as they relate to the condition, use, or occupancy of the Premises.

## **9. Assignment and Subletting**

### **a. General**

Tenant shall not assign or sublet the Leased Premises, or any part thereof, without the prior written consent of Landlord which consent shall not be unreasonably withheld. Any such attempted assignment or subletting without the prior written consent of Landlord shall be void and of no force or effect and may, at the option of Landlord, be deemed a material default and a basis for termination of this Lease. Consent given on one occasion shall not be construed as, or constitute a waiver of, the requirement of consent as to any subsequent or further assignment or subletting. Should Landlord consent to the assignment or subletting, Tenant shall remain liable and responsible for performance of all the terms, covenants, conditions, and provisions provided for in this Lease, including payment of rent and other charges, herein provided; and the assignee or sublessee, together with its owners if an entity, shall be required to enter an agreement to be bound by and perform all of the terms and conditions of this Lease. In the event Landlord is called upon to consider the assignment or subletting or all or any portion of the Premises, Tenant shall pay to Landlord, any costs incurred by Landlord in considering and consenting to the assignment or subletting of any rights of Tenant under this Lease, including actual attorneys' fees incurred by

Landlord related thereto. Any consent by Landlord to an assignment or subletting shall not in any manner be construed to release Tenant or any assignee or sublessee from obtaining the consent in writing of Landlord to any subsequent transfer, nor shall the same release or discharge Tenant from any liability, past, present or future, under this Lease. For purposes of this Lease, the term "assign," "assignment" or "sublet" shall mean: (a) any transfer by Tenant of any portion of the Tenant's rights, interest, and obligations under this Lease or the Leased Premises, whether voluntary, involuntary, by operation of law, or otherwise; (b) occupancy of the Leased Premises by any person or entity other than Tenant, which includes but is not limited to, space sharing arrangements, licenses of space, and permitted subtenants from assigning their sub-sublease; (c) sale, transfer, assignment, conveyance, endorsement or other disposition of any portion of the (i) of the membership interest if Tenant is a limited liability company, (ii) a partnership interest if Tenant is a limited or general partnership, or, (iii) capital stock if Tenant is a corporation.

**b. Information Re Landlord to Consider Assign or Sublet**

If Tenant requests Landlord's consent to a specific assignment or subletting, Tenant will submit in writing to Landlord (a) the name and address of the proposed assignee or subtenant; (b) the business terms of the proposed assignment or sublease; (c) reasonably satisfactory information as to the nature and character of the business of the proposed assignee or subtenant, and as to the nature of its proposed use of the space; (d) banking, financial, or other credit information reasonably sufficient to enable Landlord to determine the financial responsibility and character of the proposed assignee or subtenant; and (e) the proposed form of assignment or sublease.

**c. Payments to Landlord**

If Landlord consents to a proposed assignment or sublease, then Landlord will have the right to require Tenant to pay to Landlord one hundred percent (100%) of a sum equal to (a) any rent or other consideration paid to Tenant by any proposed transferee that (after deducting the costs of Tenant, if any, in effecting the assignment or sublease, including reasonable alteration costs, commissions and legal fees) is in excess of the rent allocable to the transferred space then being paid by Tenant to Landlord pursuant to this Lease; (b) any other profit or gain (after deducting any necessary expenses incurred) realized by Tenant from any such sublease or assignment; and (c) Landlord's reasonable attorneys' fees and costs incurred in connection with negotiation, review and processing of the transfer. All such sums payable will be payable to Landlord at the time the next payment of Annual Rent is due.

**10. Rules and Regulations**

Tenant and its employees, agents, licensees, and invitees will always observe and comply with the rules and regulations set forth in **APPENDIX C**. Landlord may from time to time reasonably amend, delete, or modify existing rules and regulations, or adopt reasonable new rules and regulations for the use, safety, cleanliness and care of the Premises and the Building and the comfort, quiet and convenience of occupants of the Building. Modifications or additions to the rules and regulations will be effective upon ten (10) days' prior written notice to Tenant from Landlord. In the event of any breach of any rules or regulations or any amendments or additions to such rules and regulations, Landlord will have all remedies that this Lease provides for default by Tenant, and will, in addition, have any remedies available at law or in equity, including the right to enjoin any breach of such rules and regulations. Landlord will not be liable to Tenant for violation of such rules and regulations by any other Tenant, its employees, agents, invitees, or licensees or any other person. In the event of any conflict between the provisions of this Lease and the rules and regulations, the provisions of this Lease will govern.

## 11. Holding Over

Tenant will have no right to remain in possession of all or any part of the Premises after the expiration of the term (as extended by the Renewal Term if properly exercised). If Tenant remains in possession of all or any part of the Premises after the expiration of the term with the express or implied consent of Landlord: (a) such tenancy will be deemed to be a periodic tenancy from month-to-month only; (b) such tenancy will not constitute a renewal or extension of this Lease for any further term; and (c) such tenancy may be terminated by Landlord upon the earlier of thirty (30) days' prior written notice or the earliest date permitted by law. In such event, Annual Rent will be increased to an amount equal to one hundred fifty percent (150%) of the Annual Rent payable during the last month of the term, and any other sums due under this Lease will be payable in the amount and at the times specified in this Lease. Such month-to-month tenancy will be subject to every other term, condition, and covenant contained in this Lease.

## 12. Signs

Subject to the Rules and Regulations, Tenant may have at least one exterior sign identifying the business occupying the Premises. Any existing signage allowed under the prior tenancy will not be allowed to be installed unless it meets the CBS sign regulations. Exterior signage will be installed by Landlord at Tenant's cost and expense and shall conform to Landlord's Uniform Signage Design Policy, as set forth in the attached Rules and Regulations, **Appendix C**. Tenant at Tenant's cost and expense shall install interior signage. Exterior and interior window graphics shall fall under the same rules and criteria as Tenant's primary exterior signage and must be approved in advance before being attached to the exterior windows or doors. Landlord reserves the right to determine whether proposed window graphics can be installed on the exterior or the interior or denied altogether. No temporary signs, paper or plastic signs, banners or sandwich boards shall be permitted. Landlord may unilaterally remove and dispose of any signage installed by Tenant or Tenant's agents in, on or about the Premises, Building or Property without the prior written consent of Landlord. Upon termination of this Lease, Landlord shall have the exterior signage removed and any restoration to the exterior of the Building repaired. The costs for all expenses associated with exterior signage removal and associated Building restoration shall be deducted from the security deposit held by Landlord, or paid by Tenant with ten (10) days of receipt of a statement stating therein the costs incurred by Landlord to remove the sign.

## 13. Alterations

### a. General

i. During the term, Tenant will not make or allow to be made any alterations, additions, or improvements to or of the Premises or any part of the Premises, or attach any fixtures or equipment to the Premises, without first obtaining Landlord's written consent, which consent shall not be unreasonably withheld. All alterations, additions, and improvements consented to by Landlord, and capital improvements that are required to be made to the Building as a result of the nature of Tenant's use of the Premises:

a. Tenant will be allowed to build or hire someone to build rooms associated with the grow facility within the leased area if all work meets local city of Sitka building codes. Anything attached to or altering the existing structure will need approval by the landlord.

b. All such alterations, additions or improvements shall be made in a good and workmanlike manner and shall comply with all applicable laws, codes, ordinances, rules and regulations.

ii. Upon expiration or sooner termination of the term, Tenant shall, at Tenant's cost and expense, with all due diligence, remove any alterations, additions or improvements made by Tenant and designated by Landlord to be removed.

b. **Removal.** Landlord requires Tenant to remove any or all alterations, additions, fixtures and improvements that are made in or upon the Premises, Tenant will remove such alterations, additions, fixtures and improvements at Tenant's sole cost and will restore the Premises to the condition in which they were before such alterations, additions, fixtures, improvements, and additions were made, reasonable wear and tear excepted.

#### **14. Protection from Liens**

Tenant will pay or cause to be paid all costs and charges for work (a) done by Tenant or caused to be done by Tenant, in or to the Premises, and (b) for all materials furnished for or in connection with such work. Tenant shall protect against the filing of any mechanics or materialman liens, and shall indemnify Landlord against and hold Landlord, the Premises and the Building free, clear and harmless of and from all mechanics or materialman liens and claims of liens, and all other liabilities, liens, claims and demands on account of such work by or on behalf of Tenant. In addition to the protections stated above, Tenant shall protect Landlord against all other forms of lien described in AS 34.35.010 et seq. Landlord reserves the right to post notices of non-responsibility for any claims of lien pertaining to labor performed, materials or services provided to Tenant by others.

#### **15. End of Term**

At the end of this Lease, Tenant will promptly quit and surrender the Premises broom-clean, in good order and repair, ordinary wear and tear excepted. Tenant shall, as applicable, clean all carpets by a licensed service, and remove such alterations, additions, improvements, trade fixtures, equipment and furniture as Landlord has requested that Tenant remove in accordance with the terms of this Lease. Tenant will fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions, and improvements. All trade fixtures, equipment, furniture, inventory, effects, alterations, additions, and improvements on the Premises after the end of the term will be deemed conclusively to have been abandoned and may be appropriated, sold, stored, destroyed, or otherwise disposed of by Landlord without written notice to Tenant or any other person and without obligation to account for them. Tenant will pay Landlord for all expenses incurred in connection with the removal of such property, including, but not limited to, the cost of repairing any damage to the Building or Premises caused by the removal of such property. Tenant's obligation to observe and perform this covenant will survive the expiration or other termination of this Lease.

#### **16. Eminent Domain**

If all or any portion of the Premises are taken by exercise of the power of eminent domain (or conveyed by Landlord in lieu of such exercise) this Lease will terminate on a date (the "Taking Date") which is the earlier of the date upon which the condemning authority takes possession of the Premises or the date on which title to the Premises is vested in the condemning authority. In the event of any such taking, the entire award will be paid to Landlord and Tenant will have no right or claim to any part of such award; however, Tenant will have the right to assert a claim against the condemning authority in a separate action, so long as Landlord's award is not otherwise reduced, for Tenant's moving expenses and leasehold improvements owned by Tenant.

#### **17. Damage and Destruction**

a. If the Premises or the Building are damaged by insured casualty, Landlord will give Tenant written notice of the time which will be needed to repair such damage, as determined by

Landlord in its reasonable discretion, and the election (if any) which Landlord has made per this Section 18. Such notice will be given before the thirtieth (30<sup>th</sup>) day (the "Notice Date") after the fire or other insured casualty.

b. If the Premises or the Building are damaged by insured casualty to an extent which may be repaired within 180 days after the Notice Date, as reasonably determined by Landlord, Landlord will promptly begin to repair the damage after the Notice Date and will diligently pursue the completion of such repair. In that event, this Lease will continue in full force and effect except that Annual Rent will be abated on a pro-rata basis from the date of the damage until the date of the completion of such repairs (the "Repair Period") based on the proportion of the rentable area of the Premises Tenant is unable to use during the Repair Period.

c. If the Premises or the Building are damaged by fire or other insured casualty to an extent that may not be repaired within 180 days after the Notice Date, as reasonably determined by Landlord, then (1) Landlord may cancel this Lease as of the date of such damage by written notice given to Tenant on or before the Notice Date or (2) Tenant may cancel this Lease as of the date of such damage by written notice given to Landlord within ten (10) days after Landlord's delivery of a written notice that the repairs cannot be made within such 120-day period. If neither Landlord nor Tenant so elects to cancel this Lease, Landlord will diligently proceed to repair the Building and Premises and Annual Rent will be abated on a pro rata basis during the Repair Period based on the proportion of the rentable area of the Premises Tenant is unable to use during the Repair Period.

d. Notwithstanding the provisions of subparagraphs a., b., and c. above, if the Premises or the Building are damaged by uninsured casualty, or if the proceeds of insurance are insufficient to pay for the repair of any damage to the Premises or the Building, Landlord will have the option in its sole discretion to repair such damage or cancel this Lease as of the date of such casualty by written notice to Tenant on or before the Notice Date.

e. If any such damage by fire or other casualty is the result of the willful conduct or negligence or failure to act of Tenant, its agents, contractors, employees, or invitees, there will be no abatement of Annual Rent as otherwise provided for in this Section 17. Tenant will have no rights to terminate this Lease on account of any damage to the Premises, the Building, or the Land, except as expressly set forth in this Section 17.

## **18. Subordination**

By this provision, this Lease shall be subject and subordinate to the lien of any mortgage, deed of trust or other encumbering instrument now or hereafter placed on the Land or the Building. Tenant shall execute any additional subordination agreement reasonably required by a mortgagee or beneficiary of a mortgage or deed of trust within five (5) business days of the request.

## **19. Entry by Landlord**

Landlord, its agents, employees, and contractors may enter the Premises at any time in response to an emergency and at reasonable hours to:

- a. Inspect the Premises;
- b. Exhibit the Premises to prospective purchasers, lenders, or tenants;
- c. Determine whether Tenant is complying with all its obligations in this Lease;
- d. Post written notices of non-responsibility or similar notices; or

e. Make repairs required of Landlord under the terms of this Lease or make repairs to any adjoining space or utility services or make repairs, alterations, or improvements to any other portion of the Building; however, all such work will be done as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible.

Except in the case of emergencies or suspicion of unlawful activity, or in cases where Tenant has otherwise authorized Landlord's entry, Landlord shall use its best efforts to provide Tenant with notice of its need to enter onto the non-public portions of the Premises not less than twenty-four (24) hours in advance of any such entry.

Tenant, by this Section 19, waives any claim against Landlord, its agents, employees, or contractors for damages for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, or any other loss occasioned by any entry in accordance with this Section 19. Landlord will always have and retain a key or key card with which to unlock all of the doors in, on, or about the Premises. Landlord will have the right to use all means Landlord may deem proper to open doors in and to the Premises in an emergency in order to obtain entry to the Premises, provided, that Landlord will promptly repair any damages caused by any forced entry. Any entry to the Premises by Landlord in accordance with this Section 19 will not be construed or deemed to be a forcible or unlawful entry into or a detainer of the Premises or an eviction, actual or constructive, of Tenant from the Premises or any portion of the Premises, nor will any such entry entitle Tenant to damages or an abatement of rent.

**20. Indemnification, Waiver and Release**

**a. Indemnification**

Except for any injury or damage to persons or property on the Premises proximately caused solely by the gross negligence or deliberate, intentional, unlawful act of Landlord, its employees, or agents, and subject to the waiver-of-subrogation provisions herein, Tenant will neither hold, nor attempt to hold, Landlord, its employees, or agents liable for, and Tenant will indemnify defend and hold harmless Landlord, its employees and agents from and against any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), liabilities, judgments and expenses (including, without limitation, reasonable attorneys' fees) incurred in connection with or related to this Lease, or an act or omission of Tenant or Tenant's officers, employees, agents, invitees and guests in, about or in relation to the Premises, Building or Property. If any action is brought against Landlord, its employees, or agents because of any such claim for which Tenant has indemnified Landlord, Tenant, upon written notice from Landlord, will defend the same at Tenant's expense, with counsel approved by Landlord. This Section shall survive the expiration or earlier termination of this Lease.

**b. Waiver and Release**

Tenant, as a material part of the consideration to Landlord for this Lease, by this Section 20.b, waives, and releases all claims against Landlord, its employees, and agents with respect to all matters for which Landlord has disclaimed liability pursuant to the provisions of this Lease. This Section shall survive the expiration or earlier termination of this Lease.

**21. Environmental Provisions**

a. "Environmental Laws" means all state, federal and local statutes, regulations and ordinances relating to the protection of human health and the environment.

b. "Hazardous Material" means any hazardous or toxic substance, material or waste, including, but not limited to, those substances, materials and wastes listed in the United States Department of Transportation of Hazardous Materials Table (49 C.F.R. 172.101) or by the United States Environmental Protection Agency as hazardous substances (40 C.F.R. Part 302 and amendments thereto), petroleum products and their derivatives, and such other substances, materials and wastes as become regulated or subject to cleanup authority under any Environmental Laws.

c. Landlord agrees to defend (with counsel reasonably approved by Tenant), fully indemnify and hold entirely free and harmless Tenant from and against all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the term and which are imposed on, paid by, or asserted against Tenant by reason or on account of, or in connection with, or arising out of the presence or suspected presence of Hazardous Material in the structures, soil, ground water, or soil vapor on or about the Building or Premises, or the migration of Hazardous Material off of or onto the Land, or the violation by Landlord of any Environmental Law, except to the extent that the Hazardous Material is present or the violation occurred as a result of Tenant's activities in the Building.

d. Tenant agrees to defend (with counsel reasonably approved by Landlord), fully indemnify and hold entirely free and harmless Landlord from and against all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arise during or after the term and which are imposed on, paid by or asserted against Landlord by reason or on account of, or in connection with, or arising out of the presence or suspected presence of Hazardous Material in the structures, soil, ground water, or soil vapor on or about the Building or Premises or the violation by Tenant of any Environmental Law, to the extent that the Hazardous Material is present or the violation occurred as a result of Tenant's activities in the Building or Premises.

e. This Section shall survive the expiration or earlier termination of this Lease.

## **22. Quiet Enjoyment**

Landlord covenants and agrees with Tenant that so long as Tenant pays the rent and observes and performs all the terms, covenants and conditions of this Lease on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the Premises, subject to the terms and conditions of this Lease, and Tenant's possession will not be disturbed by anyone claiming by, through, or under Landlord.

## **23. Effect of Sale**

A sale, conveyance, or assignment of the Building will operate to release Landlord from liability under this Lease, from and after the effective date of such sale, conveyance, or assignment, except for liabilities that arose prior to such effective date. This Lease will not be affected by any such sale, conveyance, or assignment, and Tenant will attorn to Landlord's successor in interest to this Lease, so long as such successor in interest assumes Landlord's obligations under this Lease from and after such effective date.

## **24. Default**

### **a. Events of Default**

The following events are referred to, collectively, as "events of default" or, individually, as an "event of default":

i. Tenant defaults in the due and punctual payment of rent, or such other cost or expense Tenant is required to pay under the terms of this Lease, and such default continues for ten (10) business days after written notice from Landlord. Tenant will not be entitled to more than one (1) written notice of monetary defaults during the term, and if after such written notice any rent is not paid when due, an event of default will be considered to have occurred without further notice;

ii. This Lease or the Premises or any part of the Premises are taken upon execution or by other process of law directed against Tenant, or are taken upon or subject to any attachment by any creditor of Tenant or claimant against Tenant, and said attachment is not discharged or disposed of within ten (10) business days after its levy;

iii. Tenant files a petition in bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws of the United States or under any insolvency act of any state, or admits the material allegations of any such petition by answer or otherwise, or is dissolved or makes an assignment for the benefit of creditors;

iv. Involuntary proceedings under any such bankruptcy law or insolvency act or for the dissolution of Tenant are instituted against Tenant, or a receiver or trustee is appointed for all or substantially all of the property of Tenant, and such proceeding is not dismissed or such receivership or trusteeship vacated within sixty (60) days after such institution or appointment;

v. Tenant assigns or subleases the Premises without the prior written consent of Landlord;

vi. Tenant defaults under any of the other agreements, terms, covenants, or conditions of this Lease, and such default continues for a period of thirty (30) days after written notice from Landlord to Tenant (or, if such default is not susceptible of cure within such thirty (30) day period, if Tenant fails to diligently commence to cure such default within thirty (30) days after written notice from Landlord and to complete such cure within a reasonable time, not to exceed ninety (90) days thereafter);

vii. Tenant defaults under any other agreement with Landlord, in which event no cure periods beyond those contained in the Agreement pursuant to which Tenant has defaulted shall be available to Tenant; and,

viii. Tenant materially violates a state or municipal marijuana law, statute, regulation or ordinance.

#### **b. Landlord's Remedies**

If any one or more events of default set forth in Section 24.a. occurs, then Landlord shall have all available rights and remedies at law or in equity, all of which shall be deemed cumulative, including, without limitation, the right:

i. To give Tenant written notice of Landlord's intention to terminate this Lease on the earliest date permitted by law or on any later date specified in such notice, in which case, Tenant's right to possession of the Premises will cease and this Lease will be terminated, except as to Tenant's liability, as if the term expired on the date fixed in such notice;

ii. Without further demand or notice, to reenter and take possession of the Premises or any part of the Premises, repossess the same, expel Tenant and those claiming through or under Tenant, and remove the effects of both or either, using such force for such purposes as may be necessary, without being liable for prosecution, without being deemed guilty of any manner

of trespass, and without prejudice to any remedies for arrears of Annual Rent or other amounts payable under this Lease or as a result of any preceding breach of covenants or conditions;

iii. Without further demand or notice to cure any event of default and to charge Tenant for the cost of effecting such cure, including, without limitation, reasonable attorneys' fees and interest on the amount so advanced at the rate set forth in Section 29.p, provided, that Landlord will have no obligation to cure any such event of default of Tenant; or

iv. To accelerate all amounts due pursuant to this Lease and to declare all of the said amounts immediately due and payable, and to collect said amounts to the greatest extent allowed by law.

Should Landlord elect to reenter as provided in subsection ii., or should Landlord take possession pursuant to legal proceedings or pursuant to any notice provided by law, Landlord may from time to time without terminating this Lease relet the Premises or any part of the Premises in Landlord's or Tenant's name, but for the account of Tenant, for such term or terms (which may be greater or less than the period which would otherwise have constituted the balance of the term) and on such conditions and upon such other terms (which may include concessions of free rent and alteration and repair of the Premises) as Landlord, in its reasonable discretion, may determine, and Landlord may collect and receive rent. Landlord will in no way be responsible or liable for any failure to relet the Premises or any part of the Premises, or for any failure to collect any rent due upon such reletting. No such re-entry or taking possession of the Premises by Landlord will be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant. No written notice from Landlord under this Section or under a forcible or unlawful entry and detainer statute or similar law will constitute an election by Landlord to terminate this Lease unless such notice specifically so states. Landlord reserves the right following any such reentry or reletting to exercise its right to terminate this Lease by giving Tenant such written notice, in which event this Lease will terminate as specified in such notice.

**c. Certain Damages**

In the event that Landlord does not elect to terminate this Lease as permitted in Section 24.b.i, but on the contrary elects to take possession as provided in Section 24.b.ii, Tenant will pay to Landlord Rent and other sums as provided in this Lease that would be payable under this Lease if such repossession had not occurred, less the net proceeds, if any, of any reletting of the Premises after deducting all of Landlord's reasonable expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage commissions, attorneys' fees, expenses of employees, alteration and repair costs, and expenses of preparation for such reletting. If, in connection with any reletting, the new lease term extends beyond the term, or the premises covered by such new Lease include other premises not part of the Premises, a fair apportionment of the rent received from such reletting and the expenses incurred in connection with such reletting as provided in this Section will be made in determining the net proceeds from such reletting, and any rent concessions will be equally apportioned over the term of the new Lease. Tenant will pay such rent and other sums to Landlord monthly on the day on which the Annual Rent would have been payable under this Lease if possession had not been retaken, and Landlord will be entitled to receive such rent and other sums from Tenant on each such day.

**d. Continuing Liability After Termination**

If this Lease is terminated on account of the occurrence of an event of default, Tenant will remain liable to Landlord for damages in an amount equal to Annual Rent and other amounts that would have been owing by Tenant for the balance of the term, had this Lease not been terminated, less the net proceeds, if any, of any reletting of the Premises by Landlord subsequent to such termination, after

deducting all of Landlord's expenses in connection with such reletting, including, without limitation, the expenses enumerated in Section 24.c. Landlord will be entitled to collect such damages from Tenant monthly on the day on which Annual Rent and other amounts would have been payable under this Lease if this Lease had not been terminated, and Landlord will be entitled to receive such Annual Rent and other amounts from Tenant on each such day. Alternatively, at the option of Landlord, in the event this Lease is so terminated, Landlord will be entitled to recover against Tenant as damages for loss of the bargain and not as a penalty:

i. The worth at the time of award of the unpaid rent that had been earned at the time of termination;

ii. The worth at the time of award of the amount by which the unpaid rent that would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided;

iii. The worth at the time of award of the amount by which the unpaid rent for the balance of the term of this Lease (had the same not been so terminated by Landlord) after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and

iv. Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.

The "worth at the time of award" of the amounts referred to in clauses i. and ii. above is computed by adding interest at the per annum interest rate described in Section 29.p. on the date on which this Lease is terminated from the date of termination until the time of the award. The "worth at the time of award" of the amount referred to in clause iii. above is computed by discounting such amount at the prime rate of the Federal Reserve Bank of San Francisco, California, at the time of award plus one percent (1%).

**e. Cumulative Remedies**

Any suit or suits for the recovery of the amounts and damages set forth in Sections 24.c. and 24.d. may be brought by Landlord, from time to time, at Landlord's election, and nothing in this Lease will be deemed to require Landlord to await the date upon which this Lease or the term would have expired had there occurred no event of default. Each right and remedy provided for in this Lease is cumulative and is in addition to every other right or remedy provided for in this Lease or now or after the Lease Date existing at law or in equity or by statute or otherwise, and the exercise or beginning of the exercise by Landlord of any one or more of the rights or remedies will not preclude the simultaneous or later exercise by Landlord of any or all other rights or remedies. All costs incurred by Landlord in collecting any amounts and damages owing by Tenant pursuant to the provisions of this Lease or to enforce any provision of this Lease, including reasonable attorneys' fees from the date any such matter is turned over to an attorney, whether one or more actions are commenced by Landlord, will also be recoverable by Landlord from Tenant.

**f. Waiver of Redemption**

Tenant waives any right of redemption arising because of Landlord's exercise of its remedies under this Section 24.

**g. Survival**

All obligations of Tenant hereunder shall survive the expiration or earlier termination of this Lease.

**h. Landlord Default.** Landlord shall not be in default of this Lease unless and until Landlord fails to cure a Landlord Default within a reasonable time after delivery of written notice from Tenant sent to Landlord and to any Mortgagees of record. For purposes of this Section 24.h only, a reasonable time shall not be less than forty-five (45) days but may be longer depending on the circumstances.

**25. Parking**

Tenant parking and use of the outdoor space for production of Tenants product is shown in **Appendix B**. Tenant parking shall be regulated and enforced pursuant to the Rules and Regulations, **Appendix C** to this Lease.

**26. Security Agreement.**

To secure for Landlord the performance by Tenant of the terms, conditions, covenants, and obligations of this Lease, Landlord shall have a security interest, pursuant to Alaska Statute § 45.29.010 et seq. in Tenant's leasehold improvements, furniture, fixtures, and equipment situated within the Premises from and after the effective date of this Lease. The Parties agree that this provision shall constitute a "security agreement" and Landlord shall be entitled to execute all necessary financing statements and record the same with the State of Alaska, Department of Natural Resources, Uniform Commercial Code Central File, and such other recording district as Landlord may elect.

**27. Term and Renewal Options**

**a. General**

The Initial Term of this Lease is as set forth in Section 1 beginning on the commencement date. Provided there does not exist an event of default (as defined in Section 24.a), either on the date that Tenant exercises an option to renew or on the date that a renewal term commences, and provided further that Tenant has not cured more than two (2) defaults previously during the term, the undersigned Tenant shall have two (2) options to renew the term of this Lease, each for a period of one (1) year (the "Renewal Term"), such renewal to be upon the covenants, terms and conditions as set forth in this Lease. Tenant shall deliver to Landlord not less than 120 prior to the expiration of the current Term or Renewal Term, whichever the case, written notice that Tenant does not accept the renewal of the Term. Failure by Tenant to timely delivery such written notice to Landlord shall cause the Term to automatically renew, for which Tenant shall thereafter be responsible for the terms, conditions and rent of the Renewal Term. In such event, there shall be no need for any documentation evidencing the renewal of the Lease Term, as the parties agree that the terms and conditions set forth herein shall continue and apply to each Renewal Term, except for the amount of rent to be paid as set for in subparts i. and ii., below. Rent for a renewal term of the Lease shall be paid in the following amounts each month throughout the renewal term, together with such additional costs provided herein, including but not limited to the City and Borough of Sitka sales tax:

- i. First Renewal Term                      \$2,050.00 /month
- ii. Second Renewal Term                      \$2,100.00 /month

**28. Miscellaneous**

**a. No Offer**

This Lease is submitted to Tenant with the understanding that it will not be considered an offer and will not bind Landlord in any way until Tenant has duly executed and delivered duplicate originals to Landlord and Landlord has executed and delivered one of such originals to Tenant.

**b. No Construction Against Either Party**

Landlord and Tenant acknowledge that each of them and their counsel have reviewed and negotiated this Lease and that this Lease will not be construed for or against either Landlord or Tenant.

**c. Time of the Essence**

Time is of the essence with respect to each provision of this Lease.

**d. Recordation**

Tenant may record a reasonable memorandum or short form of this Lease that has been executed by both Landlord and Tenant.

