



# 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 Kevin Mosher,  
Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor Christianson*

*Municipal Administrator: John Leach  
Municipal Attorney: Brian Hanson  
Municipal Clerk: Sara Peterson*

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Tuesday, June 9, 2020

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**

[20-119](#) Reminders, Calendars, and General Correspondence

**Attachments:** [Reminders and Calendars](#)

[Board of Regents UA Letter](#)

[PW Assembly Update 5 May 6.2.20](#)

**V. CEREMONIAL MATTERS**

*None.*

**VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, 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**     [20-115](#)     Approve the minutes of the May 26 and May 28 Assembly meetings  
**Attachments:** [Consent and Minutes](#)
- B**     [20-117](#)     Approve a restaurant designation permit application and licensed premises diagram application for Hector Barragan dba Pizza Express at 1321 Sawmill Creek Road Suite E, F, G, H, I  
**Attachments:** [01 Motion and Memos](#)  
[02 5204 AB-14 and AB-03 FULL PACKET](#)

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

- C**     [20-118](#)     Reassign category membership of Historic Preservation Commission member Roberta Littlefield from "Native Community" to "At-Large"  
**Attachments:** [Motion and Application](#)

**XI. UNFINISHED BUSINESS:**

- D**     [20-106](#)     Approve the City and Borough of Sitka Athletic Field Use Policy and Guidelines as recommended by the Parks and Recreation Committee (this item was postponed at the May 12, 2020 meeting)  
**Attachments:** [00 Motion.](#)  
[May 12 Minutes](#)  
[01 Assembly memo for Athletic Field Use Policy](#)  
[02 REVISION Field Use Policy - Draft 4.7.2020](#)  
[03 P&R compiled minutes](#)  
[04 Athletic Field Use Permit Application](#)  
[05 AthleticFieldUsePermitGuidelines\\_2019](#)
- E**     [ORD 20-26](#)     Amending Title 2 "Administration", Chapter 2.04 "City and Borough Assembly", Section 2.04.010 "Agenda"  
**Attachments:** [Motion Ord 2020-26](#)  
[Ord 2020-26](#)

- F      [ORD 20-27](#)      Amending Title 2 "Administration", Chapter 2.20 "Fire Department",  
Section 2.20.010 "Establishment"  
*Attachments:* [Motion Ord 2020-27](#)  
[Ord 2020-27](#)
- G      [ORD 20-30](#)      Authorizing the City to obtain a loan from the Alaska Municipal Bond Bank  
in a principal amount not to exceed \$7,000,000 to refinance for savings the  
City's outstanding loan from the Alaska Energy Authority; authorizing the  
issuance to the Bond Bank of a junior lien electric revenue refunding bond  
of the City to evidence and secure the loan; authorizing the Municipal  
Administrator and Chief Finance and Administrative Officer to enter into a  
loan agreement with the Bond Bank setting forth the terms and conditions  
of the loan and the refunding bond; and establishing an effective date  
*Attachments:* [Motion Ord 2020-30](#)  
[Memo Ord 2020-30](#)  
[Ord 2020-30](#)
- H      [ORD 20-28](#)      Establishing the CARES Act Utilities Subsidization Program  
*Attachments:* [Motion Ord 2020-28](#)  
[Memo Ord 2020-28](#)  
[Ord 2020-28](#)
- I      [ORD 20-29](#)      Establishing the CARES Act Moorage Costs Subsidization Program  
*Attachments:* [Motion Ord 2020-29](#)  
[Memo Ord 2020-29](#)  
[Ord 2020-29](#)
- J      [ORD 20-31](#)      Making supplemental appropriations for Fiscal Year 2021 (CARES Act  
Funding - Utilities and Moorage Accounts)  
*Attachments:* [Motion Ord 2020-31](#)  
[Memo Ord 2020-31](#)  
[Ord 2020-31](#)

XII.      **NEW BUSINESS:**

**New Business First Reading**



**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. Regular Assembly meetings are livestreamed through the City's website, aired live on KCAW FM 104.7, and broadcast live on local television channel 11. To receive Assembly agenda notifications, sign up with GovDelivery on the City website.*

*Sara Peterson, MMC, Municipal Clerk  
Publish: June 5*



# CITY AND BOROUGH OF SITKA

## Legislation Details

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**File #:** 20-119      **Version:** 1      **Name:**  
**Type:** Item      **Status:** AGENDA READY  
**File created:** 6/4/2020      **In control:** City and Borough Assembly  
**On agenda:** 6/9/2020      **Final action:**  
**Title:** Reminders, Calendars, and General Correspondence  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Reminders and Calendars](#)  
[Board of Regents UA Letter](#)  
[PW Assembly Update 5 May 6.2.20](#)

Date	Ver.	Action By	Action	Result
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# REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, June 9	Regular Meeting	6:00 PM
Tuesday, June 23	Regular Meeting	6:00 PM