**e. No Waiver**

The waiver by Landlord of any agreement, condition, or provision contained in this Lease will not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition, or provision contained in this Lease, nor will any custom or practice between the parties in the administration of the terms of this Lease be construed to waive or to lessen the right of Landlord to insist upon the performance by Tenant in strict accordance with the terms of this Lease. The subsequent acceptance of rent by Landlord will not be deemed to be a waiver of any preceding breach by Tenant of any agreement, condition, or provision of this Lease, other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

**f. Limitation on Recourse**

No liability shall attach in favor of Tenant against any officer, director, shareholder, member, agent or employee of Landlord, and Tenant shall look solely to the interest of Landlord in the Building and Property for the satisfaction of Landlord's duties, obligations and liabilities arising under or in connection with this Lease.

**g. Estoppel Certificates**

At any time and from time to time but within ten (10) business days after prior written request by Landlord, Tenant shall execute, acknowledge and deliver to Landlord a certificate certifying (a) that this Lease is unmodified and in full force and effect or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification; (b) the date, if any, to which rent and other sums payable under this Lease have been paid; (c) that no written notice of any default has been delivered to Landlord which default has not been cured, except as to defaults specified in said certificate; (d) that there is no event of default under this Lease or an event which, with notice or the passage of time, or both, would result in an event of default under this Lease, except for defaults specified in said certificate; and (e) such other matters as may be reasonably requested by Landlord. Any such certificate may be relied upon by any prospective purchaser or existing or

prospective mortgagee or beneficiary under any mortgage or deed of trust of the Building or the Land. Tenant's failure to deliver such a certificate within such time will be deemed to mean that the Lease is in full force and effect, there is no defaults and rent is not paid more than one (1) month in advance.

**h. Waiver of Jury Trial**

Landlord and Tenant waive trial by jury in any action, proceeding, or counterclaim brought by either of the parties to this Lease against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, or any other claims. Should a civil action be brought by either party against the other, it shall be brought in the state court at Sitka, Alaska before the court having subject matter jurisdiction of the dispute.

**i. No Merger**

The voluntary or other surrender of this Lease by Tenant or the cancellation of this Lease by agreement of Tenant and Landlord or the termination of this Lease on account of Tenant's default will not work a merger, and will, at Landlord's option, (a) terminate all or any subleases and sub-tenancies or (b) operate as an assignment to Landlord of all or any subleases or sub-tenancies. Landlord's option under this Section 28.i will be exercised by written notice to Tenant and all known sub-lessees or subtenants in the Premises or any part of the Premises.

**j. Notices**

Any notice, request, demand, consent, approval, or other communication required or permitted under this Lease must be in writing and will be deemed to have been given when personally delivered, deposited with any nationally recognized overnight carrier that routinely issues receipts, or deposited in any depository regularly maintained by the United States Postal Service, postage prepaid, certified mail, return receipt requested, addressed to the party for whom it is intended at its address set forth in Section 1. Either Landlord or Tenant may add additional addresses or change its address for purposes of receipt of any such communication by giving ten (10) days' prior written notice of such change to the other party in the manner prescribed in this Section.

**k. Severability**

If any provision of this Lease proves to be illegal, invalid, or unenforceable, the remainder of this Lease will not be affected by such finding, and in lieu of each provision of this Lease that is illegal, invalid, or unenforceable, a provision will be added as a part of this Lease as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

**l. Written Amendment Required**

No amendment, alteration, modification of, or addition to this Lease will be valid or binding unless in writing and signed by Landlord and Tenant. Tenant agrees to make any modifications to the terms and provisions of this Lease required or requested by any lending institution providing financing for the Building, if no such modifications will materially adversely affect Tenant's rights and obligations under this Lease.

**m. Captions**

The captions of the various sections of this Lease are for convenience only and do not necessarily define, limit, describe, or construe the contents of such sections.

**n. Authority**

Tenant and the party executing this Lease on behalf of Tenant represent to Landlord that such party is authorized to do so by requisite action of the board of directors or partners, as the case may be, and agree upon request to deliver to Landlord a resolution or similar document to that effect.

**o. Governing Law**

This Lease will be governed by and construed pursuant to the laws of the State of Alaska.

**p. Late Payments**

Any payment of rent that is not paid within five (5) days of its due date is subject to a late charge of five percent (5%) of the amount due, and shall accrue interest at the rate of ten and one-half percent (10.5%) per annum or the highest interest rate allowed by law, whichever is greater, from the date on which it was due until the date on which it is paid in full with accrued interest.

**q. Fees**

Whenever Tenant requests Landlord to take any action or give any consent required or permitted under this Lease, Tenant will reimburse Landlord for all of Landlord's reasonable costs incurred in reviewing the proposed action or consent, including, without limitation, reasonable attorneys', engineers' or architects' fees, within ten (10) days after Landlord's delivery to Tenant of a statement of such costs. Tenant will be obligated to make such reimbursement without regard to whether Landlord consents to any such proposed action. Tenant shall also reimburse Landlord for any attorney fees incurred in preparing and prosecuting demands associated with Tenant's breaches or defaults of this Lease. The substantially prevailing party in any litigation, appeal or bankruptcy proceeding shall be entitled to reimbursement of all reasonable attorney fees and litigation expenses.

**r. Binding Effect**

The covenants, conditions, and agreements contained in this Lease will bind and inure to the benefit of Landlord and Tenant and, except as otherwise provided in this Lease, their respective successors, and assigns.

**s. Confidentiality**

Tenant agrees not to disclose the terms and conditions of this Lease to any third party without the prior written consent of Landlord.

**t. Entire Agreement**

This Lease, the exhibits, and addenda, if any, contain the entire agreement between Landlord and Tenant. Tenant shall not rely upon any previous representation, warranty, covenant or promise which is not incorporated into this Lease. No promises or representations, except as contained in this Lease, have been made to Tenant respecting the condition or the manner of operating the Premises or the Building. This Lease represents the complete understanding of Landlord and Tenant as of the date hereof.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Lease, have been made to Tenant respecting the condition or the manner of operating the Premises or the Building. This Lease represents the complete understanding of Landlord and Tenant as of the date hereof.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

Landlord:  
BARANOF INVESTMENTS, LLC.

By: *Gary Smith*  
Gary Smith, Member



STATE OF ALASKA            )  
  ) ss.  
FIRST JUDICIAL DISTRICT    )

On this 10 day of January, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Gary Smith**, to me known to be the person who signed as a Member of **Baranof Investments, LLC.**, an Alaska limited liability company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said limited liability company for the uses and purposes therein mentioned, and on oath stated that **Gary Smith** was duly elected, qualified and acting as said member of said, that **Gary Smith** was authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

*Eric Harmon*  
Notary Public for Alaska  
Commission expires: 2/14/21



Tenant:  
By: *Darren Phillips*  
Darren Phillips

STATE OF ALASKA            )  
  ) ss:  
FIRST JUDICIAL DISTRICT    )

THIS IS TO CERTIFY that on this 10 day of January, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Darren Phillips, to me known to be the owner of the Fiberlite, and, the person described in

and who executed the above and foregoing instrument; and who acknowledged to me that he executed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate first above written.

*Eric Aarman*

Notary Public for Alaska  
Commission expires: 2/14/21



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: RES 19-23    Version: 1    Name:

Type: Resolution    Status: AGENDA READY

File created: 8/6/2019    In control: City and Borough Assembly

On agenda: 8/13/2019    Final action:

Title: Authorizing a \$33,000 grant reallocation application to the Department of Homeland Security and Emergency Management (DHS & EM)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Memo and Res 2019-23](#)

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 2019-23 on  
first and final reading.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
David Miller, Interim Municipal Administrator

**From:** Chief Baty

**Date:** July 17, 2019

**Subject:** Application to the Department of Homeland Security and Emergency Management for Reallocated Grant Funds

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The Sitka Police Department is applying for a non-matching Department of Homeland Security and Emergency Management Grant (DHS&EMG) of Reallocated Funds for the amount of \$33,000. At the end of every grant period, DHS&EMG receives back expensed grant funds that are available for reallocation. This request is for those funds and immediate funding is not guaranteed.

The project the grant would cover consists of adding up to three new servers for storage to the Video Management System. The current video management system is running out of storage space for all of the cameras currently being utilized. The City has added a number of additional High Definition cameras which will need additional space in which to store this data.

As these are Federal funds, Sitka will comply with all of the requirements of 2CFR Part 200.

**Recommendation: Approve Resolution 2019-23 on first and final reading.**

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2019-23

**A RESOLUTION OF THE CITY AND BOROUGH OF AUTHORIZING A \$33,000 GRANT REALLOCATION APPLICATION TO THE DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT (DHS&EM)**

**WHEREAS**, the City and Borough of Sitka Police Department seeks to obtain a grant to cover the cost of three new servers that will be used for data storage of the Video Management System; and

**WHEREAS**, the DHS&EM has a grant program available to cover the cost; and

**WHEREAS**, the grant will have no other costs associated with it.

**NOW, THEREFORE, BE IT RESOLVED** by the Assembly of the City and Borough of Sitka that the Administrator is authorized to apply to the DHS&EM Grant Program; and

**BE IT FURTHER RESOLVED**, if the grant is received, Sitka will abide by all of the requirements of 2CFR Part 200.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska on this 13<sup>th</sup> day of August, 2019.

\_\_\_\_\_  
Gary L. Paxton, Mayor

ATTEST:

\_\_\_\_\_  
Sara Peterson, MMC  
Municipal Clerk

1<sup>st</sup> and final reading 8/13/19

Sponsor: Administrator



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 19-175      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 8/7/2019      In control: City and Borough Assembly

On agenda: 8/13/2019      Final action:

Title: Appoint Candace Rutledge to an unexpired term on the Historic Preservation Commission in the category of At-Large

Sponsors:

Indexes:

Code sections:

Attachments: [Motion appointment](#)  
[Rutledge Application](#)

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

**I MOVE TO** appoint Candace Rutledge to an unexpired term on the Historic Preservation Commission in the category of At-Large.



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

Board/Commission/Committee: A Sitka Historic Preservation Commission  
Name: Candace M. Rutledge Preferred Phone: [REDACTED]  
Address: [REDACTED] Alternate Phone: \_\_\_\_\_  
Email Address: [REDACTED] Fax Number: \_\_\_\_\_  
Length of Residence in Sitka: 2 years Registered to vote in Sitka?  Yes  No  
Employer: Sea Level Consulting, Mean Queen @ Totem Square, Sitka Gymnastics Academy  
Organizations you belong to or participate in:  
Girl Scouts of Alaska

Explain your main reason for applying:  
I have a passion for history, historic properties, and their preservation.

What background, experience or credentials will you bring to the board, commission, or committee membership?  
I have a B.A. in Anthropology and field experience in Archaeology, with hands on experience in preservation in both the U.S. and Asia.

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: 8/7/19 Signature: Candace M. Rutledge

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

# Candace Michelle Rutledge

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## Experience

### Sea Level Consulting

May 2019-Present

Conduct research and interviews for various projects. Edit works including, but not limited to, grants, proposals, and booklets. Photograph artifacts and catalogue them properly. Interface with public and distribute information concerning ongoing projects. My duties as archaeological field tech include various survey methods, monitoring, surface recovery, sub-surface excavation, artifact storage, and analyses of artifacts.

December 2015-Present

### VIPkid: Beijing, China

Instruct students one-on-one in a Skype-like classroom, using American curriculum provided by the company. Encourage the students to enjoy learning English and using rich TPR to engage the students to actively participate in lessons. Provide assessments and feedback in order to give tips on where to improve and keep the parents and students aware of their progress.

January 2018-Present

### Sitka Gymnastics: Sitka, Alaska USA

Coaching students to reach their full potential physically while instilling the discipline necessary to develop and grow as gymnasts. Planning curriculum, running seasonal camps/workshops, supervising and coordinating performances, etc. are some of my responsibilities. I also served as the Administrative Manager during the Fall Session of 2018, which entailed the running of and managing of all administrative duties.

### Air Force Aviation and Science High School: Jinju, South Korea

March 2015-

Teaching English as a second language to high school aged pupils as well as group tutoring sessions with my superiors and co-workers. Lesson and curriculum planning by semester, implementing a variety of technology and media forms to create a multi-dimensional learning experience. The first semester of 2015 course consisted of Archaeology Around the World and Global Themes in Myth. Active participation in school festivals, events, sporting competitions, and extra-curricular activities. Open office hours, in addition to by appointment.

February 2017

### The Georgia Archaeological Site File (GASF)

July 2006-2008

During my time at the GASF I was responsible for maintaining and updating information concerning all known archaeological sites spanning all periods in Georgia. The GASF has archived over 3,400 Cultural Resource Management (CRM) reports from investigations in Georgia and over 700 manuscripts from archaeological research attached to the University of Georgia. My job primarily dealt with corresponding with and acting as liaison to archaeologists in need of maps and knowledge of prior discoveries located at their dig sites. Occasionally cataloguing human remains and artifacts as well.

## Relevant Fieldwork

IS-Field Methods Archaeology: summer of 2006, both prehistoric and historic sites in Georgia.

Shovel testing and soil collection for GASF: April of 2008, Tugaloo, Georgia.

Removal and rehousing of human remains from one secure facility to another at UGA for GASF:

Athens, GA 2008.

Volunteer at archaeology site: Angkor Wat, Cambodia. September of 2014.

## Relevant Coursework

Indians of North America

Human Geography

Intro to Paleoanthropology

Cultural Anthropology

IS-Field Methods Archaeology

IS-Archaeology Lab Methods

Material Culture

## Education

The University of Georgia: 2003-2012

BA in Anthropology, with Minor's in Classical Culture and Women's Studies

TEFL Express Certification, Online Course, 160hr Certification: 2014



## HISTORIC PRESERVATION COMMISSION

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
ROBERTA LITTLEFIELD 4102 Halibut Point Road	738-4004 c 747-3444 h robylittlefield@gci.net	7/13/10 4/24/12 5/27/15 6/26/18	01/27/12 4/24/15 5/27/18 6/26/21	<b>Chair</b> Native community
ANNE POLLNOW PO Box 6326	738-0794 anne@sealevelsitka.com	4/28/15 4/25/17	4/22/17 4/25/20	<b>Vice Chair</b> At large
JAMES POULSON 1610 Sawmill Creek Rd	747-3219 w 747-6567 h james.poulson1@gmail.com	2/22/11 2/25/14	2/22/14 2/25/17 9/8/18 8/30/21	<b>Secretary</b> Historical Society
ANA DITTMAR 217 Marine Street Unit B	623-7537 anadittmar1@hotmail.com	4/10/12 5/27/15 6/12/18	4/10/15 5/27/18 6/12/21	At large
SCOTT SALINE PO Box 3183	738-7889 c shsaline@gci.net	4/26/16	4/26/19 5/14/22	At large
<i>KITTY SOPOW 3414 Halibut Point Road</i>	<i>907-545-2850 kittysopow@gmail.com</i>	<i>2/28/17</i>	<i>2/28/20</i>	<i>At large Resigned 12/21/18</i>
ROBERT SAM 456 Katlian Street	623-7097 bob.sam@sitkatriben-sn.gov	2/24/15 2/27/18	2/24/18 2/27/21	STA
NANCY DOUGLAS 416 Lake Street	747-8380 nancy.douglas@sitkatriben-sn.gov	2/27/18	2/27/21	STA (alternate) Resigned 3/5/19
Amy Ainslie Planner I	747-1814 amy.ainslie@cityofsitka.org			Staff Liaison/ Secretary
Valorie Nelson 107 Littlebyrd Way	747-4589 assemblynelson@cityofsitka.org			Assembly Liaison

7 members from selected categories    3-year terms  
 Sitka Historical Society (1), Native Community (2) - one representing Sitka Tribe of Alaska), At-Large (4)  
 Established by Ordinance 92-1075, Amended by Ordinance 93-1150, Addition by Ordinance 97-1409  
 Second Wednesday, 6:00 p.m. – Harrigan Centennial Hall, 330 Harbor Drive

Revised: May 16, 2019



# CITY AND BOROUGH OF SITKA

## Legislation Details

File #: ORD 19-33    Version: 1    Name:  
Type: Ordinance    Status: AGENDA READY  
File created: 7/17/2019    In control: City and Borough Assembly  
On agenda: 8/13/2019    Final action:  
Title: Amending Chapter 2.38 "Gary Paxton Industrial Park" of the Sitka General Code, at Section 2.38.010 "Designation", by removing Lot 17, Lot 18, and 7,496 square feet of the easement adjacent to Lot 17 from the site designated as the Gary Paxton Industrial Park

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2019-33](#)  
[Assembly memo - GPIP Lot 17 acquisition](#)  
[Ord 2019-33 and Exhibits](#)  
[figure 1](#)  
[figure 2 - survey drawing](#)  
[figure 3 - SCIP Resubdivision 1](#)  
[Attachment 1](#)  
[Attachment 2](#)  
[Attachment 3](#)

Date	Ver.	Action By	Action	Result
7/23/2019	1	City and Borough Assembly		

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2019-33 on second and final reading.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Honorable Mayor Gary Paxton  
Members of the Assembly

**From:** David E. Miller, Interim Municipal Administrator

**Date:** July 16, 2019

**Subject:** Dedication of GPIP Lot 17 for Critical Secondary Water Treatment project

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### **Requested Action**

The City and Borough of Sitka (CBS) requests that the Assembly approves Ordinance No. 2019-33, removing Sawmill Cove Industrial Park Lot 17 (GPIP Lot 17), GPIP Lot 18 and a portion of the easement east of GPIP Lot 17 from the Gary Paxton Industrial Park (GPIP).

### **Summary**

Please refer to <https://www.cityofsitka.com/government/departments/publicworks/projects.html> for complete background information on this project.

CBS consultant CRW Engineering Group completed a *Filtration Evaluation for Critical Secondary Water* (CRW report), which recommended construction of an intermittent granular filtration plant treating Sawmill Creek water, adjacent to the existing Ultraviolet (UV) Facility. The CRW report estimates a total project cost for a granular filter plant on GPIP Lot 17 of \$18.0 million. This is the cost that the project budget is based on. The CRW report estimates a total project cost of a granular filter plant at the Pulp Mill Filter Plant of \$28.8 million. Attached Figure 1 shows the location of the two sites. If the Assembly favors the Pulp Mill Filter Plant site for this project, Public Works will have to request an appropriation for an additional \$10 million to complete the project, which would result in the need for a significant rate increase.

The CRW report also compares “design considerations” for the three sites. The considerations are summarized in a document found at the web link above. In general, the items that make GPIP Lot 17 the better option are:

1. GPIP Lot 17 provides a better-understood and less-risky surface to build a treatment plant on. A facility built at the Pulp Mill Filter Plant lot would be founded on an existing concrete slab that may or may not support the weight of the building. Further geotechnical study would be required. If the study reveals that additional foundation work is required, the \$28.8 million cost estimate cited above would increase.

2. Construction of the pipe conveying Sawmill Creek water to Lot 17 would be less expensive and less risky than a pipe conveying water to the Pulp Mill Filter Plant lot. The Pulp Mill pipeline would have to be secured to a cliff face that a geotechnical study indicated is unstable. This would also make maintenance of the pipe more costly and risky. Disposal of filter backwash would be easier and less expensive at GPIIP Lot 17. Access to both disposal options – into an existing stormwater system, or into the sanitary sewer system – is more readily available from GPIIP Lot 17.

Ordinance 00-1568 establishes the boundaries of the Gary Paxton Industrial Park. GPIIP Lots 17 and 18 are within these boundaries, even though Lot 18 is where the UV Facility is located. If the Assembly passes the ordinance requested in this memo, CBS will move to create a new subdivision combining Lots 17 and 18 into one parcel, and incorporating some property currently within a Sawmill Cove Industrial Park Subdivision Common Use and Utility Easement into the new water treatment plant parcel. Figure 2 shows the proposed configuration of the new combined lot. The plat for Sawmill Cove Industrial Park Resubdivision No. 1, which describes the intended purpose of the Common Use Easement, is attached as Figure 3. Separately, CBS is working with the State of Alaska to acquire additional right-of-way north of and adjacent to Lot 17, which would be added to the combination parcel. It is also shown on Figure 2.

CBS staff met with the GPIIP Board at their scheduled July 8, 2019, meeting to solicit their input prior to the July 23 Assembly meeting. CBS explained their preference for GPIIP Lot 17, and requested the board's concurrence. The GPIIP Board voted unanimously to "approve the City and Borough of Sitka (CBS) requests that the Assembly approves Ordinance No. 2019-[33], removing Sawmill Cove Industrial Park Lot 17 (GPIIP Lot 17), GPIIP Lot 18 and a portion of the easement east of GPIIP Lot 17 from the Gary Paxton Industrial Park (GPIIP)." Meeting minutes are appended at Attachment 1.

Proposed Ordinance 2019-33 is appended at Attachment 2.

### **Fiscal Note**

From an accounting perspective the City and Borough of Sitka divvies up its assets by assigning them to the most appropriate fund from a financial standpoint, though technically, all assets are owned by the CBS. If the transfer of GPIIP Lot 17 is approved, the CBS would transfer the value of the asset from the GPIIP Fund to the Water Fund.

### **Background**

CBS needs a backup water source during periods when the Blue Lake penstock system is unavailable due to emergencies or maintenance, and for when Blue Lake water is too turbid to treat exclusively with ultraviolet radiation.

Sitka General Code Chapter 2.38 establishes the boundaries for GPIIP. A figure showing the approximate boundaries of GPIIP is appended at Attachment 3. A parcel of GPIIP located in the vicinity of the Beaver Lake Trailhead at Herring Cove is not shown on this figure.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2019-33

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA, AMENDING CHAPTER 2.38 "GARY PAXTON INDUSTRIAL PARK" OF THE SITKA GENERAL CODE, AT SECTION 2.38.010 "DESIGNATION", BY REMOVING LOT 17, LOT 18, AND 7,496 SQUARE FEET OF THE EASEMENT ADJACENT TO LOT 17 FROM THE SITE DESIGNATED AS THE GARY PAXTON INDUSTRIAL PARK

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. As provided in enacting Ordinance No. 00-1568, the GPIIP was "...acquired not for governmental purposes, but for economic development and disposal." The stated purpose of the enacting ordinance was that "[i]n general, the property will not be used for public improvements." However, circumstances exist which make it inappropriate to follow the general purpose of the enacting ordinance, at least for two lots (Lot 17 and Lot 18 of the Sawmill Cove Industrial Park Resubdivision No. 1) and a portion of the easement adjacent to Lot 17, which in total amount to a small portion of the GPIIP. Lot 17 of the GPIIP is needed for a public improvement, i.e., the site for a water filtration plant for the treatment of Sawmill Creek water. The other potential site at the old pulp mill filter plant is expected to cost at least ten million dollars more to develop than Lot 17. Accordingly, due to its usefulness to the public and the resulting large financial savings to the public, it is appropriate to deviate from the general purpose of the GPIIP by removing Lot 17 from the GPIIP. Lot 18 of the GPIIP was transferred to the "Water Enterprise Fund" by Resolution No. 2012-62 for use as a site for a UV water filtration facility for the treatment of Blue Lake water. The transfer of Lot 18 included a transfer of \$65,560 from the UV facility capital account to the GPIIP Fund. However, Lot 18 still remains designated within the GPIIP. This ordinance would remove Lot 18 from the GPIIP, thereby cleaning up the transfer in 2012. The 7,496 square feet of the easement adjacent to Lot 17 is needed for the site of the water filtration plant for the reasons described above. Lot 17, Lot 18 and the 7,496 square feet portion of the easement adjacent to Lot 17 are described on Exhibit B attached to this ordinance and incorporated herein by reference.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Chapter 2.38, entitled "Gary Paxton Industrial Park" be amended at Section 2.38.010, entitled "Designation", to read as follows (new language underlined; deleted language stricken):

TITLE 2
ADMINISTRATION

Chapters:

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53           **2.38       Gary Paxton Industrial Park**

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**Chapter 2.38**

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**GARY PAXTON INDUSTRIAL PARK**

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Sections:

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2.38.010 Designation.

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**2.38.010 Designation.**

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The former Alaska Pulp Corporation mill site is designated as the Gary Paxton industrial park (GPIP), as described in Exhibit A, attached to the ordinance codified in this chapter and incorporated herein by reference, except for those portions of the GPIP described in Exhibit B, attached to the ordinance amending this chapter and incorporated herein by reference. The Gary Paxton industrial park is a municipal department subject to assembly general oversight.

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

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**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska, this 13<sup>th</sup> day of August, 2019.

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Gary L. Paxton, Mayor

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ATTEST:

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Sara Peterson, MMC

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Municipal Clerk

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1<sup>st</sup> reading 7/23/19

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2<sup>nd</sup> and final reading 8/13/19

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Sponsor: Administrator

## EXHIBIT "A"

Order Number: 99-S-5158

PARCEL # 1 - U.S. Survey 2797. Sitka Recording District, First Judicial District, State of Alaska.

PARCEL # 2 - U.S. Survey 3551. Sitka Recording District, First Judicial District, State of Alaska.

PARCEL # 3 - All Lots One (1), Two (2), Three (3), and Four (4), U.S. Survey 3665. Sitka Recording District, First Judicial District, State of Alaska.

PARCEL # 4 - Alaska Tideland Survey No. 6. (State Patent # 20). Sitka Recording District, First Judicial District, State of Alaska.

PARCEL # 5 - Access Easement Vacation Plat, according to the plat thereof filed October 5, 1981 as Plat No. 81-40. Sitka Recording District, First Judicial District, State of Alaska

END OF LEGAL DESCRIPTIONS

## EXHIBIT "B"

**Portions of Parcel #1 and/or Parcel #2 as described in Exhibit A and more particularly described as follows:**

Lot 17, Block 4, Sawmill Cove Park Resubdivision No. 1 , according to the plat thereof, filed November 20, 2008, as Plat No. 2008-27, Sitka Recording District, First Judicial District, State of Alaska.

Lot 18, Block 4, Sawmill Cove Park Resubdivision No. 1 , according to the plat thereof, filed November 20, 2008, as Plat No. 2008-27, Sitka Recording District, First Judicial District, State of Alaska.

A 7,496 square feet portion of the Common Use Access and Utility Easement adjacent to Lot 17, Block 4, Sawmill Cove Park Resubdivision No. 1, according to the plat thereof, filed November 20, 2008, as Plat No. 2008-27, Sitka Recording District, First Judicial District, State of Alaska, as drawn on the attached drawing entitled "Figure 1".

# Figure 1: Potential Filter Plant Locations

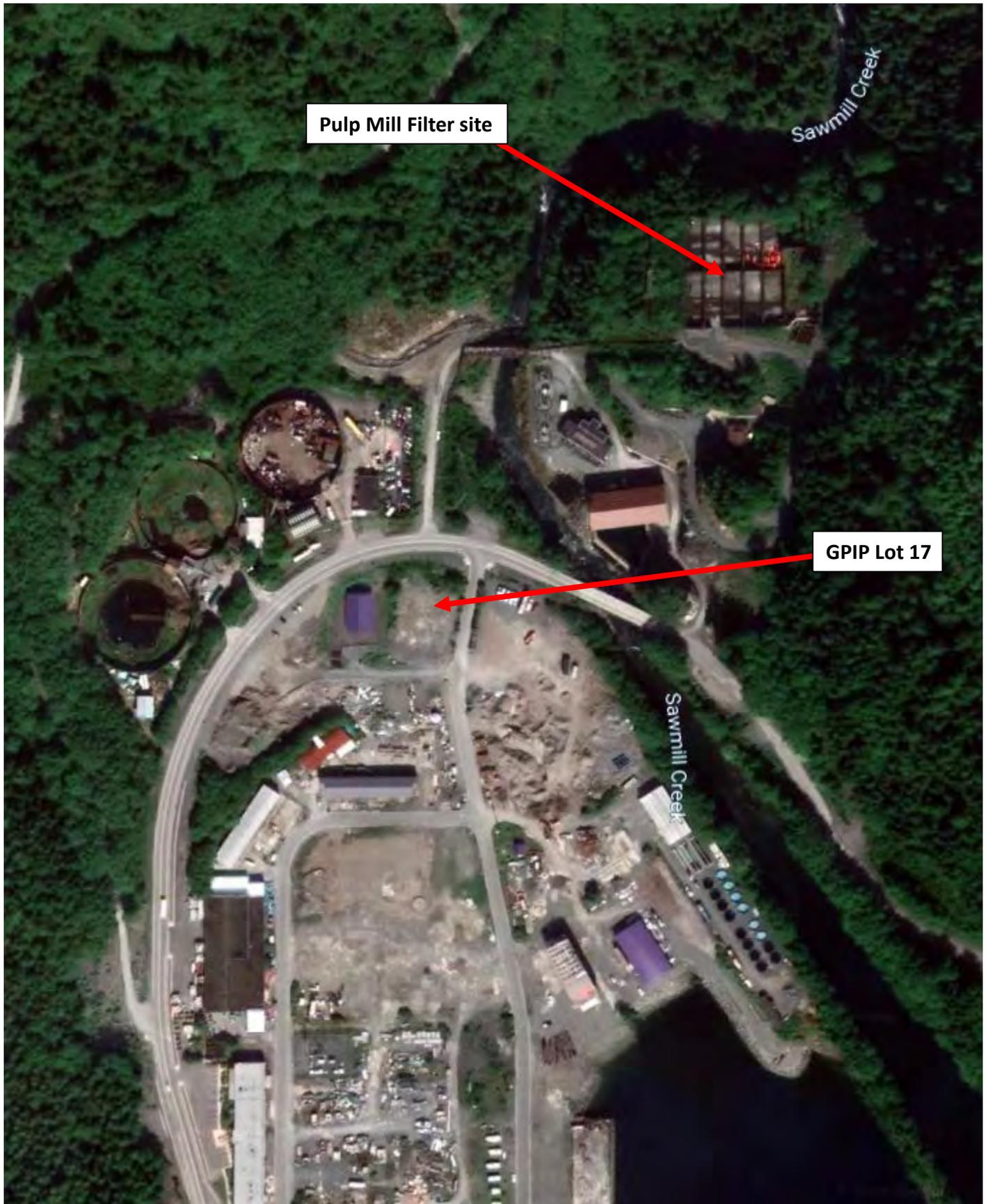


Figure 2

**CERTIFICATE OF OWNERSHIP AND DEDICATION**

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

DATE \_\_\_\_\_ OWNER \_\_\_\_\_ (SIGNATURE)

DATE \_\_\_\_\_ OWNER \_\_\_\_\_ (SIGNATURE)

**NOTARY'S ACKNOWLEDGMENT**

US OF AMERICA  
STATE OF ALASKA  
CITY & BOROUGH OF SITKA

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

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

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

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

MY COMMISSION EXPIRES \_\_\_\_\_

**CERTIFICATE STATE OF ALASKA (FIRST JUDICIAL DISTRICT)**

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

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

ASSESSOR, CITY AND BOROUGH OF SITKA

**CERTIFICATE OF APPROVAL BY THE BOARD**

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA PLATTING BOARD, AND THAT SAID PLAT HAS BEEN APPROVED BY THE BOARD BY PLAT RESOLUTION NO. \_\_\_\_\_ DATED \_\_\_\_\_ 20\_\_\_\_, AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE \_\_\_\_\_ CHAIRMAN, PLATTING BOARD

SECRETARY

**CERTIFICATE OF APPROVAL BY THE ASSEMBLY**

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

DATE \_\_\_\_\_ MAYOR

CITY AND BOROUGH CLERK

**CERTIFICATE OF PAYMENT OF LOCAL IMPROVEMENT DISTRICT**

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

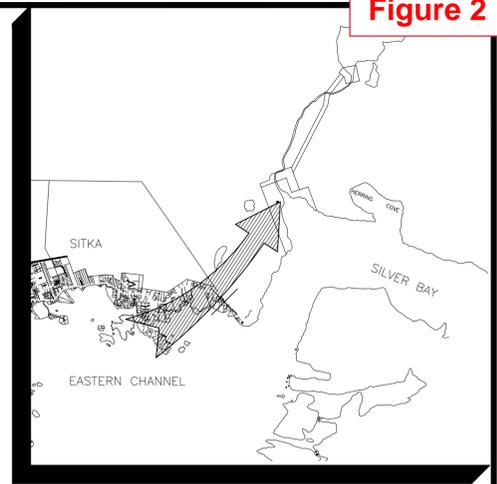
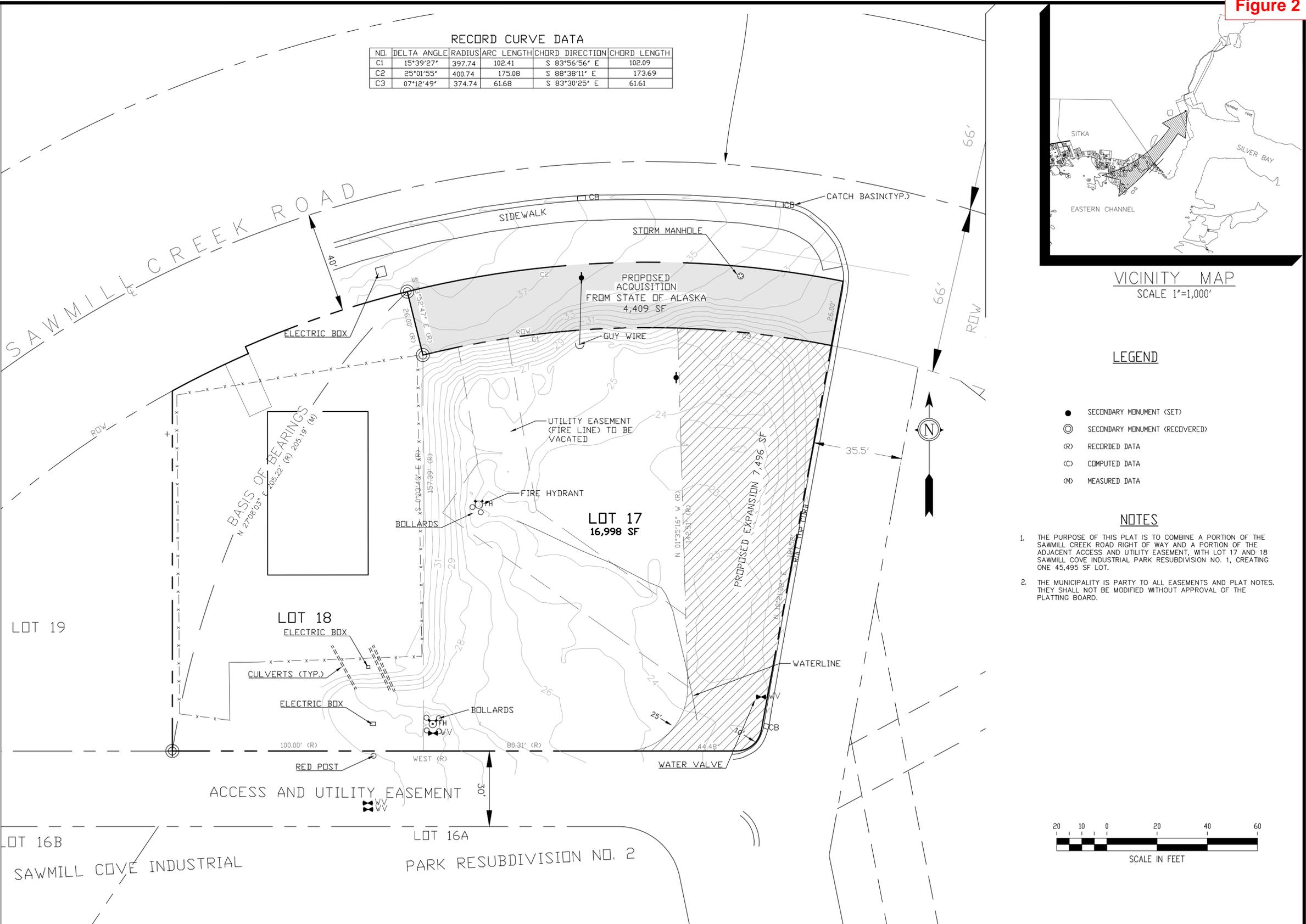
(ALL OWNERS OF RECORD), AND THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL L.I.D.'S ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_, AT SITKA, ALASKA.

FINANCE DIRECTOR  
CITY & BOROUGH OF SITKA

**RECORD CURVE DATA**

NO.	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD	DIRECTION	CHORD LENGTH
C1	15°39'27"	397.74	102.41	S 83°56'56" E	102.09	
C2	25°01'55"	400.74	175.08	S 88°38'11" E	173.69	
C3	07°12'49"	374.74	61.68	S 83°30'25" E	61.61	



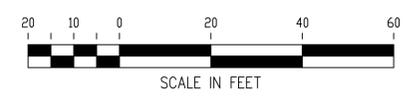
VICINITY MAP  
SCALE 1"=1,000'

**LEGEND**

- SECONDARY MONUMENT (SET)
- ⊙ SECONDARY MONUMENT (RECOVERED)
- (R) RECORDED DATA
- (C) COMPUTED DATA
- (M) MEASURED DATA

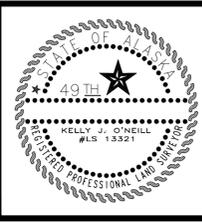
**NOTES**

1. THE PURPOSE OF THIS PLAT IS TO COMBINE A PORTION OF THE SAWMILL CREEK ROAD RIGHT OF WAY AND A PORTION OF THE ADJACENT ACCESS AND UTILITY EASEMENT, WITH LOT 17 AND 18 SAWMILL COVE INDUSTRIAL PARK RESUBDIVISION NO. 1, CREATING ONE 45,495 SF LOT.
2. THE MUNICIPALITY IS PARTY TO ALL EASEMENTS AND PLAT NOTES. THEY SHALL NOT BE MODIFIED WITHOUT APPROVAL OF THE PLATTING BOARD.



**NORTH 57\***  
**LAND SURVEYING**  
(907) 747-6700 2007 CASCADE CREEK ROAD, SITKA, AK 99835

BY	DATE	REV	DESCRIPTION OF CHANGE
			RECORD OF REVISIONS



DESIGNED: K. O'NEILL  
DRAWN: JCH/ACAD  
CHECKED: KOJ  
DATE OF PLAT: MAY 13, 2019  
SCALE: 1" = 20'  
DRAWING NAME: 40161-01  
PROJECT NO. 40161-01

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

DATE \_\_\_\_\_ KELLY O'NEILL LS 13321

CSWS SUBDIVISION  
LOT 17 & 18 SAWMILL COVE INDUSTRIAL PARK  
RESUBDIVISION NO. 1  
CLIENT: SEDA

1 OF 1  
SHEET

CERTIFICATE OF OWNERSHIP AND DEDICATION

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

DATE 11/19/08 OWNER Jim Dinley, Administrator City & Borough of Sitka (SIGNATURE)
DATE X OWNER X (SIGNATURE)

NOTARY'S ACKNOWLEDGMENT

US OF AMERICA STATE OF ALASKA CITY & BOROUGH OF SITKA

THIS IS TO CERTIFY THAT ON THIS 19 DAY OF November 20 08, BEFORE ME, THE UNDERSIGNED, A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED Jim Dinley, Administrator for the City & Borough of Sitka

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

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

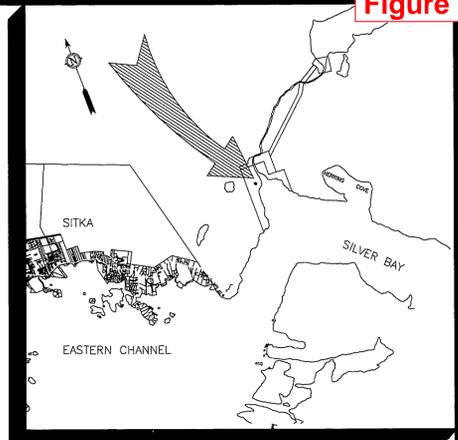
NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA MY COMMISSION EXPIRES 8/19/09 COLLEEN PELLET

NOTES

- 1. THE PURPOSE OF THIS PLAN IS TO FURTHER SUBDIVIDE THE SAWMILL COVE INDUSTRIAL PARK SUBDIVISION INTO A TOTAL OF 4 BLOCKS, WITH 2 LOTS AND A LEASE LOT IN BLOCK 1, 1 LOT IN BLOCK 2, 3 LOTS IN BLOCK 3, AND 22 LOTS (EXCLUDING LOT 5) IN BLOCK 4. ALSO, THE PURPOSE OF THIS PLAN IS TO PROVIDE ADDITIONAL EASEMENTS ON THE SAWMILL COVE PROPERTY AND CLARIFY THE COMMON USE STATUS OF EXISTING EASEMENTS.
2. NEW BUILDINGS CONSTRUCTED AFTER THE DATE OF THIS PLAT SHALL MEET THE SETBACK REQUIREMENTS OF SITKA GENERAL CODE.
3. OFF STREET PARKING ON PRIVATE PROPERTY OR ON PUBLICLY OWNED LANDS IDENTIFIED FOR PARKING PURPOSES IS REQUIRED.
4. THE FUTURE EASEMENT EXPANSION FOR LOT 10 WILL OCCUR UPON REMOVAL OF THE "BUNKHOUSE" SHOWN.
5. SPECIAL USE UTILITY EASEMENTS LOCATED WITHIN INDIVIDUAL PARCELS ARE SHOWN IN SHADED AREAS. THESE SPECIAL USE EASEMENTS BENEFIT THE MUNICIPALITY AND THE OWNERS WITHIN THE PARK. THEY ARE INTENDED TO COVER ACTIVE UTILITIES; HOWEVER, DUE TO THE COMPLEXITY OF EXISTING AND ABANDONED UTILITIES IN THE AREA OF THIS PLAT, AND THE INABILITY TO VISUALLY CONFIRM THE EXISTENCE OR ABSENCE OF ADDITIONAL BURIED UTILITIES, SOME ACTIVE UTILITIES MAY HAVE BEEN MISSED. SPECIAL USE EASEMENTS ARE INTENDED TO PROVIDE ACCESS FOR THE MAINTENANCE AND REPLACEMENT OF ALL EXISTING ACTIVE UTILITIES WHETHER SHOWN WITHIN AN EASEMENT OR NOT.
6. WITH THE EXCEPTION OF LOT 9, LOTS WITHIN BLOCK 4 MAY BE SURROUNDED ON ONE OR SEVERAL SIDES BY COMMON USE ACCESS AND UTILITY, OR COMMON USE UTILITY ONLY EASEMENTS (CORRIDORS). THE AREAS OF THESE LOTS ARE INTENDED TO BE EXCLUSIVE OF THE EASEMENTS. EASEMENT OWNERSHIP WILL BE RETAINED BY THE CITY AND BOROUGH OF SITKA. THE MUNICIPALITY RESERVES THE RIGHT TO MODIFY LOT LINES AND/OR FURTHER RESUBDIVIDE THE PARCELS WITHIN THIS SUBDIVISION WITHOUT PRECONDITIONS FOLLOWING THE PROCEDURES IN SITKA GENERAL CODE TITLE 21, AS LONG AS ALL LOTS CONTINUE TO BE SERVED BY THE COMMON USE EASEMENTS.
7. THE COMMON USE EASEMENT CROSSING LOT 9 IS TO BE HELD IN FEE BY THE OWNERS OF LOT 9. USE OF THAT EASEMENT WILL BE BY AGREEMENT WITH THE CITY AND BOROUGH OF SITKA.

LEGEND

- PRIMARY CONTROL MONUMENT (RECOVERED)
GLOBULAR PRIMARY BRASS CAP (RECOVERED)
SECONDARY MONUMENT (SET)
SECONDARY MONUMENT (RECOVERED)
USC & GS TRIANGULATION STATION (RECOVERED)
RECORDED DATA
COMPUTED DATA
MEASURED DATA
BUILDING
LOT 5 (WITHIN BLOCK 4) - NOT A PART OF THIS SUBDIVISION
COMMON USE ACCESS & UTILITY EASEMENTS WITHIN CORRIDORS TO BE RETAINED BY CBS (SEE NOTE 6)
SPECIAL USE UTILITY EASEMENT (SEE NOTE 5)



VICINITY MAP SCALE 1"=1 MI.

CERTIFICATE OF PAYMENT OF TAXES (STATE OF ALASKA) (FIRST JUDICIAL DISTRICT)

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND ASSESSOR FOR THE CITY & BOROUGH OF SITKA, DO HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF THE CITY AND BOROUGH OF SITKA, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE TAX RECORDS IN THE NAME OF City & Borough of Sitka

AND THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL; THAT CURRENT TAXES FOR THE YEAR 2009 WILL BE DUE ON OR BEFORE 8-31-09

DATED THIS 19th DAY OF November, 2008, AT SITKA, ALASKA.

Jam A. Louk ASSESSOR, CITY AND BOROUGH OF SITKA

CERTIFICATE OF APPROVAL BY THE BOARD

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREIN HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA PLATTING BOARD, AND THAT SAID PLAT HAS BEEN APPROVED BY THE BOARD BY PLAT RESOLUTION NO. 08-13 DATED 11-20-08 AND THAT THE PLAT SHOWN HEREIN HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX OFFICIO RECORDER, SITKA, ALASKA.

DATE 11/20/2008 SECRETARY

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREIN HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA ASSEMBLY AS RECORDED IN MINUTE BOOK PAGE 20 DATED 11-19-08 AND THAT THE PLAT SHOWN HEREIN HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX OFFICIO RECORDER, SITKA, ALASKA.

DATE 11-19-08 CITY AND BOROUGH CLERK

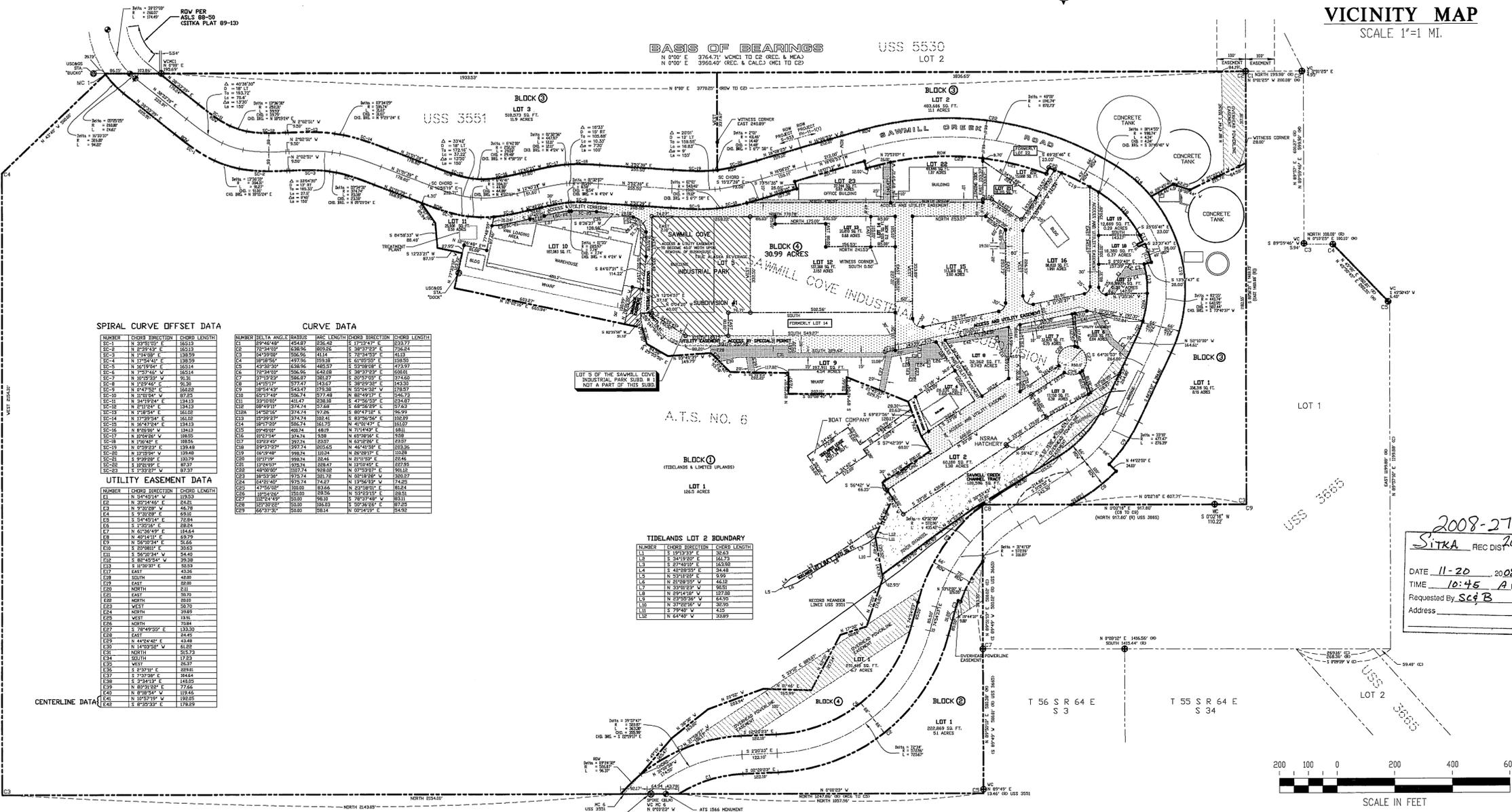
CERTIFICATE OF PAYMENT OF LOCAL IMPROVEMENTS

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

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

DATED THIS 19th DAY OF November 20 08, AT SITKA, ALASKA.

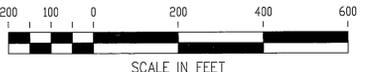
FINANCE DIRECTOR CITY & BOROUGH OF SITKA



Tables for SPIRAL CURVE OFFSET DATA, CURVE DATA, and UTILITY EASEMENT DATA.

TIDELANDS LOT 2 BOUNDARY table with columns for NUMBER, CHORD DIRECTION, and CHORD LENGTH.

2008-27 Sitka REC DIST 20 DATE 11-20-2008 TIME 10:45 A.M. Requested By SCB



O'NEILL SURVEYING AND ENGINEERING

BOX 1849 SITKA, ALASKA 99835 PHONE: (907) 747-6700 FAX: (907) 747-7590 EMAIL: onell@oneak.net

RECORD OF REVISIONS table with columns for BY, DATE, REV, and DESCRIPTION OF CHANGE.



DESIGNED: P. O'NEILL DRAWN: JCH/KD/ACAD CHECKED: PKO DATE OF PLAT: SEPT 24, 2008 # 09:46:14 SCALE: 1" = 200' DRAWING NAME: SCIP RESUB(1) PROJECT NO. 30014-137-00

SURVEYOR'S CERTIFICATE I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR, LICENSED IN THE STATE OF ALASKA, AND THAT IN July - Sept, 2008, A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.

SAWMILL COVE INDUSTRIAL PARK RESUBDIVISION NO. 1 A RESUBDIVISION OF SAWMILL COVE INDUSTRIAL PARK SUBDIVISION NO. 1, EXCLUDING LOT 5 CLIENT: CITY AND BOROUGH OF SITKA

**Gary Paxton Industrial Park – Board of Directors Meeting  
July 8, 2019, 3:00pm – Harrigan Centennial Hall  
GPIP – DRAFT MINUTES**

**A. CALL TO ORDER:** The Chair called the meeting to order at 2:58pm

**B. ROLL CALL**

**Members Present:** Sheila Finkenbinder, Vaughn Morrison, Rob Parrish, Scott Wager

**City Representatives:** Dave Miller, Brian Hanson, Richard Wein, Kevin Mosher, Shilo Williams, Mike Harmon, Dave Longtin, Cliff Richter

**Others Present:** Mike Johnson (Delta Western), Shannon Haugland (Sentinel), Garry White, Sarah Nelson.  
Members of the public.

**C. Review of Minutes – April 8, 2019**

**MOTION:** M/S Finkenbinder/Morrison moved to approve the minutes of May 20, 2019.

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

**D. Correspondence & Other Information –**

Mr. Wagner read a draft letter to Delta Western.

**E. Changes/Additions/Deletions to Agenda – None**

**F. Reports – GPIP**

GPIP Dock - Mr. White reported that this year the dock has been getting a lot of use. The camera is helpful and Mr. White receives email almost daily from the harbor master Stan Eliason. A large commercial boat will be stopping a couple times a month to pick up fish from Silver Bay Seafoods, this will bring an estimated \$6,000/month revenue. Still working on credit card meters for electric use.

Marine Services Industry – The current haul-out at Halibut Point Marina is considering closing in two years. By September PND should have the phase development plans for the haul-out. The phases are: wastewater treatment, wastewater collection, ramp improvements (concrete ramp), upland improvements (electrical, water, and spaces to work), timber float, and infrastructure. It would be great if private industry will run the haul-out. The estimate to complete everything now is \$6.8 million.

Bulk Water – Mr. White is starting to see more interest. The valve is an issue and he is looking into how to fund the repairs. It can be fixed in fall 2021 when the penstock is drained. There is a want and a need for the water, he receives emails twice a week about global water issues. We have permits to sell water and a deep water port.

Bottled Water – Mr. White is still talking with multiple groups. The existing bottling plant is looking at possibilities.

Industrial Water – The electric department hired an engineer to look at what it would take to upgrade the pump in the after-bay. The results are 1-2 months out.

Rock on Lot 16, 19, and 20 – Assembly approved the lease and they have a bid out for the public to get the rock for free.

Utility Dock – An outside legal firm has drawn up 3 scenarios to transfer the dock to Lee Hanson. A terms sheet is ready for the Assembly to approve the terms of the transfer on the July 23, 2019 meeting. Once the terms are approved it will move to planning and zoning to remove a part of the property.

Delta Western – They received the building permit to move forward, it changed a little from what the board approved. The tanks will be on the uplands instead of on the dock. An updated agreement is being put together.

Wayne Unger – He moved out of town and resigned from the GPIIP board.

Petro Marine – Sold 6,113 gallons of fuel off of the dock with a mobile truck.

Discussion about the haul-out being the focus at the park. Sitka will need to support the local fleet when Halibut Point Marine closes its haul-out. Two years is not a lot of time to get things done. Large ship yards have shown interest in operating but they want the infrastructure to be complete.

2014 report on [www.sawmillcove.com](http://www.sawmillcove.com) website. With existing haul-out it is a moderate opportunity, without an existing haul-out it is a moderate to positive opportunity.

**G. Persons to Be Heard – Dr. Wein, Mike Johnson**

Dr. Wein the haul-out should be the top priority for the city. The city needs to find and help look for financing. It should be at the next Assembly meeting for discussion/direction that needs to take place. We need to find a solution and know what the vision is. It is critical to the city. He is on board for a rapid solution.

Mike Johnson (Delta Western) – Thank GPIIP board for supporting their efforts. The dirt work has started, site prep is done and ready to pour concrete. Tank and equipment are in town. Waiting for user agreement to make it all official. The tank is strictly for Silver Bay Seafood fleet. It is easier for accounting and Coast Guard process.

**H. Unfinished Business – None**

**I. New Business**

**1. Election of GPIIP Board Officers**

Dan Jones retired from the GPIIP board, he was vice chair. To follow code it is time to re-elect board chair and vice chair positions.

**MOTION:** **M/S Finkenbinder/Morrison** nominated Scott Wagner for Chair. Mr. Wagner accepted the nomination.

**ACTION:** **Motion PASSED 3/0** in a voice vote – Scott Wagner recused.

Discussion about vice chair. It is helpful to have someone as Vice Chair.

**MOTION:** **M/S Finkenbinder/Parrish** nominated Vaughn Morrison for Vice Chair. Mr. Morrison accepted the nomination.

**ACTION:** **Motion PASSED 3/0** in a voice vote – Vaughn Morrison recused.

## 2. CBS PW Request for Lot 17

Mr. White received a request from the city Administrator to have Lot 17 be transferred to the City and Borough water enterprise fund for the future location of the secondary water treatment facility. Memo and draft ordinance from the Administrator to go to the Assembly. Packet had a similar request for lot 18 which is included in the packet.

Mr. Harmon stated the reason for this location is the water quality and it will keep the water rates down. The next location they are looking at the pulp mill site would add \$10 million to the project costs. It will have shared facilities with the UV plant on Lot 18.

Mr. Hanson is working on the legal transfer of the property from GPIIP to Water department. The GPIIP Board has authority over the designated area of property. He is requesting that the board consider the ordinance to withdraw Lot 17 from the park (included in the packet) where the Assembly would have authority over the lot instead of the GPIIP board.

\$65,000 funds transferred for Lot 18.

Discussion about giving up a revenue source, leasing the property to the City, or amend the code to carve this lot out of the park. The task of the GPIIP board is to create economic activity and positive revenue at the GPIIP property.

Assembly member Mosher stated that the goal should be to avoid rate increases. Long term operating expenses with a lease may increase rates.

Discussion about the size of the lot and easement issues. Questions about potential future uses for the lot. Discussion about trading other property for Lot 17.

**MOTION:** M/S Parrish/Morrison moved to approve the City and Borough of Sitka (CBS) requests that the Assembly approves Ordinance No. 2019-xx, removing Sawmill Cove Industrial Park Lot 17 (GPIIP Lot 17), GPIIP Lot 18 and a portion of the easement east of GPIIP Lot 17 from the Gary Paxton Industrial Park (GPIIP).