## *Municipal Election Reminders*

Monday, July 20	First day to file candidate petitions
Tuesday, July 28	Last scheduled meeting to introduce ordinances for charter changes and ballot measures
Friday, August 7	5:00 PM deadline for filing candidate petitions
Tuesday, August 11	Last scheduled meeting to adopt ordinances for charter changes and ballot measures
Tuesday, October 6	Municipal Election

### Expiring Terms:

Mayor  
Gary Paxton

Assembly  
Steven Eisenbeisz  
Richard Wein

School Board  
Elias Erickson  
Dionne Brady-Howard

# Assembly Calendar

[2019](#)  
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 [2021](#)

**June 2020**

Sunday		Monday		Tuesday		Wednesday		Thursday		Friday		Saturday	
31	<a href="#">May</a>	1	<a href="#">Jun</a>	2	3	4	5	6					
					6:00pm <u>Library Commission - Liaison Christianson</u> 6:00pm <u>Joint Planning/Assembly Work Session - No Name Mountain Project</u> 7:00pm <u>Planning Commission - Liaison Mosher</u>	3:00pm <u>SEDA Board - Liaison Paxton</u>							
7		8		9	12:00pm <u>Parks &amp; Recreation - Liaison Knox</u> 6:00pm <u>Regular Assembly Mtg</u>	10	11	12	13				
					5:00pm <u>Tree &amp; Landscape - Liaison Wein</u> 6:00pm <u>Historic Preservation - Liaison Mosher</u> 6:00pm <u>Port &amp; Harbors Commission - Liaison Knox</u>	12:00pm <u>LEPC - Liaison Nelson</u> 1:30pm <u>Health Needs &amp; Human Services - Liaison Wein</u>							
14		15		16		17	18	19	20				
						7:00pm <u>Planning Commission - Liaison Mosher</u>							
21		22		23	6:00pm <u>Regular Assembly Mtg</u>	24	25	26	27				
					6:00pm <u>Police and Fire - Liaison Nelson</u> 6:00pm <u>School Board</u>	6:00pm <u>Special Meeting: Evaluations for Municipal Administrator and Municipal Attorney</u>							
28		29		30		1	<a href="#">Jul</a>	2	3	4			
					6:00pm <u>Library Commission - Liaison Christianson</u> 7:00pm <u>Planning Commission - Liaison Mosher</u>								

# Assembly Calendar

[2019](#)   [Jan](#)   [Feb](#)   [Mar](#)   [Apr](#)   [May](#)   [Jun](#)   [Jul](#)   [Aug](#)   [Sep](#)   [Oct](#)   [Nov](#)   [Dec](#)   [2021](#)  
**July 2020**

Sunday		Monday	Tuesday	Wednesday		Thursday	Friday	Saturday	
28	<u>Jun</u>	29	30	1	Jul	2	3	4	
				6:00pm <a href="#">Library</a> <a href="#">Commission - Liaison</a> <a href="#">Christianson</a> 7:00pm <a href="#">Planning</a> <a href="#">Commission - Liaison</a> <a href="#">Mosher</a>					
5		6	7	8		9	10	11	
				5:00pm <a href="#">Tree &amp; Landscape</a> <a href="#">- Liaison Wein</a> 6:00pm <a href="#">Historic Preservation</a> <a href="#">- Liaison Mosher</a> 6:00pm <a href="#">Port &amp; Harbors</a> <a href="#">Commission - Liaison Knox</a>		12:00pm <a href="#">LEPC - Liaison Nelson</a> 1:30pm <a href="#">Health Needs &amp; Human Services - Liaison Wein</a>			
12		13	14	15		16	17	18	
			12:00pm <a href="#">Parks &amp; Recreation - Liaison Knox</a> 6:00pm <a href="#">Regular Assembly Mtg</a>	7:00pm <a href="#">Planning</a> <a href="#">Commission - Liaison Mosher</a>					
19		20	21	22		23	24	25	
			12:00pm <a href="#">Tree and Landscape</a>	6:00pm <a href="#">Police and Fire - Liaison Nelson</a>					
26		27	28	29		30	31	1	
			6:00pm <a href="#">Regular Assembly Mtg</a>					<u>Aug</u>	



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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June 3, 2020

Board of Regents  
University of Alaska  
PO Box 755300  
Fairbanks, AK 99775

Dear Board of Regents,

The City and Borough of Sitka (CBS) respectfully objects to all options that would eliminate the University of Alaska Southeast (UAS) as a separate university within the UA system.

Southeast Alaska greatly benefits from the education and training opportunities offered by UAS, and with educational programs centered on local economic enterprises, UAS allows students to remain in Southeast Alaska and contribute to our local economy.

The UAS Sitka Campus is an integral part of our local community. As a valued community partner, UAS provides vital educational opportunities for young people and adults alike in Southeast Alaska and is key to helping our young people remain in the region as successful adults. UAS is directly responsible for Sitka maintaining a trained, highly skilled workforce capable of making the most of our region's best economic opportunities. UAS is a critical resource that we cannot afford to lose or downgrade.