**ACTION:** Motion PASSED 4/0 in a voice vote.

**J. Adjournment:** M/S Finkenbinder/Parrish moved to adjourn meeting at 3:53pm.

Sponsors: Administrator

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2019-33

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA, AMENDING CHAPTER 2.38 "GARY PAXTON INDUSTRIAL PARK" OF THE SITKA GENERAL CODE, AT SECTION 2.38.010 "DESIGNATION", BY REMOVING LOT 17, LOT 18, AND 7,496 SQUARE FEET OF THE EASEMENT ADJACENT TO LOT 17 FROM THE SITE DESIGNATED AS THE GARY PAXTON INDUSTRIAL PARK

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. As provided in enacting Ordinance No. 00-1568, the GPIIP was "...acquired not for governmental purposes, but for economic development and disposal." The stated purpose of the enacting ordinance was that "[i]n general, the property will not be used for public improvements." However, circumstances exist which make it inappropriate to follow the general purpose of the enacting ordinance, at least for two lots (Lot 17 and Lot 18 of the Sawmill Cove Industrial Park Resubdivision No. 1) and a portion of the easement adjacent to Lot 17, which in total amount to a small portion of the GPIIP. Lot 17 of the GPIIP is needed for a public improvement, i.e., the site for a water filtration plant for the treatment of Sawmill Creek water. The other potential site at the old pulp mill filter plant is expected to cost at least ten million dollars more to develop than Lot 17. Accordingly, due to its usefulness to the public and the resulting large financial savings to the public, it is appropriate to deviate from the general purpose of the GPIIP by removing Lot 17 from the GPIIP. Lot 18 of the GPIIP was transferred to the "Water Enterprise Fund" by Resolution No. 2012-62 for use as a site for a UV water filtration facility for the treatment of Blue Lake water. The transfer of Lot 18 included a transfer of \$65,560 from the UV facility capital account to the GPIIP Fund. However, Lot 18 still remains designated within the GPIIP. This ordinance would remove Lot 18 from the GPIIP, thereby cleaning up the transfer in 2012. The 7,496 square feet of the easement adjacent to Lot 17 is needed for the site of the water filtration plant for the reasons described above. Lot 17, Lot 18 and the 7,496 square feet portion of the easement adjacent to Lot 17 are described on Exhibit B attached to this ordinance and incorporated herein by reference.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Chapter 2.38, entitled "Gary Paxton Industrial Park" be amended at Section 2.38.010, entitled "Designation", to read as follows (new language underlined; deleted language stricken):

TITLE 2
ADMINISTRATION

Chapters:

\*\*\*

53           **2.38       Gary Paxton Industrial Park**

54

55

\* \* \*

56

57

**Chapter 2.38**

58

**GARY PAXTON INDUSTRIAL PARK**

59 Sections:

60       2.38.010 Designation.

61

\* \* \*

62

63 **2.38.010 Designation.**

64 The former Alaska Pulp Corporation mill site is designated as the Gary Paxton industrial park

65 (GPIP), as described in Exhibit A, attached to the ordinance codified in this chapter and

66 incorporated herein by reference, except for those portions of the GPIP described in Exhibit B,

67 attached to the ordinance amending this chapter and incorporated herein by reference. The

68 Gary Paxton industrial park is a municipal department subject to assembly general oversight.

69

\* \* \*

70

71

72           **5. EFFECTIVE DATE.** This ordinance shall become effective the day after the day of its

73 passage.

74

75           **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of

76 Sitka, Alaska, this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

77

78

\_\_\_\_\_  
Gary L. Paxton, Mayor

79 ATTEST:

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83

84 \_\_\_\_\_  
Sara Peterson, MMC

85 Municipal Clerk

## **EXHIBIT "A"**

Order Number: 99-S-5158

PARCEL # 1 - U.S. Survey 2797. Sitka Recording District, First Judicial District, State of Alaska.

PARCEL # 2 - U.S. Survey 3551. Sitka Recording District, First Judicial District, State of Alaska.

PARCEL # 3 - All Lots One (1), Two (2), Three (3), and Four (4), U.S. Survey 3665. Sitka Recording District, First Judicial District, State of Alaska.

PARCEL # 4 - Alaska Tideland Survey No. 6. (State Patent # 20). Sitka Recording District, First Judicial District, State of Alaska.

PARCEL # 5 - Access Easement Vacation Plat; according to the plat thereof filed October 5, 1981 as Plat No. 81-40. Sitka Recording District, First Judicial District, State of Alaska

**END OF LEGAL DESCRIPTIONS**

## **EXHIBIT "B"**

### **Portions of Parcel #1 and/or Parcel #2 as described in Exhibit A and more particularly described as follows:**

Lot 17, Block 4, Sawmill Cove Park Resubdivision No. 1 , according to the plat thereof, filed November 20, 2008, as Plat No. 2008-27, Sitka Recording District, First Judicial District, State of Alaska.

Lot 18, Block 4, Sawmill Cove Park Resubdivision No. 1 , according to the plat thereof, filed November 20, 2008, as Plat No. 2008-27, Sitka Recording District, First Judicial District, State of Alaska.

A 7,496 square feet portion of the Common Use Access and Utility Easement adjacent to Lot 17, Block 4, Sawmill Cove Park Resubdivision No. 1, according to the plat thereof, filed November 20, 2008, as Plat No. 2008-27, Sitka Recording District, First Judicial District, State of Alaska, as drawn on the attached drawing entitled "Figure 1".

**CERTIFICATE OF OWNERSHIP AND DEDICATION**

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

DATE \_\_\_\_\_ OWNER \_\_\_\_\_ (SIGNATURE)

DATE \_\_\_\_\_ OWNER \_\_\_\_\_ (SIGNATURE)

**NOTARY'S ACKNOWLEDGMENT**

US OF AMERICA  
STATE OF ALASKA  
CITY & BOROUGH OF SITKA

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

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

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

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

MY COMMISSION EXPIRES \_\_\_\_\_

**CERTIFICATE STATE OF ALASKA  
(FIRST JUDICIAL DISTRICT)**

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

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

ASSESSOR, CITY AND BOROUGH OF SITKA

**CERTIFICATE OF APPROVAL BY THE BOARD**

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY & BOROUGH OF SITKA PLATTING BOARD, AND THAT SAID PLAT HAS BEEN APPROVED BY THE BOARD BY PLAT RESOLUTION NO. \_\_\_\_\_ DATED \_\_\_\_\_ 20\_\_\_\_, AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, SITKA, ALASKA.

DATE \_\_\_\_\_ CHAIRMAN, PLATTING BOARD

SECRETARY

**CERTIFICATE OF APPROVAL BY THE ASSEMBLY**

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

DATE \_\_\_\_\_ MAYOR

CITY AND BOROUGH CLERK

**CERTIFICATE OF PAYMENT OF LOCAL IMPROVEMENT DISTRICT**

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

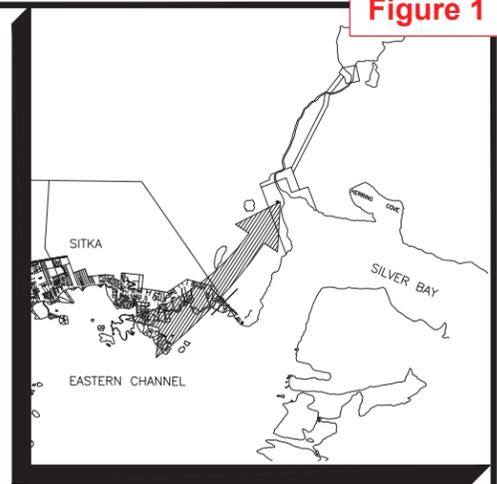
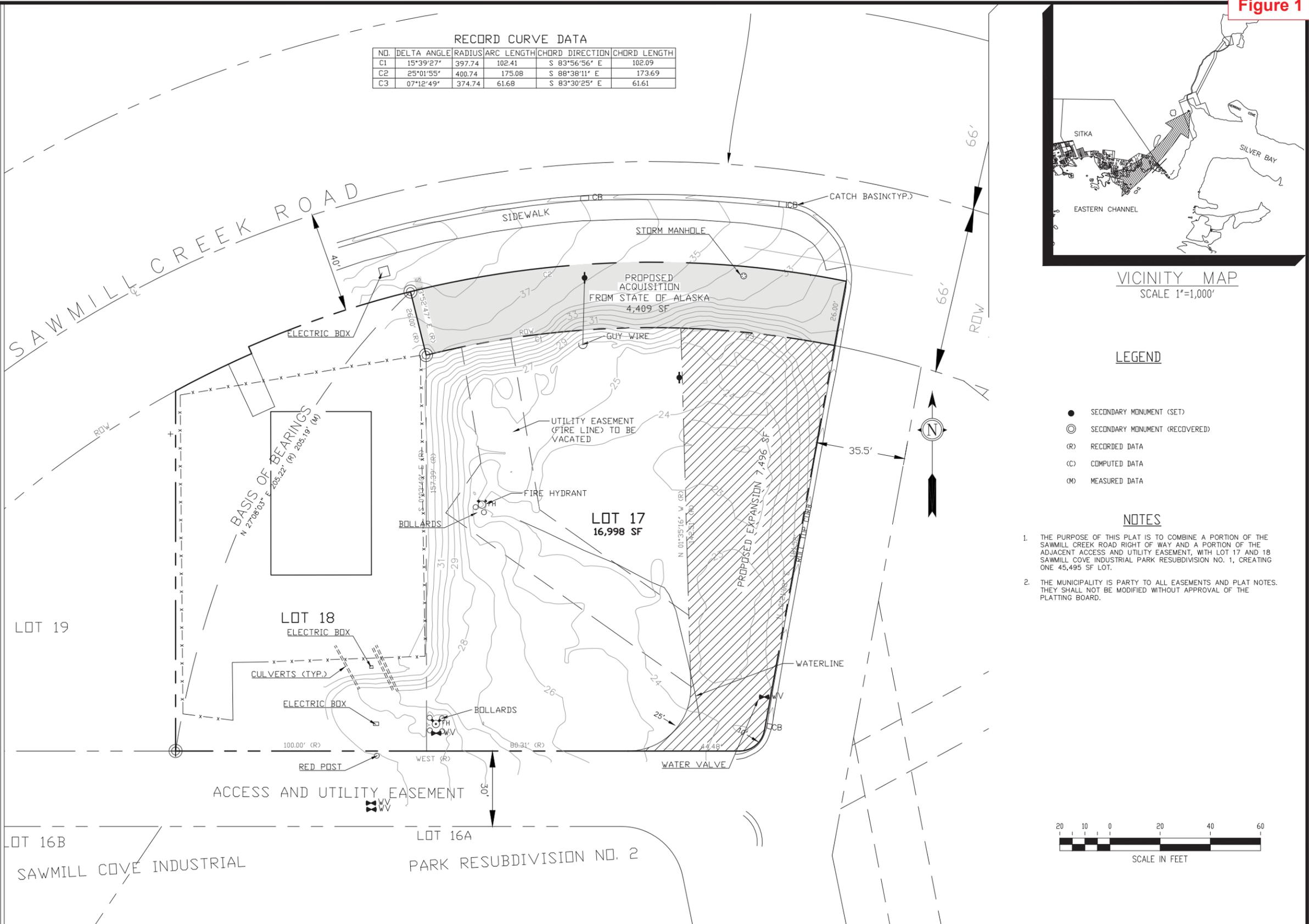
(ALL OWNERS OF RECORD), AND THAT, ACCORDING TO THE RECORDS IN MY POSSESSION, ALL L.I.D.'S ASSESSED AGAINST SAID LANDS AND IN FAVOR OF THE CITY & BOROUGH OF SITKA ARE PAID IN FULL.

DATED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_, AT SITKA, ALASKA.

FINANCE DIRECTOR  
CITY & BOROUGH OF SITKA

RECORD CURVE DATA

NO.	DELTA ANGLE	RADIUS	ARC LENGTH	CHORD	DIRECTION	CHORD LENGTH
C1	15°39'27"	397.74	102.41	S 83°56'56" E	102.09	
C2	25°01'55"	400.74	175.08	S 88°38'11" E	173.69	
C3	07°12'49"	374.74	61.68	S 83°30'25" E	61.61	



VICINITY MAP  
SCALE 1"=1,000'

**LEGEND**

- SECONDARY MONUMENT (SET)
- ⊙ SECONDARY MONUMENT (RECOVERED)
- (R) RECORDED DATA
- (C) COMPUTED DATA
- (M) MEASURED DATA

**NOTES**

1. THE PURPOSE OF THIS PLAT IS TO COMBINE A PORTION OF THE SAWMILL CREEK ROAD RIGHT OF WAY AND A PORTION OF THE ADJACENT ACCESS AND UTILITY EASEMENT, WITH LOT 17 AND 18 SAWMILL COVE INDUSTRIAL PARK RESUBDIVISION NO. 1, CREATING ONE 45,495 SF LOT.
2. THE MUNICIPALITY IS PARTY TO ALL EASEMENTS AND PLAT NOTES. THEY SHALL NOT BE MODIFIED WITHOUT APPROVAL OF THE PLATTING BOARD.



**NORTH 57\***  
**LAND SURVEYING**  
(907) 747-6700 2007 CASCADE CREEK ROAD, SITKA, AK 99835

BY	DATE	REV	DESCRIPTION OF CHANGE
			RECORD OF REVISIONS



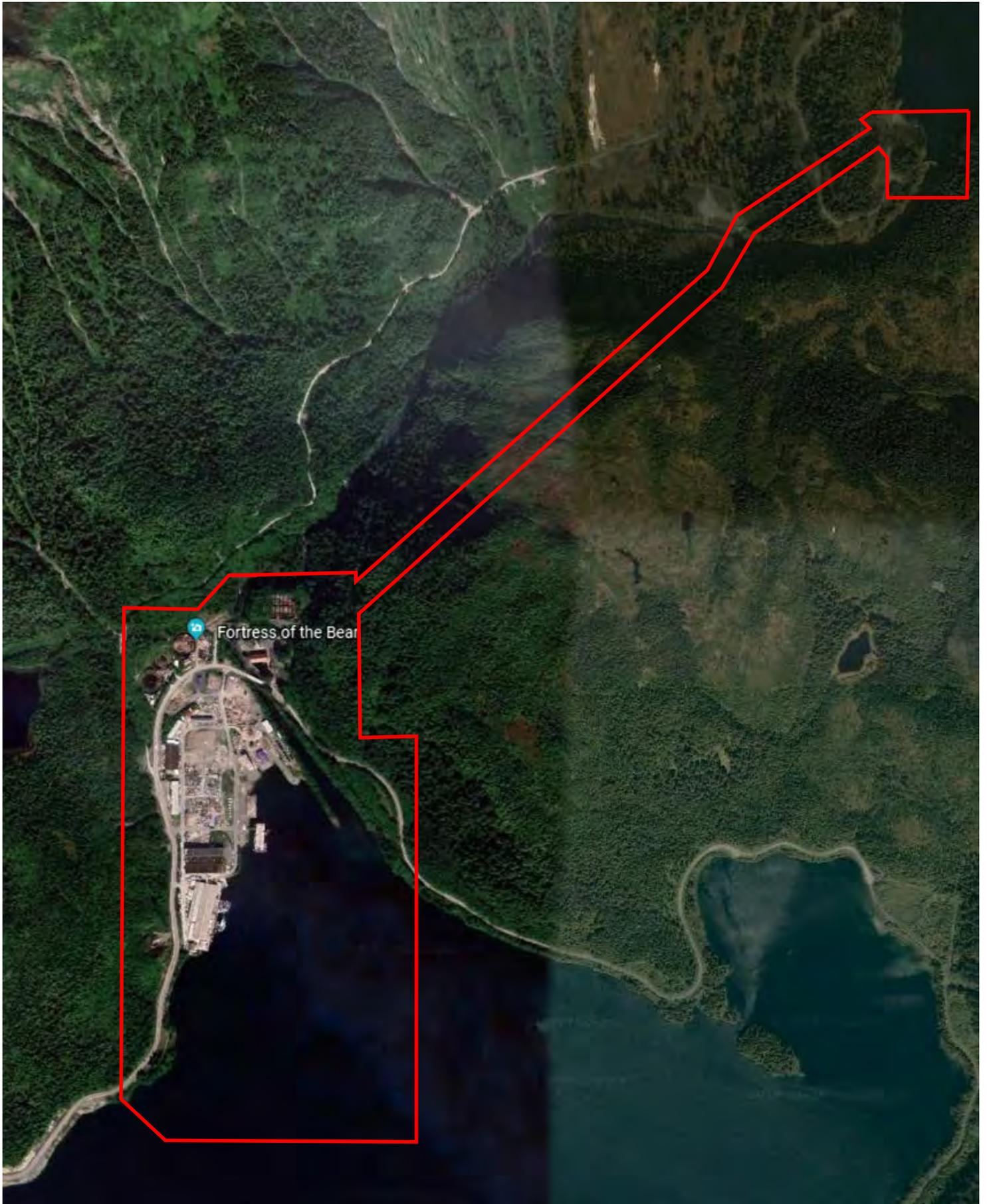
DESIGNED: K. O'NEILL  
DRAWN: JCH/ACAD  
CHECKED: KJO  
DATE OF PLAT: MAY 13, 2019  
SCALE: 1" = 20'  
DRAWING NAME: 40161-01  
PROJECT NO. 40161-01

**SURVEYOR'S CERTIFICATE**  
I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR, LICENSED IN THE STATE OF ALASKA, AND THAT IN \_\_\_\_\_ A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAN IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.  
DATE \_\_\_\_\_ KELLY O'NEILL LS 13321

CSWS SUBDIVISION  
LOT 17 & 18 SAWMILL COVE INDUSTRIAL PARK  
RESUBDIVISION NO. 1  
CLIENT: SEDA

1 OF 1  
SHEET

# GPIP Park Boundaries (approximate)





# CITY AND BOROUGH OF SITKA

## Legislation Details

---

File #: 19-066      Version: 1      Name:  
Type: Item      Status: AGENDA READY  
File created: 4/9/2019      In control: City and Borough Assembly  
On agenda: 8/13/2019      Final action:  
Title: Discussion / Direction / Decision on the selection of a Police Department third party investigator  
(postponed from the April 23 meeting)

Sponsors:

Indexes:

Code sections:

Attachments: [Discussion Direction Police Department third party investigator](#)  
[Minutes Feb 26.](#)  
[Minutes March 26.](#)  
[Minutes April 11.](#)  
[Minutes April 23.](#)

Date	Ver.	Action By	Action	Result
4/23/2019	1	City and Borough Assembly	POSTPONED	Pass

**\*\* At the April 23, 2019 meeting, a motion was approved to POSTPONE this item to the August 13, 2019 meeting.\*\***

## **Discussion / Direction / Decision**

on the selection of a Police Department third party investigator.

Rich Schardan  
Former Chief of Police, Marysville, IL  
Marion City Police Dept., IL (25 years)  
Chief Mentor  
Ph# 618-530-6148  
[rodan22@yahoo.com](mailto:rodan22@yahoo.com)

Stan Crowder, PhD  
Ret. Colonel, US Army, Office of Inspector General  
CJ Professor, Kennesaw State Un.  
Published Author, CJ Ethics  
Board Member, GA POST (Peace Officer Standards and Training)  
Ph# 404-309-3686  
[wscrowder33@gmail.com](mailto:wscrowder33@gmail.com)

Paul Ciolino  
Retired US Army, MP  
Former Investigator, Child Abuse Unit, State of Illinois  
Private Investigator  
Former Lead Investigator, CBS 48 Hours  
Ph# 847-736-8397  
[pciolino@pjcinvestigations.com](mailto:pciolino@pjcinvestigations.com)

Last Frontier Consulting & Investigations LLC  
Michael Holman  
PO Box 3109, Palmer, AK 99645  
Ph# 907-359-1206  
<http://lastfrontierconsulting.com/>

Russell Consulting, LLC  
Gregory Russell  
PO Box 1655  
Soldotna, AK 99669  
Ph# 907-260-9555  
<http://russell-consulting.org/>

- E**     [RES 19-07](#)     Supporting Secure Rural Schools Reauthorization
- School Board Member Elias Erickson urged the Assembly to support Resolution 2019-07.
- A motion was made by Knox that this Resolution be APPROVED ON FIRST AND FINAL READING. The motion PASSED by the following vote.**
- Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson
- F**     [ORD 19-05](#)     Making supplemental appropriations for Fiscal Year 2019 (Economic Development Projects / GPIIP Lease Reviews) - *1st reading*
- Cosponsors Mosher and Paxton explained this was brought forward in an effort to move pending leases forward and encourage economic development at the Gary Paxton Industrial Park (GPIIP). GPIIP Director Garry White stated there were two pending leases, one of which Municipal Attorney Brian Hanson was working on. Hanson reminded that while there lease templates, it still meant considerable time was needed for each lease. In addition, he noted it had previously been the intent for he and White to review GPIIP projects, prioritize, and decide whether or not it would be prudent to go to outside counsel. Some members were opposed to appropriating money from the Southeast Economic Development Fund and suggested funds come from GPIIP working capital. Others wished to see a list of pending projects before appropriating money.
- A motion was made by Mosher that this Ordinance be APPROVED ON FIRST READING. The motion FAILED by the following vote.**
- Yes:** 3 - Eisenbeisz, Wein, and Mosher
- No:** 4 - Knox, Bean, Paxton, and Nelson
- G**     [19-042](#)     Approve Assembly Action Plans: Lobbying, No Name Mountain / Granite Creek, Seaplane Base, CBS Business Friendly, Affordable Housing, and Cold Storage
- Municipal Administrator Keith Brady answered questions of the Assembly and noted the lobbying pertained to federal projects, that the RFP for No Name Mountain/Granite Creek was being advertised and could be viewed online through Bid Express. The Assembly requested regular updates on the three action plans.
- A motion was made by Nelson to approve the following action plans: 1) Lobbying, 2) No Name Mountain / Granite Creek, and 3) Seaplane Base. The motion PASSED by the following vote.**
- Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson
- H**     [19-046](#)     Discussion / Direction / Decision regarding the Sitka Police Department practices and procedures and a possible investigation of the same by the Assembly (*possible executive session*)
- Cosponsors Nelson and Mosher stated they were concerned about the working environment at the Police Department. Two lawsuits had been filed by employees and now a third as of this afternoon. It was suggested the Assembly consider conducting a

third party investigation. Municipal Attorney Brian Hanson stated the Sitka Home Rule Charter provided authority for the Assembly to conduct an independent investigation. He reminded that the three lawsuits had been accepted by the insurance carrier and outside counsel would be appointed and the process carried out in the judicial setting. He encouraged the Assembly to work with staff to determine the best path moving forward.

**A motion was made by Eisenbeisz to SUSPEND THE RULES to allow for public comment on the agenda item. The motion PASSED by the following vote.**

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

**No:** 1- Knox

Speaking in support of an independent investigation from the public were Alicia Witherspoon, Jeff Kinnan, Mary Ferguson, Noah Shepard, and Ken Buxton. Jayson Christner expressed disappointment at the suggestion of an investigation and believed a process was currently in place to handle personnel matters.

**A motion was made by Bean to go into executive session to discuss legal matters related to a third party investigation of the Sitka Police Department. The motion PASSED by the following vote.**

**Yes:** 7- Nelson, Mosher, Paxton, Eisenbeisz, Wein, Bean and Knox

The Assembly was in executive session from 8:15pm to 8:40pm.

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

Mary Ferguson thanked the Assembly and encouraged them to choose an impartial investigator. Retired Police Chief Sheldon Schmitt offered there were professional organizations in Alaska available to perform police department audits.

**A motion was made by Bean to approve forming an Assembly subcommittee to explore options for a third party to investigate the Sitka Police Department and bring back to the Assembly for consideration at the March 12 meeting, along with a possible appropriation. Subcommittee members are: Bean, Wein, and Mosher. The motion PASSED by the following vote.**

**Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

### XIII. PERSONS TO BE HEARD:

None.

### XIV. EXECUTIVE SESSION

#### I [19-039](#) Financial / Legal Matters regarding lawsuits involving the Sitka Police Department

Assembly members wondered if there was a need for the executive session item. Municipal Attorney Brian Hanson said there was a status report to be given however could be postponed to another meeting if the Assembly desired.

**A motion was made by Mosher to go into executive session to receive and**

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

**J**     [ORD 19-08](#)     Making supplemental appropriations for Fiscal Year 2019 (*GPIP Access Ramp*)

Garry White, Director of the Gary Paxton Industrial Park (GPIP), stated the GPIP Board was hoping to complete the overall plan of management for the Park. White stated the appropriation was being requested to continue an analysis of the GPIP dock access ramp to determine different design components. The City had hired PND Engineering last summer to complete analysis and design of an access ramp to support the marine services industry. Cost estimates ranged from \$6.8 and \$6.1 million. The Board however, had now requested PND look at a phased development project. Wein spoke in support of the appropriation if the ultimate goal was to be achieved.

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

**Yes:** 5 - Knox, Bean, Wein, Mosher, and Nelson

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

**K**     [19-048](#)     Update from Assembly Subcommittee Members Bean, Wein, and Mosher followed by Discussion / Direction / Decision on the selection of a Police Department third party investigator

Knox desired to go into executive session to discuss concerns related to moving forward. Bean believed a majority of the discussion could be held in public without putting the City at risk or defaming character. Knox was agreeable to discussion however wished to hear from the Municipal Attorney first. Wein wondered of the concerns and how they would rise to the level of executive session.

Noah Shepard, a litigant, understood the need to discuss communications in executive sessions prior to discussion of the investigation.

**A motion was made by Knox to go into executive session to discuss communications with the Municipal Attorney or other legal advisors concerning legal matters affecting the City and Borough of Sitka and the ongoing litigation of the Sitka Police Department and the selection of a third party investigator. The motion PASSED by the following vote.**

**Yes:** 5 - Mosher, Nelson, Knox, Bean and Wein

**Absent:** 2 - Paxton and Eisenbeisz

The Assembly was in executive session from 9:20pm to 9:30pm.

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

Update from subcommittee

Wein stated his motivation was related to the inaction of the City to get closure to the events at the Police Department and the problem could not be allowed to fester and create an unhealthy working environment. A subcommittee was formed and during the course of their work the Administrator had hired interim Police Chief Robert Baty.

While Wein was supportive of interim Police Chief Robert Baty he believed the hiring of Baty by the Administrator usurped and undermined the authority of the Assembly. Wein wished to be provided written plans from Baty on how he would approach the problem at the Police Department, prior to his arrival on April 1. In addition, Wein stated he was in support of holding off on choosing an investigator for now, however, wished to approve the appropriation in the event an investigation was warranted. Bean stated the intent was to bring forward recommendations for the body to consider and wished to proceed with the investigation. Mosher spoke in support of moving forward with the appropriation.

**No formal action was taken, however, the Assembly stated they would like this item to come back at the April 9 meeting for discussion / direction / decision.**

**L**     [ORD 19-10](#)

**Making supplemental appropriations for Fiscal Year 2019 (*Police Department Third Party Investigation*)**

Wein noted inclusion of a budget amendments report with the ordinance. Municipal Administrator Keith Brady explained the report listed what had been appropriated during the fiscal year. Chief Finance and Administrative Officer Jay Sweeney stated total supplemental appropriations to date for the General Fund in FY2019 totaled \$1,861,395 not including this supplemental appropriation.

From the public, Noah Shepard, stated the course of action was reasonable, however, expressed concern and told he had information the Assembly did not have and wished to speak with them.

Wein, appreciative of Shepard's concerns, was hopeful Baty would come in and revitalize the department or the Assembly would address the matter. Knox spoke in support of Baty's arrival, however, was not comfortable holding this over Baty. He wished to revisit at a later date.

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

**Yes:** 4 - Bean, Wein, Mosher, and Nelson

**No:** 1 - Knox

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

**M**     [19-062](#)

**Discussion / Direction on the "assembly@cityofsitka.org" group email address**

Bean desired to have all department heads removed from the Assembly group email address and noted if the address was to the Assembly those members should be the only recipient. Wein believed it to be a breach of confidentiality, not transparent, and disingenuous. He offered people sending emails to that address were under the impression the only recipients were the duly elected Assembly members. Municipal Administrator Keith Brady stated department heads had been on the email group address for over a decade in an effort to possibly help answer questions. Brady noted there was a disclaimer online stating the department heads were included on the Assembly group email address. Wein reminded the Assembly should have the right to refer those emails to the Administrator or department heads at their discretion, not without their consent.

**A motion was made by Bean to direct the Administrator to remove all department heads from the Assembly group email address. The motion**

meeting and Health Needs and Human Services Commission meeting.

Clerk - Peterson reviewed upcoming meeting dates.

#### IX. CONSENT AGENDA

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

**Yes:** 6 - Knox, Bean, Wein, Paxton, Mosher, and Nelson

**Absent:** 1 - Eisenbeisz

- A [19-071](#) Approve the minutes of the March 14, 19, and 26 Assembly meetings

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

- B [19-068](#) Approve a liquor license renewal application for Halibut Point Crab & Brew at 4513 Halibut Point Road

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

#### X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

#### XI. UNFINISHED BUSINESS:

- C [19-066](#) Report from interim Police Chief Baty and Discussion / Direction / Decision on the selection of a Police Department third party investigator (executive session anticipated)

Nelson wished to move forward with the investigation. Others preferred to wait until the April 23 meeting to allow for interim Police Chief Baty to assess the situation and report to the Assembly. Wein stated this was not a kick the can down the road issue and asked that Baty submit a written list of how he planned to proceed. There was consensus to bring the item back April 23.

- D [ORD 19-10](#) Making supplemental appropriations for Fiscal Year 2019 (*Police Department Third Party Investigation*)

Many members believed it important to move forward with the appropriation. Knox asked Interim Police Chief Baty how he felt about the matter. Baty stated he was neutral however believed the investigation would be a tool to use. In the meantime, he said he was identifying areas needing attention.

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

**Yes:** 5 - Bean, Wein, Paxton, Mosher, and Nelson

**No:** 1 - Knox

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

**\*Eisenbeisz gave notice of reconsideration for the May 14 meeting.**

**Yes:** 7 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

**XI. UNFINISHED BUSINESS:**

**N**     [19-086](#)           Update from legal counsel regarding the status of the litigation arising out of the August 18, 2015 landslide events

**A motion was made by Mosher to go into Executive Session to receive and discuss an update from legal counsel, David Bruce, regarding the status of the litigation arising out of the August 18, 2015 landslide events and invite in Public Works Director, Michael Harmon. The motion PASSED by the following vote.**

**Yes:** 7 - Bean, Wein, Eisenbeisz, Nelson, Knox, Mosher, and Paxton

The Assembly was in executive session from 6:35pm to 7:15pm.

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

**C**     [19-084](#)           Discussion / Direction / Decision on the approval of additional FY2020 funding (\$200,200) for marketing regarding the Convention and Visitors Bureau contract (postponed at the March 19 meeting)

Municipal Administrator Keith Brady reviewed memo details and Rachel Roy, Executive Director of Greater Sitka Chamber of Commerce and Visit Sitka, told of contract details. Roy stated the annual contract amount was to be a minimum of \$300,000 with first payment in the next fiscal year. If the contribution was increased by Assembly action for specific projects above those included in the contract, the annual contract would be adjusted accordingly. Roy reminded as part of the new contract the visitor information provided at Harrigan Centennial Hall (HCH) would be managed by HCH staff. Brady noted a portion of the funding would come from the Visitor Enhancement Fund. Nelson believed it appropriate to wait on the approval of additional monies until further progress was made on the overall FY2020 budget. Mosher felt the additional money was warranted in an effort to promote Sitka. Wein agreed and voiced support.

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

**Yes:** 4 - Knox, Wein, Paxton, and Mosher

**No:** 3 - Eisenbeisz, Bean, and Nelson

**D**     [19-066](#)           Report from interim Police Chief Baty and Discussion / Direction / Decision on the selection of a Police Department third party investigator (executive session anticipated)

**A motion was made by Knox to go into executive session to receive a verbal report from interim Police Chief Robert Baty concerning legal matters**

**involving operations of the Sitka Police Department affecting the municipality. The motion PASSED by the following vote.**

**Yes:** 6 - Mosher, Nelson, Knox, Bean, Eisenbeisz, Paxton

**No:** 1- Wein

The Assembly was in executive session from 7:36pm to 8:25pm.

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

Assembly members wished to allow Chief Baty time to get settled and implement a plan before bringing in an investigator.

Speaking from the public, Noah Shepard urged the Assembly to fix this problem administratively and his lawsuit would go away. Mary Ferguson stated the City wouldn't be in this situation had an investigation been conducted.

**A motion was made by Wein to POSTPONE this item to the August 13 Assembly meeting. The motion PASSED by the following vote.**

**Yes:** 6 - Eisenbeisz, Knox, Bean, Wein, Paxton, and Mosher

**No:** 1 - Nelson

**E**     [19-082](#)

Approve renegotiated hire offer for Planning Director Bruce Wall

Municipal Administrator Keith Brady explained there had been several rounds of advertisements and interviews searching for a Planning Director. Brady noted Mr. Wall was from Alaska, was certified, and had experience.

Scott Brylinsky, interim Planning Director, urged the Assembly to approve the hire of Mr. Wall. He reminded this had not been an easy position to fill, Sitka was in need of economic development, and in comparison to other communities was not overpaid.

Knox concurred, stated the role of Planning Director was important and he supported hiring an experienced individual. Bean reminded the starting salary had not changed from what was previously presented by the Administrator. While he believed having a Planning Director was important, he stated there were resources at the City that could satisfy the position. Eisenbeisz stated if this were approved he would be surprised if Mr. Wall would accept as the Assembly hadn't been welcoming. While rising costs were a concern, having a Planning Director was also a concern and stated the economic opportunities that had been lost far outweighed any increase in salary. Nelson believed she had made it clear at the previous meeting that the salary was too high. Mosher reminded this had been voted down previously and wondered why the Administrator had not contacted members to understand their reasoning. Wein also believed there were other alternatives within the City to fulfill the need. Brady stated he understood the message regarding salary, however, believed the candidate was worthy of the offer. He noted he had reduced the moving allowance and leave bank.

**A motion was made by Bean to move for the previous question. The motion PASSED by the following vote.**

**Yes:** 5 - Bean, Wein, Eisenbeisz, Nelson, and Mosher



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 19-34    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 8/6/2019    In control: City and Borough Assembly

On agenda: 8/13/2019    Final action:

Title: Making supplemental appropriations for FY2019 and FY2020

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2019-34](#)  
[Memo Ord 2019-34](#)  
[Ord 2019-34](#)  
[Historic Preservation grant](#)

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

**I MOVE TO** approve Ordinance 2019-34 on  
first reading.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Gary Paxton and Assembly Members

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

**Reviewed:** David Miller, Interim Administrator  
Brian Hanson, Municipal Attorney  
Amy Ainslie, Planner 1

**Date:** July 29, 2019

**Subject:** Supplemental Appropriations to FY2019 and FY2020 Consolidated Operating Budgets

---

### **Requested Action**

Approve supplemental budget appropriation for FY2019 and FY2020 for various purposes.

### **Summary**

Staff is requesting supplemental appropriations to the FY2019 and FY2020 Consolidated Operating Budgets.

The supplemental appropriations to the FY2019 budget are to cover two very small budget overruns in the Harbor and Pet Adoption Funds totaling \$3,393 in the aggregate, and, to provide technical appropriations in the amount of \$53,392 for pass-through funding and formulaic transfers in the Airport Terminal Fund, GPIP Contingency Fund, and Tobacco Excise Tax Funds.

The supplemental appropriations to the FY2020 Consolidated Operating Budget are to provide for reimbursement authority for State of Alaska Historic Preservation Fund and Homeland Security grants which were not fully expended in FY2019 and whose operating appropriations lapsed on June 30, 2019; to provide for reimbursement authority for a new State of Alaska Historic Preservation Fund grant received in May, 2019; and, to provide for supplemental appropriations for outside legal services, acquisition of a new telephone system, and completion of purchases of an ambulance and fire truck due to lapsing of FY2019 appropriations for these expenditures on June 30, 2019.

### **Background Information and Discussion**

FY2019 supplemental appropriations.

The Harbor Fund had a budget overrun of \$260 pertaining to unanticipated repairs.

The Pet Adoption Fund had a budget overrun of \$3,133 pertaining to unanticipated pet adoption expenses above the FY2019 approved appropriation.

The Airport Terminal Fund had a portion of the revenue bond issuance costs related to its FY2019 revenue bond issuance paid for by the State of Alaska. Even though these costs were paid directly by the State of Alaska, accounting rules require that the full amount of the costs paid for by the State be recorded as revenue and a matching expenditure. There is no fs transaction; it is a wash.

By Assembly direction, all investment earnings in the GPIIP Contingency Fund are transferred to the GPIIP Fund. In FY2019, the total amount of investment earnings in the GPIIP Contingency Fund that were transferred exceeded the budgeted amount and an additional appropriation is needed for the excess.

Per the Home Rule Charter, all tobacco excise tax proceeds are to be transferred into the Sitka Community Hospital Dedicated Fund. In FY2019, the total amount of excise tax proceeds that were transferred exceeded the budgeted amount and an additional appropriation is needed for the excess.

#### FY2020 supplemental appropriations.

##### Historic Preservation Grants.

State of Alaska Historic Preservation Fund grants are awarded to the City and Borough of Sitka as the grantee, even though the applications are submitted by 3<sup>rd</sup> party organizations. This is because the City and Borough of Sitka previously applied for and received status as a Certified Local Government. As a Certified Local Government, the City and Borough of Sitka is obligated to administer all aspects of the Historic Preservation Fund grant program in Sitka, including solicitation and submission of project proposals and grant applications, submission of grant reports and reimbursement requests to the State of Alaska, reimbursement of reimbursement requests from 3<sup>rd</sup> party organizations, and adhering to all requirements of 2 CFR Part 200 as the funding source is the Federal government.

Authority to reimburse 3<sup>rd</sup> party organizations is accomplished through an annual operating appropriation in the General Fund, which is matched by budgeted grant revenue. These operating appropriations lapse on June 30 of each fiscal year, however, so if a grant is not fully expended during the course of a fiscal year a supplemental operating appropriation is needed to continue reimbursements to 3<sup>rd</sup> party organizations in the subsequent fiscal year.

Additionally, on May 20, 2019, the City and Borough of Sitka received notice of award of a new \$25,000 grant under the State of Alaska Historic Preservation Fund for the renovation of the interior of Fraser Hall on the Alaska Arts Southeast campus. The Assembly had previously approved a resolution to apply for the grant. The Fiscal Year 2020 Consolidated Operating Budget currently includes an approved appropriation for \$10,000 (*General Fund, Donations and Non-Profit Support, Pass-Through Grants*), but the appropriation is insufficient to cover the full amount of the grant award for the Fraser Hall Rehabilitation Grant.

Also, on July 23, 2019, the Assembly approved Resolutions supporting three additional State of Alaska Historic Preservation Fund grant applications. In anticipation of these grant applications being approved, an additional supplemental operating appropriation of \$50,000 is being requested so that authority to reimburse 3<sup>rd</sup> party organizations is accomplished if the grants are approved.

### Telephone System

In the FY2019 Consolidated Operating Budget, the Assembly appropriated \$150,000 for the acquisition of a new telephone system for the Municipality. Due to both lack of staffing due to IT Director vacancy and complexities involved in the design and engineering of the new telephone system, its acquisition could not be accomplished in FY2019. Fixed asset acquisitions are considered operating expenditures and not part of the capital improvements program; therefore, appropriations for fixed asset acquisitions lapse on June 30 of each year. A supplemental appropriation is required to complete the acquisition of the new telephone system in FY2020.

### Central Garage

Purchases of the Ford Ambulance and the Pierce Suburban Fire Pumper approved in the FY2019 fixed asset budget but were not completed by June 30 and thus lapsed. Both items are specialized equipment with long lead-times. The ambulance and fire truck were procured in FY2019, however delivery and customization will take place in FY2020.

### Gary Paxton Industrial Park

The Assembly approved a supplemental operating appropriation in FY2019 for legal expenses associated with hiring an outside attorney to draft a purchase agreement for the GPIIP utility dock. The FY2019 appropriation was not fully encumbered and lapsed on June 30, 2019. The balance of the lapsed appropriation is still necessary and required in FY2020.

### **Fiscal Note**

The source of funding for appropriations all State of Alaska Historic Preservation Fund grant reimbursements to 3<sup>rd</sup> party organizations is matching grant revenue. The City and Borough of Sitka retains a 10% grant administration fee from each grant to cover costs associated with administration of the Historic Preservation Fund grant program in Sitka.

The source of funding for formulaic transfers between funds is the underlying investment earnings or tax revenue.

The source of funding for supplemental appropriations necessary to complete expenditures for which operating appropriations lapsed on June 30, 2019 is underlying fund balances. As the lapsing of the FY2019 appropriations caused the funds to return to the fund balances and increase them, supplemental appropriations in FY2020 have the effect of re-appropriating the funds.

The source of funding to cover FY2019 budget overruns are the underlying fund balances.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2019-34

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL APPROPRIATIONS FOR FY2019 AND FY2020

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 supplemental operating appropriations.
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 fiscal year appropriations for the fiscal year beginning July 1, 2018 and ending June 30, 2019, and, makes the following supplemental appropriations for the fiscal year beginning July 1, 2019 and ending June 30, 2020:

<b><u>FISCAL YEAR 2019 EXPENDITURE BUDGETS</u></b>
<b>GENERAL FUND</b>
<b>ENTERPRISE AND INTERNAL SERVICE FUNDS</b>
<b>Harbor Fund – Fixed Assets: Increase appropriations in the amount of \$260 to cover roof repairs and unforeseen additional repairs.</b>
<b>Airport Terminal Fund – Operations: Increase appropriations in the amount of 27,170 to cover airport terminal revenue bond administrative issuance costs.</b>
<b>SPECIAL REVENUE FUNDS</b>
<b>Fund 113 – Pet Adoption Fund – Operations: Increase appropriations in the amount of \$3,133 to cover pet adoption-related expenditures.</b>
<b>Fund 173- GPIP Contingency – Operations: Increase appropriations in the amount of \$9,559 to cover interest earnings transferred to the GPIP Fund.</b>
<b>Fund 190- Tobacco Excise Tax – Operations: Increase appropriations in the amount of \$16,663 to cover more tax being remitted to Sitka Community Hospital than was anticipated.</b>

42  
 43 In accordance with Section 11.10 (a) of the Charter of the City and Borough of Sitka, Alaska, supplemental appropriations for  
 44 the fiscal period July 1, 2019 and ending June 30, 2020 are hereby made:  
 45

<b><u>FISCAL YEAR 2020 EXPENDITURE BUDGETS</u></b>
<b>GENERAL FUND</b>
<b>Other Expenditures – Pass Through Grants: Appropriate \$19,557 for the Sitka Sawmill Design II Project grant from the State of Alaska Historic Preservation Fund. The FY2019 appropriation for this grant lapsed on June 30, 2019.</b>
<b>Other Expenditures – Pass Through Grants: Appropriate \$1,414 for the Fraser Hall Entry &amp; Exterior Project Preservation grant from the State of Alaska Historic Preservation Fund. The FY2019 appropriation for this grant lapsed on June 30, 2019.</b>
<b>Other Expenditures – Pass Through Grants: Appropriate \$25,000 for the Fraser Hall Interior Rehab grant from the State of Alaska Historic Preservation Fund.</b>
<b>Other Expenditures – Pass Through Grants: Appropriate \$50,000 for potential State of Alaska Historic Preservation Fund grants whose applications were approved by the Assembly on July 23, 2019.</b>
<b>General Fund - Fixed Assets: Appropriate \$386,938 for the Police Department Radio Consoles funded by Homeland Security Grants. The FY2019 appropriation for this grant lapsed on June 30, 2019.</b>
<b>ENTERPRISE AND INTERNAL SERVICE FUNDS</b>
<b>Gary Paxton Industrial Park – Operations: Appropriate \$14,724 for outside attorney to write a purchase agreement regarding the GPIP Utility Dock. The FY2019 appropriation for this grant lapsed on June 30, 2019.</b>
<b>Management Information Systems – Fixed Assets: Appropriate \$150,000 for the Phone System Upgrade. The FY2019 appropriation for this upgrade lapsed on June 30, 2019.</b>
<b>Central Garage – Fixed Assets: Appropriate \$25,453 for the Pierce Suburban Fire Pumper (\$5,000) and the Ford Ambulance (\$20,453). The FY2019 appropriation for these purchases lapsed on June 30, 2019.</b>

46  
 47 **EXPLANATION**

48  
 49 **This ordinance provides for supplemental appropriations to the FY2019 and FY2020 consolidated operating budgets, in**  
 50 **accordance with Section 11.10 (a) of the Home Rule Charter of the City and Borough of Sitka, Alaska.**

51  
 52 **Supplemental appropriations to the FY2019 consolidated operating budget address budget overruns in FY2019.**  
 53 **Rationale for each supplemental appropriation are as follows:**

54  
 55 **Harbor Fund – unforeseen additional repair expenses above total appropriations;**

56  
 57 **Airport Terminal Fund – The FY2019 budget provided for an appropriation of \$24,000 for net revenue bond**  
 58 **issuance costs. Governmental accounting guidelines require that bond issuance costs paid for by the Alaska**  
 59 **Municipal Bond Bank Authority be recorded as both revenue and a matching outlay. This appropriation is to**  
 60 **provide for the portion of the**

69 matching outlay (paid for by the State of Alaska) which exceeds total appropriations for the Airport Terminal  
70 Fund;

71  
72 Pet Adoption Fund - unforeseen pet adoption expenses above total appropriations;

73  
74 GPIIP Contingency Fund – All investment earnings on the balance of the GPIIP Contingency Fund are  
75 transferred to the GPIIP Fund. The balance of investment earnings transferred exceeded the total  
76 appropriation for the GPIIP Contingency Fund.  
77

78 Tobacco Excise Tax Fund – While all tobacco excise tax proceeds are remitted to the Sitka Community  
79 Hospital, an appropriation is still needed to authorize such remittances. Total excise tax proceeds exceeded the  
80 FY2019 appropriation for the fund.  
81

82 Supplemental appropriations for FY2020 pertain to FY2019 operating appropriations which lapsed on June 30, 2019  
83 and which are required in FY2020. Rationale for FY2020 supplemental appropriations are as follows:  
84

85 State of Alaska Historic Preservation Fund grants are budgeted for annually as grant revenue and a matching  
86 operating appropriation for reimbursements to sub-grantees. This is because the City and Borough is the  
87 primary grantee and sponsoring organizations are sub-grantees. If a State of Alaska Historic Preservation  
88 Fund grant is not fully expended in a fiscal year, the remaining unexpended amount must be re-appropriated  
89 the next fiscal year through a supplemental operating appropriation.  
90

91 IT Fund – Fixed asset acquisitions are considered operating appropriations and lapse on June 30 of each fiscal  
92 year. Due to complexities involved in the design and engineering of the new telephone system, the FY2019  
93 operation appropriation could not be fully expended prior to its lapsing.  
94

95 Central Garage – Purchases of the Ford Ambulance and the Pierce Suburban Fire Pumper approved in the  
96 FY2019 fixed asset budget but were not completed by June 30 and thus lapsed.  
97

98 Gary Paxton Industrial Park – The Assembly approved a supplemental operating appropriation in FY2019 for  
99 legal expenses associated with hiring an outside attorney to draft a purchase agreement for the GPIIP utility  
100 dock. The FY2019 appropriation was not fully encumbered and lapsed on June 30, 2019. The balance of the  
101 lapsed appropriation is still necessary and required in FY2020.  
102

103 Total supplemental appropriations to date for the Harbor Fund in FY2019 total \$0, not including this supplemental  
104 appropriation. Increases of operating budgets in the amount of \$46,592, to comply with Charter provisions pertaining  
105 to non-lapsing of encumbered funds at the end of a fiscal year (“Year-end soft close”), are not included in this amount.  
106

107 5. EFFECTIVE DATE. This ordinance shall become effective on the day after the date of its passage.  
108

109 PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 27th Day  
110 of August, 2019.  
111

112  
113 \_\_\_\_\_  
114 Gary L. Paxton, Mayor

115 ATTEST:  
116

117 \_\_\_\_\_  
118 Sara Peterson, MMC  
119 Municipal Clerk  
120

121 1<sup>st</sup> reading 8/13/19  
122 2<sup>nd</sup> and final reading 8/27/19  
123

124 Sponsor: Interim Administrator



THE STATE  
of ALASKA

GOVERNOR MICHAEL J. DUNLEAVY

Department of Natural Resources

Division of Parks and Outdoor Recreation  
Office of History and Archaeology

550 West 7<sup>th</sup> Avenue, Suite 1  
Anchorage, AK 99501  
Main: 907.269-4694

May 20, 2019

P. Keith Brady, Municipal Administrator  
City & Borough of Sitka  
100 Lincoln Street  
Sitka, AK 99835

RE: HPF Grant # 18023 *Fraser Hall: Interior Rehabilitation*

Dear Mr. Brady:

Enclosed is a fully executed grant agreement for the above-referenced Historic Preservation Fund (HPF) project. The period of performance for this 60-40 matching grant began upon execution by our office (5-8-2019) and ends September 30, 2019.

Please note this agreement was initially assigned as HPF #19002, but is now assigned as HPF # 18023. We recently had a Certified Local Government (CLG) grant cancellation, so we needed to fund another CLG project with HPF-18 money, rather than HPF-19, to help us meet the federally mandated allocation to CLGs each year. We understand that this project for Fraser Hall will be completed by September 30, 2019, so it is an excellent candidate. In addition to the change in HPF number, the end date on pages 1 and 3 of the grant agreement was changed to September 30, 2019. All other provisions remain the same.

Project billing and reporting forms are available in electronic format and will be e-mailed to staff for future use upon request. The *Summary of Documentation* form, backup financial information, and a written narrative report must accompany any request for reimbursement.

Thank you for participating in this HPF grant program. If you have any questions, please contact me at [jean.ayers@alaska.gov](mailto:jean.ayers@alaska.gov) or (907) 269-8694.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jean Ayers".

Jean Ayers  
Grants Administrator

Enc: Executed Grant Agreement

Cc: Amy Ainslie, CBS Planner  
Rebecca Poulson, Project Manager  
Roger Schmidt, Sitka Fine Arts Camp

**Historic Preservation Fund**  
**State-Local Agreement for Certified Local Government**  
**CFDA # 15.904      HPF Project # 18023**

This grant agreement is between the State of Alaska, by and through the State Historic Preservation Office for purposes of the National Historic Preservation Act of 1966, as amended, (P.L. 96-515), hereafter, the State, and,

City & Borough of Sitka      EIN 92-00041163 hereafter, the Grantee  
100 Lincoln St. Sitka, AK 99835

Article 1. Grant Title: Fraser Hall: Interior Rehabilitation

Article 2. Appendices: Appendices referred to in this agreement and attached to it are considered part of it.

Article 3. Performance of Services

- 3.1 Appendix A: Scope of Work to be performed by the Grantee.
- 3.2 Appendix B: Project Budget.
- 3.3 Appendix C: Specific Provisions for HPF Grants.
- 3.4 Appendix D: Standard Provisions
- 3.5 Appendix E: Assurances, Certifications, and other requirements for performance of services under this grant.
- 3.6 Appendix F: Project proposal as submitted by the Grantee is made a part of this agreement by this reference.

Article 4. Period of Performance: The period of performance of the grant agreement begins May 8, 2019 and ends September 30, 2019  
There can be no time extensions.

Article 5. Consideration for this matching and reimbursable grant.

- 5.1 The estimated total cost of the project is \$ 41,667  
The 60% estimated Federal share of the project is \$ 25,000  
The 40% estimated non-federal share of the project is \$ 16,667
- 5.2 In full consideration of the Grantee's performance under this grant agreement, the State shall apply to the National Park Service for sixty percent (60%) of the estimated total cost of the project or sixty percent (60%) of the actual total cost of the project, whichever is less, in accordance with Appendix B and Appendix D of this agreement.
- 5.3 The State shall assess and retain an indirect cost, which may fluctuate, but will not exceed 8.5 % of the total project costs, per Appendix B: Project Budget.
- 5.4 The State may withhold or retain ten percent (10%) of the total award to Grantee until final reports and products have been submitted and approved.
- 5.5 To request reimbursement, Grantee shall submit narrative and financial reports, backup documentation of claimed costs, and other pertinent information to:

*State of Alaska: Department of Natural Resources  
Division of Parks and Outdoor Recreation  
Office of History and Archaeology  
550 West 7th Avenue, Suite 1310  
Anchorage, AK 99501*

<b>Grantee Information and Signature</b>	<b>DNR Use Only</b>
DUNS: 063373831	<b>Grant Tracking</b>
Sponsor Name: Individual or Entity City & Borough of Sitka	Federal Funding Agency: Department of Interior, National Park Service
Sponsor Signature <i>P. Keith Brady</i> Date 4/23/2019	Name: Historic Preservation Fund Grants-in-Aid to State Historic Preservation Offices
Name and Title: Type or Print P. Keith Brady, Municipal Administrator	Opportunity #: NPS - HPF Grant #: 02-19-171384
<b>State of Alaska Information and Signature</b>	
Department of Natural Resources Division of Parks and Outdoor Recreation Office of History and Archaeology	Encumbrance No. Financial Coding Vendor No.
Signature: State Certifying Officer <i>Judith E. Bittner</i> Date 5-8-19	Project Name: Fraser Hall: Interior Rehab
Name and Title: Type or Print Judith E. Bittner, State Historic Preservation Officer	Grant Purpose: Development

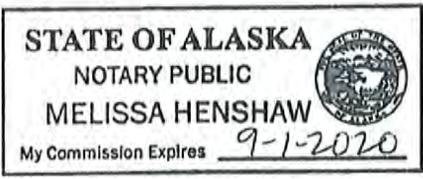
**NOTARY STATEMENT**

This certifies that on the 23<sup>rd</sup> day of April, 2019, before me a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared P. Keith Brady, Municipal Administrator  
Name and Title  
who has executed this instrument on behalf of the City & Borough of Sitka

WITNESS my hand and official seal the day and year in this certificate first above written.

Melissa Henshaw  
Signature: Notary Public

My commission expires 9-1-2020



## Appendix A: Scope of Work

### HPF # 18023: Sitka, Fraser Hall Interior Rehabilitation

Grant Period: May 8, 2019 to September 30, 2019Federal Share: \$ 25,000

The City & Borough of Sitka (CBS) in partnership with the Sitka Fine Arts Camp shall rehabilitate the large classroom on the main floor of Fraser Hall, a contributing building to the Sheldon Jackson School National Historic Landmark. Recipient shall hold a public event near the end of the project and post information and photographs about the project on the Sitka Fine Arts Camp website. All rehabilitation work must apply and conform to the *Secretary of Interior's Standards for the Treatment of Historic Properties*, <https://www.nps.gov/tps/standards/treatment-guidelines-2017.pdf>

**Timeline****Project Deliverables**

Jul, Oct, Jan, Apr, Jul	Submit to the Office of History and Archaeology (OHA) written reports describing project work during the preceding three months, referencing benchmarks in this scope of work.
May - Jun 2019	Complete and submit to the OHA the Project Notification and Environmental Screening worksheets required by the National Park Service for projects involving National Historic Landmarks.  Complete Section 106 consultation with the OHA prior to beginning rehabilitation work on the building. <b>Provide a copy of the OHA letter indicating consultation has been done and project work may proceed.</b> Update property covenant.
May - Jun 2019	Recruit restoration team members with appropriate expertise to conduct work. Select members and <b>submit their résumés to OHA for review before contracts are signed.</b> Document that the contractor(s) was provided information on the Secretary's standards referenced above and has agreed to comply with them.
Jun – Sep 2019	Train volunteers. Perform rehabilitation work. Document work with photographs throughout the process. Photos must be dated, described, and include photographer attribution (or prepare a log with this information).
Sept 2019	Publicize and host an event for members of the Sitka Historic Preservation Commission and the public. Post information about the building and the rehabilitation project on the Sitka Fine Arts Camp and/or a Sheldon Jackson School website.

**Final Reports and Products**

***Prior to October 31, 2019 submit final reports and products to OHA.***

***Submit electronic or digital copies on DVD or Flash Drive.***

1. Written report describing project activities conducted with grant funds. Include details: who, what, where, when, why. Describe how the *Secretary's Standards for Treatment* were applied.
2. Final billing/reimbursement request with financial documentation supporting claimed eligible costs.
3. Minutes of Sitka Historic Preservation Commission meetings showing its knowledge of and participation in the project.
4. Two print and one digital copy of the promotional materials for the event and project photographs as described above.

## Appendix B: Budget

HPF # 18023: Fraser Hall Interior Rehabilitation

### COST CATEGORIES:

Personal Services	30,548.00
Contractual	14,950.00
Materials/Supplies	7,111.00
Other: CBS, Permit, Disposal	2,145.00
Room & Board for Interns	35,000.00
<b>Total Direct Costs (Over-Match Anticipated)</b>	<b>89,754.00</b>
<b>Total Direct Costs for HPF Grant Purposes</b>	<b>38,403.00</b>
x 8.5 % State Indirect Rate	<u>3,264.00</u>
<b>Total Project Costs</b>	<b>41,667.00</b>
40% Grantee Share	16,667.00
60% Federal Share	25,000.00
Minus the State Indirect Cost	- <u>3,264.00</u>
Potential Reimbursement to Grantee	21,736.00

**Compensation Limit:** Compensation for an employee or consultant shall not exceed 120% of a GS-15, step 10 in the Federal Civil Service. As of January 2019, this maximum is \$95.74 per hour. If employee or consultant services exceed this rate, only the amount up to \$95.74/hour may be claimed against the Historic Preservation Fund grant or used as matching expenses. <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/2019/general-schedule/>

**Volunteers:** If a person performs volunteer services outside his profession or trade, volunteer time may be valued at the Federal minimum wage rate or a higher applicable rate for general laborers, if Grantee documents such, and they are approved by the State Historic Preservation Office. For examples, see rates compiled by the *Independent Sector's Value of Volunteer Time by State*: [https://www.independentsector.org/volunteer\\_time](https://www.independentsector.org/volunteer_time)

**State Indirect Costs:** The State may apply an indirect cost to all reimbursements in accordance with this Grant Agreement. The indirect cost rate may fluctuate throughout the grant period of performance, but it will not exceed the State's federally approved indirect rate in effect at the time.

**Budget Flexibility and Amendments:** Grantee may revise the project budget shown in Attachment B without a formal amendment to this agreement. However, such revisions are limited to a maximum of 10% of the total amount of this agreement or \$10,000, whichever is less over the entire term of this agreement.

Such budget revisions are also limited to changes in existing budget line items, and the creation of new budget line items that are within the scope of the project. Budget revisions may not be used to increase any budget item for project administrative expenses. Changes to the budget beyond the limits described above may only be made by a formal amendment to this agreement.

**Retainage:** Ten percent (10%) of the total federal award may be withheld until the project is deemed acceptably complete by the State Historic Preservation Office. Reimbursement of retainage will be made upon approval of final products, acceptable narrative and financial reports, expenditure documentation, and any special conditions of the grant.

## Appendix C: Specific Provisions for HPF Grants

### HPF # 18023: Fraser Hall Interior Rehabilitation

1. **Reports:** Grantee shall submit quarterly narrative progress reports detailing project activity within 30 days following the end of each quarter. Grantee shall use the Scope of Work as a basis for reports and describe activities related to the benchmarks. A final narrative report, billing and final products (publications, plans, etc) are due within 30 days following project end. *The final narrative report is distinct from final products. The report details methodology, activities, and timeline over the life of the grant.* The final report shall delineate how the local historic preservation commission was kept advised of the project and how the *Secretary of Interior Standards and Guidelines* were applied.
2. **Publications:** Publications assisted with HPF grants shall acknowledge support by the National Park Service and the Alaska Division of Parks and Outdoor Recreation, Office of History and Archaeology in this manner: *This publication has been financed in part with Federal funds from the Department of the Interior, National Park Service and through the assistance of the State of Alaska Office of History and Archaeology. Contents and opinions expressed do not necessarily reflect the views or policies of the Department of the Interior or the State of Alaska, nor does the mention of trade names or commercial products constitute endorsement or recommendation.*
3. **Photographs:** Grantee shall allow the State of Alaska and the National Park Service the right to use photographs (i.e.: before/after development, workshops, public forums) in reports or publications.
4. **Audits:** Grantee shall make all relevant records available for audit for a period of three (3) years after the term of the project. Governmental entities are also required to comply with the State of Alaska, Single Audit Regulations 2 AAC 45.010 and the Federal Single Audit Act of 1984 P.L. 98-502.
5. **Amendments:** Any proposed change to the project deliverables, budget, period of performance, or adverse conditions must immediately be brought to the attention of the State Historic Preservation Office, in writing. It may be necessary to receive prior National Park Service approval before the changes may take place. The Office of History and Archaeology will notify the grant recipient in writing when the approval has been obtained in the form of an amendment to the grant agreement. Failure to obtain such approval prior to implementation of changes may jeopardize reimbursement.
6. **Termination:** This Grant Agreement provides for the voluntary and involuntary suspension or termination of said Agreement consistent with all Federal requirements governing grants.
7. **Covenants:** If applicable, a protective covenant shall be attached to the property deed and a copy supplied to the Alaska Office of History and Archaeology. The covenant will apply when there is a change in ownership; it will be enforceable by Alaska law, and will be monitored by the Alaska Office of History and Archaeology. The covenant is effective upon execution of the document, and shall be recorded prior to disbursement of HPF monies. HPF cannot be repaid to avoid the deed restriction.
8. **Fund Balances:** Grantee shall notify the Office of History and Archaeology at least three (3) months prior to the performance period end date if anticipating any unexpended grant funds.
9. **Reimbursement Requests:** Payments are made on a cost reimbursement basis. When requesting reimbursement, Grantee shall include a completed Summary of Documentation form accompanied by source documents. The *Summary* serves as cover sheet and checklist for all eligible costs claimed during that reporting period. Source documents may be copies of accounts ledgers, paid bills, invoices, canceled checks, receipts of payment by vendor or contractor, timesheets, etc.
10. **Payments:** Reimbursement requests are typically processed on a quarterly basis and payments made to the Grantee within thirty (30) days after receipt of all necessary documentation. Reimbursements will not be made without acceptable narrative progress reports or backup financial information.

## Appendix D: Standard Provisions

Article 1. Definitions. In the grant agreement, attachments, and amendments, "Certifying Officer" means the person who signs this grant agreement on behalf of the entity and includes a successor or authorized representative.

Article 2. State Saved Harmless. The Grantee shall indemnify, save harmless and defend the State, its officers, agents and employees from liability of any nature or kind, including costs and expenses, for or on account of any and all legal actions or claims of any character whatsoever resulting from injuries or damage sustained by any person or persons or property as a result of any error, omission or negligent act of the Grantee relating to its performance of this grant.

Article 3. Inspections and Retention of Records. The State may inspect, in the manner and at reasonable times it considers appropriate, all of the Grantee's facilities, records and activities under this grant agreement. The Grantee shall retain property receipts and other grant records for at least 3 years after project completion or equipment disposal.

Article 4. Disputes. Any dispute concerning a question of fact arising under this grant agreement, which is not disposed of by mutual agreement, shall be decided without bias by the Certifying Officer. The decision shall be in writing and mailed or otherwise furnished to the Grantee. The decision of the Certifying Officer is final and conclusive, unless, within 30 days from the date of receipt of the decision, the Grantee mails or otherwise furnishes a written appeal to the Commissioner of the Department. The Commissioner shall hear the appeal. The decision of the Commissioner is final and conclusive, unless it is fraudulent or not supported by substantial evidence. In any proceeding under this Article, the Grantee has a right to offer evidence in support of its appeal. Pending final decision of a dispute, the Grantee shall proceed with the Performance of the grant agreement in accordance with the Certifying Officer's decision.

Article 5. Equal Employment Opportunity (EEO). The Grantee may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood. The Grantee shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.

The Grantee shall state, in all solicitations or advertisements for employees to work on grant-funded projects, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood.

The Grantee shall include the provisions of the EEO article in every contract relating to this grant agreement and shall require the inclusion of these provisions in every agreement entered into by any of its contractors, so that those provisions will be binding upon each contractor and subcontractor.

Article 6. Termination. The Certifying Officer, by written notice may terminate this grant agreement, in whole or in part, when it is in the best interest of the State. The State is liable only for payment in accordance with the provision of this agreement for services rendered before the effective date of termination.

Article 7. Lobbying Activities. In accepting these funds, the Grantee agrees and assures that none of the funds will be used for the purpose of lobbying activities before the Alaska Legislature or United States Congress.

Article 8. Payment of Taxes. As a condition of this grant agreement, the Grantee shall pay all Federal, State and Local taxes incurred by the Grantee and shall require their payment by any contractor or any other persons in the performance of this grant agreement.

Article 9. Worker's Compensation Insurance. The Grantee shall provide and maintain worker's compensation insurance as required by AS 23.30 for all employees engaged in work under this grant agreement. The Grantee shall require any contractor to provide and maintain worker's compensation insurance for its employees as required by AS 23.30.

Article 10. Insurance. The Grantee is responsible for obtaining any necessary liability insurance.

Article 11. Current Prevailing Rates of Wage and Employment Preference. Certain grant projects are constrained by the provision of Alaska Statute 36: PUBLIC CONTRACTS. To the extent that such provisions apply to the project that is the subject of this grant agreement, the Grantee shall pay the current prevailing rates of wage to employees as required by AS 36.05.010. Further, in accordance with AS 36.10.010, the work force employed in the completion of this project shall be 95% local residents where they are available and qualified. If 10 or fewer persons are employed, then 90% of the project work force shall be local residents where they are available and qualified.

Article 12. Right to Withhold Funds. The Department may withhold payments under this grant agreement for any violation of the provisions of this grant agreement.

Article 13. Governing Law. This grant agreement is governed by the laws of the State of Alaska and the United States government. The Grantee shall perform all aspects of this project in compliance with all appropriate laws and regulations. It is the responsibility of the Grantee to ensure that all permits required for the construction and operation of this project by the Federal, State, or Local governments have been obtained.

Article 14. Officials Not to Benefit. No member of or delegate to Congress or the Legislature, or officials or employees of the State or Federal government may share any part of this grant agreement or any benefit to arise from it.

Article 15. Covenant Against Contingent Fees. The Grantee warrants that no person or agency has been employed or retained to solicit or secure this grant agreement upon an agreement or understanding for a commission, percentage, contingent fee, or brokerage except employees or agencies maintained by the Grantee for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this grant agreement without liability or in its discretion, deduct from the grant agreement price or consideration the full amount of the commission, percentage, brokerage, or contingent fee.

Article 16. Changes. Any changes which have been agreed to by both parties will be attached and made a part of this grant agreement by use of an amendment. Any such amendment must be dated and must be signed by both parties before the change is considered official and approved.

Article 17. Public Purposes. The Grantee agrees that the project to which this grant agreement relates shall be dedicated to public purposes for its useful life. The benefits of the project shall be made available without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, change in marital status, pregnancy or parenthood.

Article 18. Site Control. If the grant project involves the occupancy and use of real property, the grantee assures that it has the legal right to occupy and use such real property for the purposes of the grant, and further that this is legal access to such property.

Article 19. Operation and Maintenance. Throughout the useful life of the project, the Grantee shall be responsible for the operation and maintenance of any facility, equipment, or other items acquired under this grant.

Article 20. Assurance. The Grantee shall spend monies appropriated under this grant only for the purposes specified in the grant agreement.

**Office of Management and Budget Circulars and Other Regulations.** The following Federal regulations are incorporated by reference into this agreement (full text can be found at <http://www.ecfr.gov>

**Administrative Requirements:** 2 CFR, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; in its entirety; Final Rule, Dec 2013.*

**Determination of Eligible Costs:** 2 CFR, Part 200, Subpart E

**Audit Requirements:** 2 CFR, Part 200, Subpart F

**Drug-Free Work Place:** 2 CFR, Part 182 & 1401

**Non-Procurement Debarment and Suspension:** 2 CFR 180 and 1400

**New Restrictions on Lobbying:** 43 CFR 18

**Trafficking Victims Protection Act of 2000:** 2 CFR, Part 175

**Limit on Payments to Influence Federal Transactions:** FAR Clause 52.203-12, paragraphs (a) & (b)

### Appendix E: Assurances, Certifications, and Other

Enclosed are the following documents. Please complete and return as part of this grant agreement.

\_\_\_\_ Covenant: Example

\_\_\_\_ Section 106 Consultation with SHPO

\_\_\_\_ Willingness to Comply with Requirements of Federal Grant

\_\_\_\_ Assurances: Construction Programs

\_\_\_\_ Certifications Regarding Debarment, Suspension and Other Responsibility Matters, Drug-Free Workplace Requirements and Lobbying

\_\_\_\_ NPS Project Notification and Environmental Screening Worksheet  
(For projects involving a National Historic Landmark)

## Assurances—Non-Construction Programs

OMB Approval No. 0348-0040

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Please do not return your completed form to the Office of Management and Budget; send it to the address provided by the sponsoring agency.

**Note:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case you will be notified.

As the duly authorized representative of the applicant I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§ 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.O. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 36701 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with the provisions of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§ 276a and 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. §§ 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), regarding labor standards for federally assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (e) evaluation of flood hazards in flood plains in accordance with EO 11988; (e) assurance of

project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of Federal actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. § 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).

12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the national Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).

14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984 or OMB Circular No. A-133, Audits of Institutions of Higher Learning and other Non-profit Institutions.
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

Signature of Authorized Certifying Official



Applicant Organization

City and Borough of Sitka

Title

Municipal Administrator

Date Submitted

4/23/2019

## CERTIFICATIONS REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS; DRUG-FREE WORKPLACE REQUIREMENTS AND LOBBYING

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature on this form provides for compliance with certification requirements under 15 CFR Part 26, "Governmentwide Debarment and Suspension (Nonprocurement)" and "Governmentwide Requirements for Drug-Free Workplace" and 15 CFR Part 28, "New Restrictions on Lobbying." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Commerce determines to award the covered transaction, grant, or cooperative agreement.

### 1. DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

As required by Executive Order 12549, Debarment and Suspension, and implemented at 15 CFR Part 26, for prospective participants in primary covered transactions, as defined at 15 CFR Part 26, Sections 26.105 and 26.110 --

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

### 2. DRUG-FREE WORKPLACE REQUIREMENTS Alternate I. Grantees Other Than Individuals

As required by the Drug-Free Workplace Act of 1988, and implemented at 15 CFR Part 26, Subpart F, for grantees, as defined at 15 CFR Part 26, Sections 26.605 and 26.610 --

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for

violation of such prohibition;

b) Establishing an ongoing drug-free awareness program to inform employees about--

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will--

(1) Abide by the terms of the statement, and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to the Director, Office of Federal Assistance, Office of Federal Assistance and Management Support, HCHB Room 6054, U.S. Department of Commerce, Washington, DC 20230. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted--

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a),(b),(c),(d),(e) and (f).

B. The grantee shall insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:  
Place of Performance: (Street address, city, county, state, ZIP code): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Check  if there are workplaces on file that are not identified here.

**Alternate II. Grantees Who Are Individuals**

As required by the Drug-Free Workplace Act of 1988, and implemented at 15 CFR 26, Subpart F, for grantees, as defined at 15 CFR Part 26, Sections 26.605 and 26.610 -

(A) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(B) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to the Director, Office of Federal Assistance, Office of Federal Assistance and Management Support, HCHB Room 6054, U.S. Department of Commerce, Washington, DC 20230. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

**3. LOBBYING**

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 15 CFR Part 28, for persons entering into a grant, cooperative agreement or contract over \$100,000, or loan or loan guarantee over \$150,000, as defined at 15 CFR Part 28, Sections 28.105 and 28.110, the applicant certifies that to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding

of any Federal contract, the making of any Federal grant, the making any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

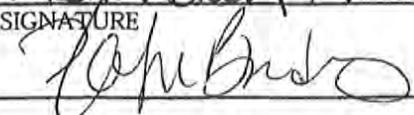
**Statement for loan Guarantees and Loan Insurance**

The Undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

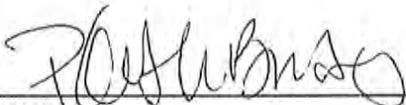
Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above applicable certification(s).**

NAME OF APPLICANT	AWARD NUMBER AND/OR PROJECT NAME
City and Borough of Sitka	19002/Fraser Hall
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
P. Keith Brady, Municipal Administrator	4/23/2019
SIGNATURE	DATE
	

## Willingness to Comply with Grant Requirements

1. I understand that this is a grant agreement administered by the State of Alaska Department of Natural Resources, Division of Parks and Outdoor Recreation, Office of History and Archaeology.
2. In accepting these funds, I understand it is my responsibility to comply with all program requirements, pertinent State and Federal regulations, and the grant agreement.
3. In accepting these funds, I understand that project records are subject to audit after project completion, and that if such an audit questions expenditures for which I have been reimbursed, I will return any amount paid for questioned expenditures.
4. I understand that no grant or promise of a grant exists until the State Historic Preservation Officer (SHPO) or his/her designee signs the grant agreement, and that any funds expended prior to the grant period or before full grant execution (SHPO signature) may not be reimbursed without specific approval.
5. I understand that the State of Alaska may incorporate an indirect cost to help off-set administration of this grant. The percentage of the indirect may fluctuate over the course of the grant but will not exceed amount shown on the grant agreement.

  
\_\_\_\_\_  
Signature

4/23/2019  
Date

P. Keith Brady  
Print or Type Name

City and Borough of Sitka      Municipal Administrator  
Entity Name and Title



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 19-166      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 8/6/2019      In control: City and Borough Assembly

On agenda: 8/13/2019      Final action:

Title: Approve the 2019-2022 International Brotherhood of Electrical Workers (IBEW), Local 1547 Collective Bargaining Agreement

Sponsors:

Indexes:

Code sections:

Attachments: [Motion IBEW](#)  
[01 Assembly Memo IBEW 8-1-2019 re Salary Survey 2018](#)  
[02 Final Summary of Changes to 2019-2022 Agreement for Assembly \(002\)](#)  
[03 Final Draft for Assembly Approval - Sitka and IBEW 2019-2022 Tentative Agreement no redline](#)  
[04 Financial Effects Of 2019 IBEW Tentative Agreement Assembly One Page Summary](#)

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

**I MOVE TO** approve the Collective Bargaining Agreement between the City and Borough of Sitka and the International Brotherhood of Electrical Workers, Local 1547 and authorize the Interim Municipal Administrator to execute the document.



# Memorandum

August 1, 2019

To: Interim Municipal Administrator  
 Cc: Kimberly K. Gearity, Sitka Labor Negotiator  
 From: Bryan Bertacchi, Utility Director  
 Subject: IBEW Linemen Salary Survey Data

As the CBS (City and Borough of Sitka) HR Director position is currently unfilled I was asked by our labor negotiator to provide salary survey information and to participate in the IBEW 2019 negotiations. The NWPPA (Northwest Public Power Association) survey information is available **from 2018 (see below)**. The 2019 NWPPA salary survey data for Linemen will **not** available until the fall.

Journeymen Lineman rates from 2018 in the six AK organizations reporting indicate \$51.20 per hour simple average and \$50.97 median. Journeymen Lineman rates in Sitka are currently at \$48.92. The new proposed contract would create the first year rate at \$49.78 still under the average and median rate statewide. Additional rate increases in 2020 and 2021 will also not likely result in Sitka Journeymen Lineman rates exceeding those elsewhere in the state.

**1.03: Journeyman Lineman**

Responsible for the maintenance and repair of all transmission and distribution electrical systems and associated equipment, both overhead and underground, while utilizing line trucks, aerial boom, lifts and wire pulling equipment. Typically requires completion of a formal training program and a journeyman lineman certification.

	No. of Orgs	No. of EEs	Simple Average	Weighted Average	Interquartile Ranges			Extremes	
					25%	Median	75%	10th%	90th%
Total Responses	91	1294	\$46.00	\$46.72	\$44.34	\$45.75	\$47.22	\$41.63	\$51.07
<b>Employee Size</b>									
0 to 29	29	122	\$44.56	\$43.87	\$42.70	\$44.70	\$45.92	\$40.62	\$47.06
30 to 69	26	208	\$45.76	\$45.65	\$44.58	\$45.82	\$46.61	\$41.38	\$49.58
70 to 99	11	137	\$46.91	\$46.26	\$44.53	\$46.09	\$48.78	\$42.90	\$53.48
100 to 199	13	186	\$46.17	\$46.16	\$44.90	\$45.93	\$47.42	\$44.33	\$47.84
200+	12	641	\$49.01	\$49.14	\$45.51	\$47.96	\$51.96	\$45.05	\$53.29
<b>Type of Utility</b>									
Cooperative & Mutual	41	340	\$45.29	\$45.19	\$42.80	\$45.24	\$46.87	\$40.74	\$49.55
Municipal	19	286	\$46.98	\$46.90	\$44.36	\$45.11	\$50.73	\$41.62	\$53.78
PUD	28	357	\$46.22	\$46.40	\$44.90	\$45.93	\$46.61	\$44.34	\$48.11
Other	3	311	-	-	-	-	-	-	-
<b>Region</b>									
AK	6	46	\$51.20	\$51.29	\$48.28	\$50.97	\$53.18	\$47.06	\$55.57
CA	6	108	\$53.51	\$52.96	\$51.57	\$52.81	\$54.98	\$51.23	\$56.50

## Discussion Points with the Assembly and Summary of Tentative Agreement

- Sitka management was notified officially that the IBEW had ratified the tentative agreement on July 29, 2019. The Assembly is now asked to approve the tentative agreement so that it can be implemented. Approval is recommended.
- The hourly rate increases to payroll with payroll costs added are as follows:
 

FY2020	\$1.30/with payroll costs \$1.69 per hour
FY 2021	\$1.25/with payroll costs \$1.62 per hour
FY 2022	\$1.00/with payroll costs \$1.30 per hour
- The increase for FY 2020 equals 3.08%, which includes the payroll costs on top of the actual hourly wage increase. In the fiscal year 2020 budget, the Assembly has already approved 2.5% increase to personnel costs. Consequently, the additional increase for fiscal year 2020 is 0.58%, which will easily be absorbed by the Electric Department. No new funds are required and no rate increases are anticipated in order to implement this Agreement.
- The increase for FY 2021 equals 2.87% and the increase for FY 2022 equals 2.18%. The cumulative effect of all increases over the three years is 8.4%.
- Given anticipated retirements of 3-4 employees in the Electric Department in the next 12-18 months, it was important to administration to ensure that the hourly rates of pay remained as competitive as possible. For example, even with the proposed wage increases Sitka still remains below the average and median market rate of pay for a Journeyman Lineman. See, attached memo from Bryan Bertacchi regarding 2018 salary survey (the most current available) information.

Only four (4) Articles in the collective bargaining agreement were modified. If an Article is not listed below it was not changed during these negotiations.

ARTICLE	CHANGES
Article 4 – Duration	July 1, 2019 – June 30, 2022
Article 5 – Union Security	Modified to reflect the change in the law after the <i>Janus</i> case from the US Supreme Court that prohibits union membership as a job requirement
Article 14 – Wages	IBEW has no pay matrix; each job class has a specific hourly rate set forth in the Agreement; hourly rate increases are as follows:  July 1 2019: \$1.30 per hour increase July 1 2020: \$1.25 per hour increase July 1, 2021: \$1.00 per hour increase
Article 20 – Personnel Policies	Updated language to reflect the anticipated implementation of an Updated Personnel Policy Handbook during the life of the Agreement

COLLECTIVE BARGAINING  
AGREEMENT

2019-2022

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CITY AND BOROUGH OF SITKA,

AND THE

INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS,  
LOCAL 1547

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# TABLE OF CONTENTS

	<b>PAGE NO.</b>
<b>ARTICLE 1 POLICY AND PURPOSE</b>	<b>3</b>
<b>ARTICLE 2 RECOGNITION AND SCOPE</b>	<b>3</b>
<b>ARTICLE 3 NO STRIKE/NO LOCKOUT</b>	<b>3</b>
<b>ARTICLE 4 DURATION</b>	<b>4</b>
<b>ARTICLE 5 UNION SECURITY</b>	<b>4</b>
<b>ARTICLE 6 NONDISCRIMINATION</b>	<b>6</b>
<b>ARTICLE 7 PERSONNEL FILES</b>	<b>6</b>
<b>ARTICLE 8 EMPLOYEE STATUS AND APPOINTMENT</b>	<b>7</b>
<b>ARTICLE 9 MANAGEMENT RIGHTS</b>	<b>9</b>
<b>ARTICLE 10 APPRENTICESHIP</b>	<b>9</b>
<b>ARTICLE 11 SAFETY</b>	<b>10</b>
<b>ARTICLE 12 TIME OFF</b>	<b>11</b>
<b>ARTICLE 13 HOURS OF WORK AND COMPENSATION</b>	<b>15</b>
<b>ARTICLE 14 WAGE RATES</b>	<b>20</b>
<b>ARTICLE 15 GRIEVANCE ARBITRATION PROCEDURES</b>	<b>21</b>
<b>ARTICLE 16 SENIORITY</b>	<b>24</b>
<b>ARTICLE 17 PERFORMANCE EVALUATIONS</b>	<b>26</b>
<b>ARTICLE 18 DISCIPLINE AND DISCHARGE</b>	<b>26</b>
<b>ARTICLE 19 BENEFITS</b>	<b>27</b>
<b>ARTICLE 20 PERSONNEL POLICIES</b>	<b>28</b>
<b>ARTICLE 21 GENERAL PROVISIONS</b>	<b>30</b>
<b>ARTICLE 22 SUBCONTRACTING</b>	<b>31</b>

**COLLECTIVE BARGAINING AGREEMENT  
BY AND BETWEEN  
THE CITY AND BOROUGH OF SITKA, ALASKA  
AND  
LOCAL #1547 INTERNATIONAL BROTHERHOOD OF  
ELECTRICAL WORKERS, AFL-CIO**

For the purposes of maintaining cordial relations between the City and Borough of Sitka, Alaska, ("Employer" or "CBS") and Local #1547 International Brotherhood of Electrical Workers, AFL-CIO ("Union") the parties do enter into, establish and agree to the following conditions of employment.

**ARTICLE 1  
POLICY AND PURPOSE**

It is the policy of the Employer and Union to promote harmonious and cooperative relations between the Employees and the Employer, to protect the public by promoting orderly and effective operations of government, and to maintain merit principles. The Employer, Union, and Employees are committed to develop a positive labor management relationship, which promotes the success of the Employer, provides rewarding jobs for its Employees, and makes available quality service to meet the needs of its customer. The purpose of this Agreement is to set forth terms and conditions of employment to support a work environment that will further these objectives.

**ARTICLE 2  
RECOGNITION AND SCOPE**

The Employer recognizes the Union as the sole and exclusive bargaining agent for, and this Agreement shall cover all Employees in the Electric Department except those identified as exempt and confidential.

**ARTICLE 3  
NO-STRIKE/NO-LOCKOUT**

The parties understand and agree there will be no strikes or lockouts during the life of the Agreement pursuant to Sitka General Code §2.08.125 (j). The Union and Employees further agree that they will not sanction, encourage or continue any sickouts, slowdowns, or other disruptive activity during the life of the Agreement.

## **ARTICLE 4** **DURATION**

The term of this Agreement is July 1, 2019, and shall continue in effect until June 30, 2022 and thereafter from year to year; provided, however that either party may give the other party written notice of its desire to change the Agreement. Such written notice shall specify the particular Articles in which changes are desired, and shall be served upon the other party not more than one hundred eighty (180) days, and not less than one hundred twenty (120) days, prior to the date of expiration or any annual extension. If such notice is given, negotiations shall commence within thirty (30) days following the date of the notice. This agreement shall become effective on the date of signing and remain in effect until the terms of a new or amended agreement becomes effective.

## **ARTICLE 5** **UNION SECURITY**

### **Section 5.1      Non-Interference**

The Employer agrees that it will not in any manner attempt to interfere between any Employee and the Union. It will not in any manner attempt to restrain any Employee from belonging to the Union or from taking an active part in Union affairs and it will not discriminate against any Employee because of Union membership or activity, provided that such activity is not contrary to this Agreement.

### **Section 5.2      Payroll Deductions**

A.      The Employer shall make all appropriate deductions in the first payroll period, including monthly and working dues and assessments from the pay of those Employees who have presented the Employer with a signed authorization for the deduction. The Employer agrees to make these deductions and to remit these funds, together with a list of Employees' names for which the deductions were made, to the Union on or before the fifteenth (15<sup>th</sup>) day of the month.

B.      In the event an Employee notifies the Employer in writing that the Employee no longer wishes to pay dues or assessments via payroll deduction, the Employer shall notify the Union upon receipt of such written notice stopping payroll deduction. The Employer shall not stop payroll deduction for **ten** (10) working days to allow the Union to discuss the Employees obligations to the Union with the Employee. After ten (10) working days, the Employer shall stop the payroll deduction unless directed otherwise by the Employee.

C.      Following thirty (30) calendar days of employment, an Employee may voluntarily elect to participate in the IBEW PAC Fund by signing and submitting to payroll an authorization form supplied by the Union. These funds shall be forwarded in the same manner and at the same time as set forth in paragraph A above.

D. The Employer will not be held liable for deduction errors. If the Employer makes an error in deductions the sole remedy will be to increase or reduce the amount deducted from the Employee's future deduction until the error has been corrected.

E. The Union will indemnify, defend, and hold harmless the Employer, its agents, insurers and Employees from any claim or cause of action arising from or related to any act or omission under this Section.

### Section 5.3 New Hires

A shop steward will be allowed to meet with newly hired employees for up to thirty (30) minutes within seven (7) calendar days from the date of hire to provide Union information.

### Section 5.3 Standards of Work

The Union agrees that all Employees who are covered by this Agreement will individually and collectively perform safe, efficient and diligent service, and will use their influence and best efforts to protect the property and interests of the Employer.

### Section 5.4 Shop Stewards

A. Upon written notification, the Employer will recognize shop stewards who have been selected pursuant to the rules and regulations of the Union to represent the Employees covered hereby. The Union shall appoint no more than two shop stewards and an alternate. The names of the stewards will be furnished to the Utility Director of the Employer and the Human Resources Director in writing before beginning or being relieved of their duties.

B. The Employer recognizes that the stewards will be assigned their Union duties and responsibilities by the Union and pursuant to this Agreement. The stewards will cooperate with the Employer in securing compliance with this Agreement and, at the request of the Utility Director of the Employer, or designee, or the Human Resources Director will notify Employees of any violations of this Agreement.

C. Stewards are expected to perform their normal assigned duties as an Employee covered by this Agreement. However, the parties agree that stewards shall be granted a reasonable amount of time to handle Union business during work time which cannot be handled during non-work time without loss of pay so long as the Employee's supervisor has been notified.

D. Time spent performing steward duties during work time shall be recorded on the Employee's time card as Union business.

E. The Utility Director reserves the right to deny the use of work time for steward or Union business if it interferes with the operational needs of the Department or the performance of the Employee.

### Section 5.5 Union Bulletin Board

Employer will provide bulletin boards and/or space on existing bulletin boards for use by the Union for the purpose of posting Union notices and communications.

City and Borough of Sitka – IBEW Tentative Agreement 2019-2022

For Assembly Approval

Page 5 of 32

## **Section 5.6            Union Access to Employer's Premises**

With prior notice and approval, authorized representatives of the Union will be permitted to visit the work sites where Employees covered by this Agreement work during working hours so long as such visits do not disrupt or interfere with the operations of the Utility or the Employee's work.

## **ARTICLE 6 NONDISCRIMINATION**

The parties mutually agree that the Employer and the Union will not discriminate against any person or persons so as to deny such person or persons equal employment opportunities because of race, religion, color, sex, age, national origin, or disabilities or any other protected class provided for in federal, state, and local law as may be amended from time-to-time.

## **ARTICLE 7 PERSONNEL FILES**

**Section 7.1**            Employees shall have access to their personnel files in the Human Resources Department at reasonable times in the presence of the Director of Human Resources or designee.

**Section 7.2**            The Employee will receive a copy of any disciplinary letters and any material placed in the Employee's personnel files. Upon request, the Employee shall be provided a copy of any other document in the Employee's personnel files.

**Section 7.3**            The Employee's personnel file in the Human Resources Department is confidential. The personnel file is only available for inspection by the Human Resources Director, or designee, and the Employee's immediate supervisor. Other CBS personnel who, due to the nature of their work with the Employer need access to personnel information, may obtain the specific information needed from the Employee's personnel file from the Human Resources Director or designee, or through review of the pertinent documents from the Employee's personnel file.

## **ARTICLE 8**

### **EMPLOYEE STATUS AND APPOINTMENT**

#### **Section 8.1            Employee Status**

A. All Employees covered by this Agreement are designated as Regular Employees. All regular Employees shall serve a probationary period as set forth below in Section 8.4A.

B. The Employer reserves the right to utilize relief Employees who are qualified individuals available to substitute for regular Employees. The intent of this Section is not to reduce the number of regular positions by the hiring of relief Employees. Relief Employees shall be subject to this Agreement when working for the Employer only as to Union security, hours of work, rates of pay, and applicable working rules. They shall not be eligible for holiday pay, leave, benefits, health and welfare benefits, pension or other benefits extended to regular Employees.

#### **Section 8.2            NECA-Temporary Employees**

A. Journeyman linemen and wiremen and other classifications as set forth in the IBEW-NECA Agreement may be employed as NECA-Temps for a period not to exceed six (6) months of continuous employment. The IBEW Inside-Outside Alaska Electrical Construction Agreement, as amended, shall govern the NECA-Temporary wages and benefits. NECA-Temporary Employees shall be subject to this Agreement only as to the hours of work and applicable working rules. When assigned to assume the position of a Leadman a NECA-Temporary Journeyman shall receive 104% of the applicable wage rate.

B. Any Employee hired as a NECA-Temporary or Temporary may be awarded or transferred to Probationary or Regular status by the Employer. Any such change in status will be in writing. The Employee, on the date of accepting the award or transfer will be transferred to probationary status and the time accrued from the Employee's temporary hire date will be considered part of the probationary time period.

#### **Section 8.3            Vacancies**

A. The Utility Director is responsible for filling vacancies in the Department, subject to the approval of the Administrator. Hiring decisions are at the sole discretion of the Employer.

B. Posting

1. All vacancies shall be posted internally on the Union Bulletin Board in the Department first. When there are current, qualified Employees within the Department interested and available for the vacancy, the Employer shall endeavor to hire, promote, or transfer from within the existing work force. Any current Department Employee who applies for a vacancy within the Department shall receive an interview during the hiring process.
2. If there are no interested or qualified Employees within the Department, or in the Utility Director's discretion, the vacancy will be advertised locally and the Union Hiring Hall shall be notified at the same time in writing. The Union Hiring Hall may refer applicants to be considered through the normal hiring process.

#### **Section 8.4 Probationary Periods**

A. Every new regular Employee shall serve a six-month probationary period (180 consecutive days of service from date of hire) during which time the Employee may be terminated at the sole discretion of the Employer without right of appeal. All probationary Employees shall accrue service credits and seniority during the probationary period. An Employee's probationary period may be extended by mutual agreement between the Employer and Union.

B. Current regular Employees who are promoted or transferred to a different position shall serve a three-month (90 consecutive days from date of promotion or transfer) probationary period. If the Employee's performance in the new position is unsatisfactory in the Employer's sole discretion, the Employee may be returned to their previous position if vacant or to another vacant position so long as the Employee is qualified for that position. This employment action shall not be construed to be a demotion or disciplinary action requiring just cause.

### **ARTICLE 9 MANAGEMENT RIGHTS**

The Union recognizes the right of the Employer to operate and manage the Utility, including but not limited to the right to establish and require standards of performance; maintain order and efficiency; direct Employees and their work; determine job assignments, and work schedules and overtime; assign bargaining unit work to supervisory and management personnel whenever bargaining unit members are not available or in an emergency; determine the materials and equipment to be used; implement new and different operational methods and procedures; determine staffing levels and requirements; establish qualifications of work to be performed by Employees; determine the kinds, type, and location of facilities; introduce new or different service products, methods, or facilities; select, hire, classify, assign, promote, transfer, discipline, demote, or discharge Employees for just cause; lay off and recall Employees; regulate all activity conducted upon company premises and on company time; and promulgate and enforce rules, regulations and personnel policies and procedures; provided that such rights, which are vested solely and exclusively in the Employer, shall

City and Borough of Sitka – IBEW Tentative Agreement 2019-2022

For Assembly Approval

not be exercised by ordinance or otherwise so as to violate any of the specific provisions of this Agreement. The parties recognize that the above statement of management rights is for illustrative purposes only and should not be construed as restrictive or interpreted so as to exclude management prerogatives mentioned. All matters not covered by the language of this Agreement may be administered by the Employer on a unilateral basis in accordance with such policies and procedures as it, from time to time, shall determine. Any claim that the Employer has exercised such rights and power contrary to the provision of the Agreement may be submitted to the grievance procedure contained herein.

## **ARTICLE 10** **APPRENTICESHIP**

**Section 10.1** The Employer reserves the right to utilize apprentices to perform the work at the Utility. Nothing in the paragraph precludes the Employer from using any apprenticeship program including the Alaska Joint Electrical Apprenticeship and Training Trust (“AJEATT”).

**Section 10.2** The apprentice to journeyman ratio shall not exceed one (1) apprentice for every two (2) journeyman unless agreed to otherwise. Foremen working with tools will be counted as a journeyman for purposes of this paragraph.

**Section 10.3** The Employer agrees to consider using the AJEATT during the life of this Agreement in the event a need for an apprentice arises at the Utility.

A. If the Employer decides to utilize the AJEATT, the Employer agrees to pay \$5,000.00 per calendar year, prorated for any portion of a year an Employee is in the apprenticeship program.

B. If the Employee is participating in the AJEATT, the Employee will be required to apply for State Training Education Program (STEP) grants, if available. In addition to the STEP grant monies and in lieu of any wages or reimbursements, the Employer agrees to pay the Employee \$100 for every day assigned to attend training in either Anchorage or Fairbanks, including travel days.

## **ARTICLE 11** **SAFETY**

### **Section 11.1            Safety Codes and Manual**

The state and federal electrical safety codes, as amended, and the American Public Power Association Safety Manual are adopted by the parties as the minimum standards

of safety under this Agreement. It will be the mutual concern of the parties that, recognizing their common objective of promoting the safety of Employees and the public, reasonable and rational safety programs and practices will be initiated and diligently implemented.

### **Section 11.2 Employer, Union, and Employee Responsibilities**

A. It is recognized that the Employer has the legal responsibility to provide a safe and healthful workplace and working conditions. The Employer will furnish such safety devices and equipment as may be necessary for the safety of Employees, and such first aid equipment and supplies as may be necessary for proper emergency treatment of such Employees.

B. The Union agrees to cooperate with the Employer by encouraging and holding Employees accountable to observe and comply with applicable safety laws, regulations, and workplace rules.

C. All Employees shall be responsible for carrying out safety and good housekeeping policies and practices. Each Employee is required to act with due care and regard for his own safety and that of his fellow Employees. Employees shall not expose or subject themselves or others to unsafe working conditions. Employees will use safety equipment on all appropriate occasions. All Employees covered hereby will possess a current Red Cross First Aid Certificate and a current CPR Certificate or a State of Alaska equivalent.

### **Section 11.3 Safety Training**

A. The Employer will schedule and Employees will attend and participate during normal working hours in safety training meetings. There will normally be a one-hour safety meeting scheduled each week. If a safety meeting has to be rescheduled due to operational requirements, it shall be scheduled to guarantee the Employees have a minimum of four (4) hours safety training in a month. Management may participate in these safety meetings.

B. The Employer shall provide the applicable training required to secure and maintain an approved first aid and CPR certificate.

### **Section 11.4 Safety Committee**

A. Safety Committee consisting of at least one (1) Employee as selected by the Union and one (1) representative of the Employer as designated by the Utility Director shall meet monthly.

B. By the end of the March each calendar year, the Safety Committee will propose a safety training program consistent with legal mandates, operational needs, and based on Employee desires for the next fiscal year subject to the Utility Director for approval.

## **ARTICLE 12**

### **TIME OFF**

#### **Section 12.1 Vacation**

A. All regular full-time Employees covered by this Agreement shall accrue vacation at the following rate. Regular part-time Employees shall accrue vacation on a ratio of the hours they work to a forty (40) hour week. No vacation will accrue while on leave without pay.

Years of Service	Accrual Rate Per Month	Accrual Rate Each Year	Mandatory Yearly Usage
0 through 1 <sup>st</sup> year	6.67 hours	80 hours	None
1 <sup>st</sup> year through 3 <sup>rd</sup> year	8.67 hours	104 hours	40 hours/5 days
4 <sup>th</sup> year through 7 <sup>th</sup> year	12.67 hours	152 hours	80 hours/10 days
Start of the 8 <sup>th</sup> year	16.67 hours	200 hours	120 hours/ 15 days

B. Vacation shall be taken with authorization of the immediate supervisor and shall be paid at the current rate of pay. Employee requests for time off under this section shall be granted based on operational needs.

C. Vacation shall not accrue and may not be taken prior to six (6) months of continuous satisfactory service, but after six months of employment vacation time shall accrue retroactive to the date of employment.

D. Regular Employees may accumulate up to and including four hundred and eighty (480) hours. There shall be no accrual after the 480 hour cap has been reached and it will resume when the Employee's vacation balance is less than 480.

E. When a holiday falls when an Employee is on vacation, the Employee shall be paid for the holiday without a deduction from accrued vacation.

F. Accrued vacation will be paid to Employees who terminate, so long as such termination is not for gross misconduct and the Employee has completed one (1) year of service.

G. Employees may cash out up to one hundred and sixty (160) hours each fiscal year in no more than two (2) installments. Employees may not cash in leave to avoid the mandatory use requirements of Section 12.1 A.

H. An Employee may request an advance of their vacation pay if they are going to be absent for more than ten (10) consecutive days and during which time a payroll is paid. The request to payroll must be made at least five (5) working days before the Employee's vacation is to begin and must include the signature of the Employee's immediate supervisor. Otherwise, Employees shall receive their pay check on regular scheduled pay days while on vacation.

I. Employees who do not use their mandatory time off as required in 12.1A shall forfeit the remaining balance of their unused mandatory time off as of June 30 of each calendar year. When operational needs do not allow an Employee to take the required time off, the city administrator may extend the time to use mandatory leave for up to six (6) months. An extension does not waive the following year's mandatory leave usage requirement.

## **Section 12.2 Sick Leave**

A. Regular full-time Employees shall accrue sick leave at the rate of eight (8) hours for each calendar month of employment. Regular part-time Employees shall accrue sick leave on a ratio of the hours they work to a forty (40) hour week. No sick leave will accrue while on leave without pay.

B. Sick leave accrual shall be capped at a maximum of 560 hours.

C. When an Employee has exhausted his or her accrued sick and annual leave, the Employee may apply for leave from the sick leave bank consistent with the Personnel Policies Handbook.

D. Employees are responsible to notify their immediate supervisor or the Utility Director as soon as possible prior to the beginning of the Employee's shift if they are to be absent. If the notice is left by voice mail message, Employees are required to talk directly to a supervisor or Utility Director at some time during the day while absent. If such notification is not given, such absence shall be charged to leave without pay and may subject the Employee to disciplinary action up to and including discharge. In the event the Employee is unable to contact their supervisor or the Utility Director, it will be acceptable for someone from the Employee's immediate family to contact the Employer about the Employee's absence by talking directly to the Employee's immediate supervisor or the Utility Director.

E. Sick leave shall be paid at the Employee's current rate of pay and may be used for the Employee's illness or injury. Up to 120 hours of sick leave may be used or for the illness or injury of the Employee's immediate family members each calendar year. Up to 40 hours of sick leave may be used for a death in the Employee's immediate family. "Immediate family" for purposes of this section includes the Employee's spouse,

children, parents, siblings, parents-in law, grandparents, grandchildren, or any person acting in one of these capacities.

F. The Employer may require a certificate from a medical provider confirming the absence was due to illness or injury for three days or more or to provide a fitness to return to duty for any absence. If the Employer suspects abuse of sick leave, nothing in this paragraph prohibits the Employer from requiring a medical certification for absences less than three days.

G. When a holiday falls when an Employee is on sick leave, the Employee shall be paid for the holiday without a deduction from accrued sick leave.

H. Employees shall be eligible for a sick leave benefit from date of hire. Sick leave will be granted to the Employee commencing on the first day of illness.

I. A regular employee who leaves employment with the City for any reason other than discharge for cause will be paid \$1.00 for every hour of sick leave accumulated as of their last day of employment.

### **Section 12.3 Family and Medical Leave**

The Employer shall grant family and medical leave consistent with both the Federal and State Family and Medical Leave Act effective the first day of the authorized leave.

### **Section 12.4 Leave without Pay**

Subject to the approval of the Department Head and the Administrator and based on a written request by the Employee of a compelling reason for additional time off, an Employee who has used all accrued annual leave may be granted leave without pay consistent with the Personnel Policies Handbook.

### **Section 12.5 Holidays**

A. All Employees covered by this Agreement shall have nine (9) holidays per year to be observed on the following days:

New Year's Day	January 1
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Alaska Day	October 18

Veteran's Day  
Thanksgiving Day  
Christmas Day

November 11  
Fourth Thursday in November  
December 25

and such other days as may be proclaimed by the City Administrator.

B. When the holiday falls on a Saturday, the holiday will be observed on the preceding Friday, and when the holiday falls on a Sunday, the holiday will be observed on the following Monday.

C. Employees must be working or on an approved vacation or sick leave the day before the holiday and the day after the holiday in order to receive pay for a holiday.

D. All Employees will be paid eight (8) hours of holiday pay at the Employee's straight time rate for a designated holiday. If the Employee would have been scheduled to work on that day, the Employee may also get the day off.

E. If an Employee is required to work on a designated holiday, the first eight (8) hours of work on a holiday shall be compensated at the one and one-half (1 1/2) times the Employee's regular rate of pay in addition to the holiday pay in Section 12.5D. Any hours worked on a holiday in excess of eight (8) hours shall be at double time. No additional time off or pay will be granted for a holiday worked except as provided in paragraph G below.

F. All Employees with more than one (1) year of continuous service shall receive 28 hours for use as floating holidays at the start of the fiscal year to be taken at a time approved by the Employee's immediate supervisor. All floating holidays must be taken in the fiscal year accrued or forfeited.

G. Power Plant Operators who work a holiday may elect, in lieu of the holiday pay provided in paragraph D above, to receive an additional floating holiday that must be used during the fiscal year in which the holiday fell.

### **Section 12.6 Military Leave**

Employees shall be eligible for military time consistent with federal (USERRA) and state law (AS 39.20.340) governing military time off.

### **Section 12.7 Occupational Injury Leave**

An Employee shall be paid the difference between their workers compensation and their regular wages consistent with the Personnel Policies Handbook.

### **Section 12.8 Court Leave**

Employees shall be eligible for court leave consistent with the Personnel Policies Handbook. Such leave time shall be treated as administrative leave without loss of pay. Pay for these hours shall be at the Employee's regular rate of pay. If the employee is excused from court leave on any given day, the Employee shall contact their immediate supervisor to determine if they are required to return to work.

## **ARTICLE 13**

### **HOURS OF WORK AND COMPENSATION**

#### **Section 13.1      Workday and Workweek**

A. The regular workweek shall consist of five (5) consecutive eight (8) hour days. Employees will be assigned to work either a Monday through Friday workweek or a five (5) consecutive eight (8) hour day workweek during a work period starting on Monday and ending the following Sunday.

B. Four-Tens (4-10's) Workweek Schedule. Upon approval of the Department Head, Employees may be assigned to work 4 days at 10 hours per day. No Employee will be assigned to a four ten schedule without Employee written consent.

C. No Employee shall be required to work more than a total of sixteen (16) consecutive hours without an eight (8) hour break. Nothing in the paragraph precludes an employee from working more consecutive hours in the event of an unforeseen emergency, like a power outage, that lasts longer than sixteen (16) hours.

D. An Employee who has been on duty for four (4) or more hours after the workday and within eight (8) hours of their normal starting time the following day shall not be required to report for work without a minimum eight (8) hour rest period. The Employee shall be paid at the straight time rate of pay for scheduled hours not worked during a rest period. Employees required to report to work during their eight (8) hours rest period will be paid at double time rate of pay for all hours worked until the Employee has received an uninterrupted eight (8) hours rest period.

#### **Section 13.2      Meals**

A. All Employees shall be granted an unpaid meal period of at least thirty (30) minutes in duration once during an eight (8) hour work day. The Employer shall schedule an Employee's meal period approximately halfway through the Employee's designated shift. If an Employee is required to work through their meal period, the Employee shall be paid at the Employee's applicable rate of pay for thirty (30) minutes.

**B. Scheduled Overtime**

If the Employee is required to work scheduled overtime, the Employee shall be entitled to an unpaid meal period of at least thirty (30) minutes for a meal every four (4) hours worked and twenty-five dollars (\$25.00).

**C. Unscheduled Overtime**

1. If an Employee is required to work unscheduled overtime, the Employee shall be entitled to an unpaid meal period of at least thirty (30) minutes for a meal every four (4) hours and twenty-five dollars (\$25.00). If the Employee is unable to take the meal period off, the Employer will provide a meal for the Employee and the Employee shall be paid at the Employee's applicable rate of pay for the meal period not to exceed thirty (30) minutes, but not the twenty-five dollar (\$25.00) benefit.
2. If the Employee is required to work more than two (2) hours past their regular shift and it has not been scheduled prior to the start of the regular shift, the Employee shall be entitled to another unpaid meal period of at least thirty (30) minutes and twenty-five dollars (\$25.00).

**D.** Employees are required to note on their time sheets meal payments due in order to receive payment under this Section which shall be paid in the Employee's next regular paycheck.

**Section 13.3 Shift Change Notice**

The Employer shall notify the Employee(s) by the end of the shift plus one work week before the required start time of any shift change.

**Section 13.4 Compensation**

**A.** The first eight (8) hours of the first five (5) consecutive workdays shall be at the straight time rate of pay. Any hours worked in excess of eight (8) in a work day shall be paid at time and one-half the Employee straight time rate of pay.

**B.** Any time worked on an Employee's first scheduled day off shall be paid at one and one-half the straight time rate of pay and any time worked on the Employee's second day off shall be paid at two (2) times the straight time rate of pay.

**Section 13.5 Shift Differentials**

Shift differential shall be paid as follows to Employees designated in writing by the Utility Director to be eligible for such differential. The premium shall be based on the Employee's regular rate of pay.

4 p.m. to Midnight	3% per hour
Midnight to 8 a.m.	5% per hour

**Section 13.6 Call-Out Pay**

An Employee called to work outside their regular shift will be paid a minimum of two (2) hours at the double time rate of pay.

**Section 13.7 On-Call Pay**

The Department Head or designee shall designate in writing every six (6) months the Employees to be on-call status. When the Employer designates an Employee to be on-call the Employee shall be provided a pager or cell phone and must be capable at all times to respond to calls promptly and as requested. When an Employee is designated to be available for work on-call status, the Employee will be compensated at the rate of forty-five dollars (\$45.00) for a work day and ninety (\$90.00) dollars on a Saturday, Sunday, and holidays. If called in to work while on-call, the Employee shall be paid for all hours worked at the applicable rate of pay.

**Section 13.8 Compensation of Employee Working in Higher Classification**

When an Employee is temporarily required to perform work in another higher classification for more than eight (8) or more hours, the Employee shall be paid the higher rate for all hours worked in the higher classification. Such assignment shall be designated in writing by the Employee's immediate supervisor and submitted with the Employee's timesheet to payroll.

**Section 13.9 Compensation of Employee Working in Lower Classification**

No Employee will suffer a reduction in pay by reason of the Employee's temporary transfer to a job carrying a lower pay classification. If an Employee is permanently assigned into a lower pay classification, the Employee will be paid at the lower pay rate.

### **Section 13.10      Payday**

Employees shall be paid every other week.

### **Section 13.11      Wage Discrepancies**

Employees are responsible to notify the Employee's immediate supervisor whenever a wage discrepancy exists. Employees may also notify the shop steward for assistance with a wage issue. If the Employee is unable to resolve the wage discrepancy with their immediate supervisor, the Employee should bring it to the attention of the utility director. Wage discrepancies shall be resolved by the Utility Director. No time sheet shall be changed without the Employee's knowledge.

### **Section 13.12      Pyramiding of Overtime**

No Employee shall receive more than one (1) overtime rate of pay for the hours worked and if more than one (1) overtime rate is applicable to the same hours worked, the higher rate only shall be paid.

### **Section 13.13      Hot-Stick Work**

Premium pay for hot-stick work will be allowed to crews while working with such equipment on voltages in excess of 5,000 volts. Hot-stick work will not include the opening and closing of switches, the removal and replacement of fuses, or the lifting and replacing of hot-taps when hot-line clamps are used. Hot-stick compensation will be at fifteen percent (15%) above the applicable hourly rate.

### **Section 13.14      Licensing and Certifications**

The Employer shall pay for, or reimburse Employees for, all expenses incurred to maintain any license and certification required by Employer, or by local, state or federal law or regulation, as a condition of employment. Employees shall obtain written approval from the Employer prior to incurring expenses for which an Employee seeks reimbursement.

### **Section 13.15      Clothing Allowance**

Employees shall receive on the first pay check after January 1 of each year of this Agreement Three Hundred and Fifty Dollar (\$350.00) for a clothing allowance.

**Section 13.16      Green Lake/Blue Lake Tunnel Work**

Employees who perform tunnel work at Green Lake or Blue Lake shall be paid 15% above the Employee regular rate of pay.

**Section 13.17      Green Lake/Blue Lake Dam Ladder Access**

Employees who utilize the dam ladders at Green Lake or Blue Lake shall be paid 15% above the Employee regular rate of pay.

**Section 13.18      Cell Phone Policy**

Any changes or adjustments to the Municipal Cell Phone Policy shall be negotiated with the Union prior to submission to the Municipal Assembly for approval.

**Section 13.19      Other Compensation Issues Not Addressed**

The parties recognize that there are other compensation issues may arise during the life of this agreement including but not limited to being assigned to be away from home overnight or out of town, assigned to fly in a fixed-wing aircraft or helicopter, work underneath helicopters, or work seventy (70) feet above the ground or tunnel work which constitute wages or terms and conditions of employment. The parties agree to bargain as required by law on such matters.

**ARTICLE 14**  
**WAGE RATES**

**Section 14.1**

A. Effective July 1, 2019 the following shall be the hourly wage rates for each job classification listed.

General Foreman	\$54.14
Line Foreman	\$51.45
Journeyman Lineman	\$48.47
Senior Generation Facilities Mechanic	\$49.06
Meter Technician	\$48.47
Relay/Control Technician	\$48.47
Senior Power Plant Operator/System Dispatcher	\$48.47
Power Plant Operators/System Dispatcher	\$45.65
Generation Facilities Mechanics	\$45.65

B. Effective July 1, 2020, wage rates shall be increased by One Dollar and Twenty-Five Cents (\$1.25) an hour.

C. Effective July 1, 2021, wage rates shall be increased by One Dollar (\$1.00) an hour.

**Section 14.2** Relief workers in any of the job classifications in A above shall be paid at 80% of the designated wage rate.

**Section 14.3** Apprentices in any of the job classifications set forth in A. shall be paid according to the following schedule.

Starting wage	50%
At the end of six months	55%
At start of second year	60%
At the end of 18 months	65%
At start of third year of service	70%
At the end of 30 months	75%
At start of fourth year	80%
After fourth year and completion of all testing for certification or license	100%

**Section 14.4** Warehousepersons shall be paid according to the following schedule based on the Journeyman Lineman rate.

Starting wage	55%
At start of second year	65%
At start of third year of service	75%
At start of fourth year of service	85%
At start of fifth year of service	90%

At the start of tenth year of service, the Warehouseperson shall receive the same hourly rate increases as outlined in Section 14.1 above.

**Section 14.5** Relief Warehousepersons shall be paid 55% of Journeyman Lineman Rate.

City and Borough of Sitka – IBEW Tentative Agreement 2019-2022

For Assembly Approval

Page 20 of 32

**Section 14.6** Meter Reader positions shall be paid according to the following schedule based on the Journeyman Lineman rate.

Starting wage	45%
At start of second year	55%
At start of third year	65%

**Section 14.7** Relief Meter Reader shall be paid 45% of Journeyman Lineman Rate

## **ARTICLE 15**

### **GRIEVANCE-ARBITRATION PROCEDURES**

**Section 15.1** Having a desire to promote and maintain labor relations harmony, the parties agree that they will promptly attempt to adjust all complaints arising between them at the lowest possible level.

#### **Section 15.2 Grievance Definition**

A grievance shall be defined as an alleged violation of the Agreement and the following procedures shall be the sole and exclusive method of resolving such disputes. The Grievance-Arbitration procedure shall be available to all regular Employees. Probationary, relief, and NECA-Temps do not have access to the Grievance-Arbitration procedure, except for alleged pay violations under Article 14.

#### **Section 15.3 Grievance Time Frames and Procedures**

- A. Both parties are expected to comply with and follow the time frames and process set forth in this Section.

- B. Any grievance not filed according to the procedures described in this Section shall be deemed to have been waived and shall not be entitled to further consideration.
- C. For the purpose of this Article, “working days” shall mean Monday through Friday, excluding any holidays under this agreement.
- D. Posting by certified mail return receipt, by fax, or hand delivery within the time frame allotted will constitute satisfaction of time frame requirements.
- E. Time frames may be extended only by written agreement between the Employer and the Union.
- F. Steps
  1. Step One: The aggrieved Employee, with or without a Union Representative, or Union must meet with and discuss the grievance with the Employee’s immediate supervisor within ten (10) working days of the event or the Employee’s or Union’s first knowledge of the event. The immediate supervisor shall prepare a written response within ten (10) working days after meeting with the Employee.
  2. Step Two: If satisfactory resolution is not reached at Step One, the grievance shall be reduced to writing and be filed by a Union Representative with the Department Head within ten (10) working days after the date of the supervisor’s written response. The Union Representative, the Employee, and the Department Head may meet to discuss the grievance. The Department Head shall respond in writing within ten (10) working days of the Step Two filing.
  3. Step Three: If satisfactory resolution is not reached at Step Two, the grievance shall be submitted in writing to the CBS Administrator by the Union within ten (10) working days of the receipt of the Step Two grievance response. The Union Representative and the CBS Administrator may meet to discuss the grievance. The CBS Administrator shall respond in writing within fifteen (15) working days of the Step Three filing.
  4. Step Four: If not satisfactorily resolved at Step Three, the Union may submit the grievance to final and binding arbitration within ten (10) working days following the receipt of the CBS Administrator’s response.

- a. The Employer and the Union shall attempt to agree on an Arbitrator within ten (10) working days.
- b. If the parties are unable to agree on an Arbitrator, the Union shall request the Federal Mediation & Conciliation Service (“FMCS”) to supply a list of thirteen (13) qualified Arbitrators from Alaska, California, Oregon, and Washington with a copy to the Employer.
- c. Upon receipt of the arbitrator list, the parties shall alternate striking names from such list until the name of one (1) Arbitrator remains who shall be the Arbitrator. The party to strike the first name shall be determined by coin toss.
- d. The Arbitrator shall be notified immediately of his or her selection by letter from the Employer with a copy to the Union requesting that a list of possible hearing dates. Upon receipt of the list of possible hearing dates, the parties will agree on a time for a hearing as soon as possible thereafter.
- e. The Arbitrator’s award shall be final and binding, subject to the limits of authority stated below. The parties shall use their best efforts to minimize the costs.

#### **Section 15.4 Arbitration**

A. The Arbitrator’s function is to interpret the Agreement. The Arbitrator shall have no authority or power to add to, delete from, disregard, or alter any of the provisions of this Agreement, but shall be authorized only to interpret the existing provisions of this Agreement as they may apply to the specific facts of the issue(s) in dispute. The Arbitrator shall not substitute his or her own judgment for that of the Employer. Nothing in the Section precludes the parties from seeking an appropriate remedy from the Arbitrator.

B. The Arbitrator shall review procedural issues during the same proceeding as the underlying merits of the same grievance, unless agreed to otherwise by the parties. Either party may request and require the arbitrator to issue a ruling on the procedural arbitrability issues immediately upon the close of arguments on those issues. If the Arbitrator rules that the grievance is barred from further review because of procedural

deficiencies, the Arbitrator will not review or rule on the underlying merits of the grievance.

- D. The losing party, as determined by the Arbitrator, will be assessed the full cost of the Arbitrator fees and expenses. If the Arbitrator deems that there is no losing party, the Arbitrator may apportion the full cost as the Arbitrator sees fit. All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expenses of witnesses called by the other party, except that witnesses who are Employees of the Employer shall be paid by the Employer for normal working time spent testifying at the hearing.

## **ARTICLE 16** **SENIORITY**

### **Section 16.1          Seniority**

The Employee having the longest term of unbroken service in the job classification represented by the Union shall be number one (1) on the seniority list within that job classification. All other Employees shall be listed in descending order.

### **Section 16.2          Termination of Seniority**

The seniority of an Employee will terminate under any of the following conditions:

- A. When a regular Employee is laid off, except that if that Employee is re-employed as a regular Employee and his service break is twelve (12) months or less, seniority will accrue uninterrupted to original date of hire;
- B. when the Employee resigns; or
- C. when the Employee is discharged for just cause.

### **Section 16.3          Layoff**

A. Should layoffs become necessary due to lack of work or lack of funds or any other operational reason, seniority by job classification as described below shall prevail regarding such layoffs except for NECA Temps. Job classifications for layoff purposes are as follows:

- Journeyman linemen;
- Control Wiring/Relay Technicians;
- Warehouse Department;
- Meter Techs & Readers;
- Power Plant Mechanics;
- Power Plant Operators

B. NECA Temps shall be laid off in reverse book order and reverse order within book by hire date.

C. Layoffs shall occur in the following order

1. NECA Temps
2. Probationary Employees
3. Regular Employees.

D. If a probationary or regular Employee is laid off, the Employee shall be given the first opportunity to work relief. There shall be no obligation to work relief by the Employee.

## **ARTICLE 17**

### **PERFORMANCE EVALUATIONS**

On or within thirty (30) working days after an Employee's anniversary date, the immediate supervisor outside the bargaining unit shall evaluate the performance of the Employee. After review and approval by the Utility Director, the supervisor will discuss the evaluation with the Employee privately. The Employee may provide written comments or a rebuttal to be attached to the evaluation. The final evaluation, with any Employee comments or rebuttal shall be filed in the Employee's personnel file located in Human Resources. Evaluations may be subject to review through the grievance procedure but not subject to arbitration.

## **ARTICLE 18**

### **DISCIPLINE AND DISCHARGE**

**Section 18.1** No regular Employee shall be disciplined or discharged except for just cause.

**Section 18.2** The Employer retains the sole discretion to determine the level or order of discipline to be issued in any given case. However, whenever possible, the Employer shall utilize progressive discipline to correct workplace misconduct or improve poor performance. Progressive discipline steps shall, include but not be limited to, written reprimand, suspension without pay, demotion, or discharge.

**Section 18.3** The Employer shall provide a copy of all disciplinary notices to the Employee and Union.

#### **Section 18.4 Resignation**

Any Employee resigning his or her position shall give at least two (2) weeks written notice to the Department Head. At the Employer's option, the Employee may be paid two weeks full pay and benefits and allowed to leave employment immediately.

### **ARTICLE 19 BENEFITS**

#### **Section 19.1 Retirement**

- A. All regular Employees shall be eligible to participate in the Alaska Public Employees Retirement System (PERS).
- B. Employees shall continue to participate in the State of Alaska Supplemental Benefit System (SBS).
- C. Nothing in this Section precludes the parties from further discussing or negotiating a transition from PERS to the Alaska Electrical Pension Fund during the life of this Agreement.

#### **Section 19.2 Alaska Electrical Legal Plan**

Within ninety days of the effective date of this Agreement, Employees will have the opportunity to participate in the Alaska Electrical Legal Plan. Upon notice from the Union that an Employee has elected to participate, the Employer shall deduct and remit fifteen cents (\$0.15) from the Employee's net pay for each compensable hour not to exceed forty (40) hours per week to the Alaska Electrical Legal Fund.

#### **Section 19.3 Life Insurance**

The Employer will provide life insurance benefits for regular Employees, subject to plan eligibility requirements. Additional life insurance benefits may be purchased by the Employees at their own expense.

**Section 19.4 Health and Welfare**

The Employer will make available to all regular Employees a health insurance plan, subject to plan eligibility requirements. The Employer shall pay 90% of the cost of coverage for the Employee and their dependents.

**Section 19.5 IBEW Hardship and Benevolent Fund (“IHBF”)**

The Employer shall deduct from Employee’s net pay five cents (\$0.05) per compensable hour. The Employer shall deduct and remit those funds in accordance with the IHBF plan.

**Article 20**  
**PERSONNEL POLICIES**

**Section 20.01 Personnel Policies Handbook**

- A. The Employer’s Personnel Policies Handbook as adopted by Ordinance does not apply to any Employee covered by this Agreement unless specifically referenced otherwise in this Agreement or as listed below.
- B. If the Employer recommends changes to the Handbook after the effective date of this Agreement, the Union will be provided a copy of the proposed changes when submitted to the Assembly.
- C. Upon request, the parties will meet to negotiate the proposed changes if such changes impact the wages, hours, and terms and conditions of employment of the Employees covered by this Agreement.
- D. Where a specific provision of the Personnel Policies directly conflicts with a specific provision contained in a section of this Agreement, as it may apply to any Employee covered by this Agreement, the provisions of this Agreement shall prevail.

**Section 20.02 Nepotism**

No employee may be employed in a position supervised by another family member. If an employee and their supervisor should marry, the Employer shall elect which employee may continue with the department and which employee shall terminate or transfer, if other positions are available. Family members for purposes of this

paragraph, shall include spouse, father, mother, brother, sister, child and the same relationship by in-law.

**Section 20.03                      Personal Business**

An employee is expected to conduct personal business outside the employee's work hours. Personal calls during the employee's work hours are discouraged. Breaks, meal periods, and leave are available for an employee to use for personal business.

**Section 20.04                      Anti-Harassment and Non-Discrimination Policy**

All employees covered by this Agreement shall be expected to comply with the Employer's Anti-Harassment and Non-Discrimination Policy found in the Personnel Policies Handbook.

**Section 20.05                      Electronic Communications Policy**

All employees covered by this Agreement shall be expected to comply with the Employer's Electronic Communication Policy found in the Personnel Policies Handbook.

**Section 20.06                      Other Employment**

Occupations or outside activity, which are incompatible with employment with the City or adversely affects the performance of the employee's job duties with the City are prohibited.

**Section 20.07                      Gifts and Gratuities**

An employee shall not accept a gift, gratuity, consideration or extraordinary favor for any person doing business or likely to do business with the City and shall immediately report to their Department Head any offer, promise or suggestion that such a gift be made. This prohibition does not apply to the giving of ceremonial gifts of nominal value or gifts received from an employee's family or ordinary circle of friend when not offered for an actual or perceived conflict of interest.

**Section 20.08                      Training**

Each Department Head shall develop and conduct such practical training programs as are suited to the special requirements for the Department. Training programs shall particularly emphasize accident prevention, employee safety and public relations.

**Section 20.09                      Travel**

Travel by any employee covered by this Agreement shall be paid consistent with Section 19 of the Personnel Policies Handbook.

**Section 20.10                      Drug-Free and Alcohol-Free Policy**

All employees covered by this Agreement shall be expected to comply with the Employer's Drug-Free and Alcohol-Free Policy found in the Personnel Policies Handbook.

**Section 20.11                      Violence-Free Workplace**

All employees covered by this Agreement shall be expected to comply with the Employer's Violence-Free Workplace Policy found in the Personnel Policies Handbook.

**ARTICLE 21**  
**GENERAL PROVISIONS**

**Section 21.1**

This Agreement sets forth all of the terms, conditions and understandings negotiated between the parties for the life of this Agreement except as provided in Section 21.2 below.

**Section 21.2                      Letters of Agreement**

No subsequent alternation, amendment, change or addition to this Agreement shall be binding on the parties hereto unless reduced to writing and signed by them in the form of a Letter of Agreement.

**Section 21.3                      Severability**

Should it be decided by decree of judgment of any court of competent jurisdiction or by mutual agreement of the parties that any article, section or provision herein is rendered invalid by reason of any existing or subsequently enacted statute, ordinance or other law, the invalidation of such article, section or provision will not affect the remaining portions hereof and such other parts and provisions will remain in full force and effect. Upon the invalidation of any article, section or provision hereof, the parties will meet and negotiate the parts and provisions concerned within thirty (30) days from the date the fact of such invalidation is communicated to them; provided, however, that the parties may mutually agree to extend the time for such negotiations.

#### **Section 21.4          Entire Agreement**

The parties acknowledge that during the negotiations which resulted in this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject matter not removed by law from the area of collective bargaining and that the understandings and agreements arrived at by the parties are set forth in this Agreement. The parties further understand that they have agreed to meet and confer about any subjects relating to this Agreement and other matters of mutual concern during the term of this Agreement when requested. However, nothing in this Section obligates a party to reach agreement or to change this Agreement with respect to any subject or matter specifically referred to or covered by this Agreement. This Agreement replaces and supersedes all prior oral and written understandings, agreements, and policies otherwise referred to or covered by this Agreement and concludes all collective bargaining for the duration of the Agreement. Nothing in this Section relieves either party of their legal obligation to bargain in good faith with respect to mandatory subjects of bargaining.

#### **Section 21.5          Assignability**

This Agreement shall be binding upon the successors and assigns of the parties hereto, and no provisions, terms or obligations herein contained shall be affected, modified, altered, or changed in any respect whatsoever by the consolidation, merger, sale, transfer, or assignment of either party, or of any kind of ownership or management of either party, or by any change, geographic or otherwise, in the location or place of business of either party.

### **ARTICLE 22** **SUBCONTRACTING**

- A. The Employer retains the right to contract and subcontract work at the Utility.
- B. The Employer may utilize qualified contractors for electrical or communication work, whether new or maintenance work, who have a collective bargaining agreement or letter of assent with the Union, so long as the use of such contractors furthers the Employer's fiscal responsibility and safety for the citizens and rate payers of the community.

This Agreement is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
David E. Miller  
Interim Municipal Administrator

\_\_\_\_\_  
Dave Reaves  
IBEW  
Business Manager/Financial Secretary

\_\_\_\_\_  
Kimberly K. Gearity  
Chief Negotiator

\_\_\_\_\_  
Pam Cline  
Assistant Business Manager

\_\_\_\_\_  
Bryan Bertachhi  
Electric Department Director

\_\_\_\_\_  
Rodney Hesson  
Assistant Business Manager

\_\_\_\_\_  
Max Russell  
IBEW Negotiation Team Member

\_\_\_\_\_  
Adam Charlton  
IBEW Negotiation Team Member

## Financial Effects of Tentative IBEW Collectively Bargained Wage Increase Executive Overview

1. Over current wages, the effect of this IBEW potential negotiated wage agreement is as follows:

		<b>Cumulative Over <u>Current</u></b>		<b>Over <u>Prior Year</u></b>
FY2020	\$	87,643.40	\$	87,643.40
FY2021	\$	171,915.90		84,272.50
FY2022	\$	<u>239,333.90</u>		67,418.00
<b>Total:</b>	<b>\$</b>	<b>498,893.20</b>		

2. Over current wages, the potential IBEW negotiated wage agreement represents the following average increases:

		<b>Cumulative Over <u>Current</u></b>		<b>Over <u>Prior Year</u></b>
FY2020		3.08%		3.08%
FY2021		6.03%		2.87%
FY2022		<u>8.40%</u>		2.18%
<b>Total:</b>		<b><u>8.40%</u></b>		

3. Over current wages, the cumulative effect of a 1% per year IBEW wage increase (for comparison, requested by Assembly):

		<b>Cumulative Over <u>Current</u></b>		<b>Over <u>Prior Year</u></b>
FY2020	\$	24,494.08	\$	24,494.08
FY2021	\$	53,373.10	\$	28,879.02
FY2022	\$	<u>82,439.91</u>	\$	29,066.81
<b>Total:</b>	<b>\$</b>	<b><u>160,307.09</u></b>		



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 19-170      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 8/6/2019      In control: City and Borough Assembly

On agenda: 8/13/2019      Final action:

Title: Approve the Assembly Position Subcommittee recommendations from the August 5 meeting for the following positions: Library Assistant, Scanner/Records Destruction Clerk (temporary), Customer Service Representative (temporary), Police Officers, Dispatch and Records Clerk

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Subcommittee](#)  
[DRAFT 2019-08-05](#)

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

**I MOVE TO** approve the recommendations of the Assembly Position Committee as outlined in the draft meeting minutes of August 5, 2019 and forward to the Interim Municipal Administrator.

Informational – motions:

### **Library Assistant**

A motion was made by Nelson to recommend to the Assembly that this position be filled. The motion PASSED by the following vote.

Yes: 3 – Wein, Nelson, and Eisenbeisz

### **Scanner/Records Destruction Clerk (temp employee)**

A motion was made by Nelson to recommend to the Assembly that this temporary position be filled – not to exceed six months and not to exceed the budget (\$20,000). The motion PASSED by the following vote.

Yes: 3 – Wein, Eisenbeisz, and Nelson

### **Customer Service Representative (temp employee)**

A motion was made by Nelson to recommend to the Assembly that the hire of a temporary employee for Customer Service until mid-October or until the employee on family leave had returned. The motion PASSED by the following vote.

Yes: 3 – Wein, Eisenbeisz, and Nelson

### **Police Officers**

A motion was made by Nelson to recommend to the Assembly that two Police Officers be hired. The motion PASSED by the following vote.

Yes: 3 – Nelson, Eisenbeisz, and Wein

### **Dispatch and Records Clerk**

A motion was made by Eisenbeisz to recommend the Assembly authorize the hire of Dispatch/Records Clerk up to the authorized strength and exempt the position from the hiring freeze. The motion PASSED by the following vote.

Yes: 3 – Nelson, Eisenbeisz, and Wein

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# Assembly Position Subcommittee Minutes

Monday, August 5, 2019      Noon  
Harrigan Hall Meeting Room 6

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**Subcommittee Members:**  
**Steven Eisenbeisz, Valorie Nelson, and Dr. Richard Wein**

**I. CALL TO ORDER**

Chair Eisenbeisz called the meeting to order at noon.

**II. ROLL CALL**

Subcommittee Members Present: Steven Eisenbeisz, Valorie Nelson, and Dr. Richard Wein. Others in attendance: Chief Finance and Administrative Officer Jay Sweeney, Library Director Kathryn Hurtley, Chief Police Robert Baty, and Municipal Clerk Sara Peterson

**III. CORRESPONDENCE /AGENDA CHANGES**

None.

**IV. PERSONS TO BE HEARD** (*not to exceed 3 minutes*)

None.

**V. APPROVAL OF MINUTES**

**A. July 15, 2019**

**A motion was made by Nelson to approve the minutes of July 15, 2019. The motion PASSED by the following vote:**

**Yes: 3 – Eisenbeisz, Wein, and Nelson**

**VI. UNFINISHED BUSINESS** (None)

**VII. NEW BUSINESS**

**B. Review of vacant positions:**

**1. Library Assistant**

Library Director, Kathryn Hurtley, stated this was not a new position rather than an employee had resigned. Wein wondered if there was an individual in mind for the position. Hurtley replied no and stated the position could not be advertised until approved by the Assembly.

**A motion was made by Nelson to recommend to the Assembly that this position be filled. The motion PASSED by the following vote.**

**Yes: 3 – Wein, Nelson, and Eisenbeisz**

## **2. Scanner/Records Destruction Clerk (temp employee)**

Municipal Clerk Sara Peterson explained there was currently one temporary employee who worked approximately 10 hours each week assisting the Clerk's Office with 1) scanning records into the electronic records management system and 2) records destruction. Peterson stated an addition temporary position was requested to accomplish organization goals of transitioning from paper records to electronic. Peterson stated \$20,000 had been budgeted.

**A motion was made by Nelson to recommend to the Assembly that this temporary position be filled – not to exceed six months and not to exceed the budget (\$20,000). The motion PASSED by the following vote.**

**Yes:** 3 – Wein, Eisenbeisz, and Nelson

## **3. Customer Service Representative (temp employee)**

Members believed the memo provided was self-explanatory.

**A motion was made by Nelson to recommend to the Assembly that the hire of a temporary employee for Customer Service until mid-October or until the employee on family leave had returned. The motion PASSED by the following vote.**

**Yes:** 3 – Wein, Eisenbeisz, and Nelson

## **4. Police Officers**

Chief Robert Baty explained he was requesting permission to fill four positions and advertise as positions become vacant. Nelson noted two officers with lawsuits had been terminated and wondered what would happen if they prevailed in litigation. Baty clarified only one per had been terminated and there was no litigation related to that. He stated he was unable to speak to the issue in public. Nelson said she would be comfortable with filling two of the positions, not four. Wein concurred and reminded a previous request for Police Officers had come before the Subcommittee in June. Baty stated those were for positions that were in the process of being filled. Eisenbeisz noted in the June request two of the positions were supposedly grant funded. He wondered if any of the four requests before the Subcommittee today were grant funded. Baty responded no and reiterated the request was for patrol positions. Nelson reminded the Chief could always come to the Assembly meeting on August 13 to speak to an additional two positions. Baty stated two positions was acceptable and he would come back in the future for the additional two positions when appropriate.

**A motion was made by Nelson to recommend to the Assembly that two Police Officers be hired. The motion PASSED by the following vote.**

**Yes:** 3 – Nelson, Eisenbeisz, and Wein

## **5. Dispatch and Records Clerk**

Chief Baty stated the position played a critical role, had high turnover and was difficult to fill. He requested he was seeking approval for two hires and for the position to be exempt from the hiring freeze. Wein stated he was surprised to see the request come before the Subcommittee as he was under the impression the position had been previously exempted. Baty stated for clarification purposes staff believed it best to bring the request forward. Members understood there was a high turnover rate and that the position was vital.

**A motion was made by Eisenbeisz to recommend the Assembly authorize the hire of Dispatch/Records Clerk up to the authorized strength and exempt the position from the hiring freeze. The motion PASSED by the following vote.**

**Yes: 3 – Nelson, Eisenbeisz, and Wein**

## **VIII. ADJOURNMENT**

**A motion was made Nelson to adjourn. Hearing no objections, the meeting adjourned at 12:34 p.m.**

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Attest: Sara Peterson, MMC  
Municipal Clerk



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 19-171      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 8/6/2019      In control: City and Borough Assembly

On agenda: 8/13/2019      Final action:

Title: Discussion / Decision of Assembly Member Nelson's attendance at the White House Office of Intergovernmental Affairs State Leadership Day events on September 10

Sponsors:

Indexes:

Code sections:

Attachments: [Discussion Decision Nelson travel](#)

Date	Ver.	Action By	Action	Result
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**Cosponsors:** Nelson and Mosher

## **Discussion / Decision**

of Assembly Member Nelson's attendance\* at the  
White House Office of Intergovernmental Affairs  
State Leadership Day events on September 10.

\*Ms. Nelson has requested to attend and offered to pay for travel expenses.

**Sara Peterson**

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**From:** Crozer, William F. EOP/WHO <William.F.Crozer@who.eop.gov>  
**Sent:** Thursday, August 1, 2019 11:12 AM  
**Cc:** Imhoff, Olivia P. EOP/WHO  
**Subject:** White House IGA (INVITATION): Alaska, Idaho, Montana, North Dakota, Oregon, South Dakota, Washington, and Wyoming Regional State Leadership Day (September 10)



Local Elected Officials and Leaders –

**On Tuesday, September 10, the White House Office of Intergovernmental Affairs is hosting the seventh of 10 regional State Leadership Day events with local elected officials from Alaska, Idaho, Montana, North Dakota, Oregon, South Dakota, Washington, and Wyoming. If you have already RSVP'd, please disregard this email. If you would like to attend, please register per the invitation below.** The meetings are designed for elected county (commissioners/supervisors or similar position) and municipal officials and will include briefings and discussion with Senior Administrative Officials on shared federal-state-local priorities pertinent to your respective states and communities. They are also a good opportunity to meet members of our Intergovernmental Affairs (IGA) team both at the White House and across the federal family (agencies) – IGA is the direct point of contact in the Administration for state and local elected officials. **All county commissioners/supervisors (or similar position) in your respective states are invited. If they have not received this invitation, please have them reach out to our office.**

We hope that you can join us – feedback from our 2017-18 initiative was overwhelmingly positive ([WTAS: Support for the Trump Administration's Unprecedented Outreach to State and Local Leaders](#)). **We will send additional information, including an agenda, several days before the conference. We will also be offering an East Wing tour the morning of the conference for registered attendees. East Wing Tour registration will be done separately from the conference registration. That information will be sent out with the final details and agenda.** Note that you are confirmed for this event if you successfully registered through the link provided in the below invitation. If you have logistical questions outside of the event itself, we recommend you contact your State Municipal/County Association.

Sincerely,

**The White House Office of Intergovernmental Affairs**

William F. Crozer  
Special Assistant to the President/Deputy Director  
White House Office of Intergovernmental Affairs  
O: 202-456-8491 | C: 202-881-8545 | E: William.F.Crozer@who.eop.gov



THE WHITE HOUSE

*To continue the unprecedented outreach to State and local elected officials, the White House Office of Intergovernmental Affairs invites you to the*

**Alaska, Idaho, Montana, North Dakota, Oregon, South Dakota, Washington, and Wyoming Regional White House Conference**

*at the White House for remarks and discussion with key administration leaders and policymakers on*

**Tuesday, September 10, 2019  
1:00 - 4:30 PM**

If you are able to attend, please submit your information in the secure form by **1:00 PM EDT on Tuesday, September 3**. The secure form can be accessed via the link provided below. Space is limited and RSVP's will be honored in the order they are received.

**Conference Registration Link: [Click here](#)**

Please note that it is essential that all information is submitted accurately. The information you submit must exactly match what is listed on your government issued identification that you will be required to present to Secret Service before entry onto White House grounds.

**A list of frequently asked questions is outlined below. Please consult this list before reaching out to White House Office of Intergovernmental Affairs staff.** More information, including arrival instructions (i.e. address and times) and the itinerary, will be forthcoming. Pertinent event updates will be sent to the email address that you register with. For additional questions, please contact Olivia Imhoff (email [Olivia.P.Imhoff2@who.eop.gov](mailto:Olivia.P.Imhoff2@who.eop.gov) / phone: 202-881-7466).

Sincerely,

William F. Crozer

Special Assistant to the President & Deputy Director  
White House Office of Intergovernmental Affairs

Morgan Bedan  
Associate Director

James Akin  
Associate Director

### **Frequently Asked Questions**

**What information do I need to submit in order to attend?** Clicking on the registration link provided above will outline the information you are required to submit in order to register to attend. Please do not fill out this information if you cannot attend. The information you submit must exactly match that of your government issued identification that you will be required to present to Secret Service before entering White House grounds.

**How do I know if I successfully registered?** Once you click on the registration link, fill out all required information, and submit it, you will receive a confirmation message to the email address you provided. Please make sure to check your spam/junk email folder if you do not receive this confirmation.

**What if the link does not work?** If the registration link provided does not work or will not properly load, try using a different browser. If you are still unable to register, please contact White House Office of Intergovernmental Affairs staff.

**Is this invitation transferable?** No, this invitation is non-transferable unless discussed with the White House Office of Intergovernmental Affairs. Note that all county commissioners/supervisors (or similar position) have been invited – if you have not received this invitation, please reach out to our office. Any information submitted from an uninvited guest will not be processed.

**What items are permissible/non-permissible?** You'll be able to bring purses, backpacks, phones, etc. Luggage is allowed. Prohibited items include guns, ammunition, fireworks, electric stun guns, mace, martial arts weapons/devices, or knives of any size. If you are unsure about a certain item, please feel free to reach out to our office for clarification.

**Is lodging and/or transportation provided?** No, registered attendees are responsible for their own accommodations, meals, and transportation to Washington, D.C. and throughout the duration of their visit. Due to federal regulations, we are unable to provide you with recommendations for travel and accommodations. We recommend reaching out to your County/Municipal Association for guidance. Bottled water will be provided during the conference portion of the event. Lunch is not provided; however, there is a cafeteria in the Eisenhower Executive Office Building where guests can purchase items.

**Where do I go?** All events will take place on the White House complex. We will provide further information approximately one week ahead of the event date.

**How do I get around Washington, D.C.?** For travel and transportation in Washington, D.C., taxis and ride sharing services are readily available. The metro is also a convenient way to travel. The closest metro stops are Federal Triangle and Farragut West. More information on the metro, including travel times and maps, can be found by clicking [here](#).

**What media is permissible?** You are permitting to take photos during the White House Tour as well as the conference. Videos are not permitted.



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 19-172      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 8/6/2019      In control: City and Borough Assembly

On agenda: 8/13/2019      Final action:

Title: Update and discussion / direction on next steps for the Municipal Administrator recruitment process and discussion of memo from Interim Municipal Administrator Dave Miller

Sponsors:

Indexes:

Code sections:

Attachments: [Next steps](#)

Date	Ver.	Action By	Action	Result
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**Update and discussion / direction** on next steps for the Municipal Administrator recruitment process and discussion of memo from Interim Municipal Administrator Dave Miller.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
**From:** Dave Miller, Interim Administrator / Fire Chief  
**Date:** August 8, 2019

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Thank you for the opportunity to serve the City and Borough of Sitka. We live in a wonderful community.

I would like to offer my thoughts for consideration as they relate to the recruitment/hiring of an Administrator.

Until an Administrator is hired, I am committed to serving as Interim Administrator / Fire Chief. I realize this may take some time, as it should, to find the right candidate for the position.

Once a new Administrator is in place, I propose the Assembly consider moving me to a transitional position, "Assistant Administrator / PIO". At this time a new Fire Chief would also be hired. I see this as a win-win situation for everyone involved in a time of transition. The new Administrator and I would work closely together to create a strong team for the City. Concurrently, I would mentor the new Fire Chief to ensure the success of that individual in his/her new role.

My goal is to retire in the near future; two years or less. I firmly believe we need to provide a pathway to success for our new Administrator and future Fire Chief. My proposal does just that.

Thank you for your consideration.