I currently serve as a UAS Sitka Advisory Council Member. I believe in the value of the UAS Sitka Campus and its mission to support our young people and the industries of Southeast Alaska.

Thank you for your consideration,

**John M. Leach**

Municipal Administrator  
City and Borough of Sitka

Copy: City and Borough of Sitka Assembly  
UAS Sitka Advisory Board

**PUBLIC WORKS ASSEMBLY UPDATE**  
**WORK COMPLETED THROUGH MAY 2020**

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

**Milestones This Period**

- Demolition of exterior siding completed.
- Installation of building felt and hat-channel for new siding in progress.

**Future Milestones**

- New interior partition sheetrock and wall closure, June, 2020.
- Reconstruction of all building siding, doors, and windows, Summer/Fall 2020.
- Installation of new mechanical, electrical, and SCADA building systems, February, 2021.
- Installation of new transformer by CBS Electric Dept., Summer 2020.
- Anticipated project Substantial Completion May 20, 2021.

**Background**

The Wastewater Treatment Plant was built in the early 1980's and many of the building systems, including the building envelope (exterior siding, windows and doors), electrical, plumbing and mechanical, including the HVAC (ventilation air) system, have failed or are past their useful life and require replacement. The air quality within the building is inadequate and corrosive, and as a result the exposed piping and metal within the building have corroded.

Total project cost is currently estimated at \$9,782,000. Funding for this project is provided by the following sources:

\$263,000 – WW Fund Working Capital  
(\$218,000) – WW Working Capital moved to the SCADA Control Project  
\$9,737,000 – DEC Loans  
\$9,782,000 – Total Available Project Funding

Current Contracts: McCool Carlson Green (design)	\$898,284
MCG Constructors, Inc./DCI Joint Venture (w/CO-1)	\$7,432,800

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

For more information and history on this project, visit the City website at:  
[www.cityofsitka.com](http://www.cityofsitka.com) > Public Works Department > Public Works Projects > Critical Secondary Water Supply – or go directly to:  
<https://www.cityofsitka.com/government/departments/publicworks/projects.html>

**Milestones This Period**

- All future milestones are in progress.

**Future Milestones**

- Facilitate discussion between NSRAA and CBS Administration to establish a project cost sharing structure for potential EDA grant: June 2020.
- Solicit construction bids for intake work: August 2020.

- Solicit construction bids for filter plant work: September 2020.
- Substantial Completion for secondary water source project anticipated in January 2022.

**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 (design)	\$1,104,291
	Jacobs (independent design review)	\$25,000
	Pall Water (supply filtration equipment)	\$2,339,350

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

**Milestones This Period**

- Harbor opened for use under a Temporary Occupancy Certificate. All slips available for moorage, but power will not be available until electrical construction is complete. Potable water and fire suppression is available.

**Future Milestones**

- Electrical subcontractor to install substations, June 2020. This will provide power to the electrical equipment adjacent to the slips. Schedule subject to supply-chain delays due to COVID-19.
- Project Substantial Completion date is June 12, 2020. Schedule subject to supply-chain delays due to COVID-19, and will likely need to be extended to early July via change order.

**Background**

The physical condition of Crescent Harbor had deteriorated to point where in-house repairs are no longer sufficient to adequately maintain the facility. Harbor Department staff and Public Works Department engineers determined 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 an estimated total cost of \$13 million for design and construction. Funding for this project is provided by the following sources:

\$1,000,000 – Harbor Fund Working Capital  
 \$5,000,000 – AK DOT Harbor Matching Grant

\$8,025,000 – Harbor Revenue Bonds  
\$14,025,000 – Total Available Project Funding

Current Contracts:	Jacobs (project administrative support)	\$315,905
	PND, Inc (construction inspection support)	\$189,455
	Turnagain Marine Design-Build Contract	\$13,141,812

### **Sitka Cross Trail Phase 6 (CONSTRUCTION PHASE)**

#### **Milestones This Period**

- 3,800 feet (of 14,000 feet total) of rough trail constructed to-date.
- Project is approximately 30% complete through April 30, 2020.

#### **Future Milestones**

- Construction of No Name Creek log bridge, Summer 2020.
- Construction of Harbor Mountain Road trailhead parking area, Spring 2020.
- Construction Old Sitka connector trail, Summer 2021.
- Substantial Completion, September 2021.
- Open for recreational trail use, October 2021.

#### **Background**

The project includes extending the Sitka Cross Trail from Harbor Mountain Road westward to Starrigavan Boat Launch overflow parking lot, adjacent to the USFS Forest & Muskeg trailhead. A small parking lot will be constructed at the Harbor Mountain Trailhead. The project also includes a connector trail in the vicinity of No Name Mountain for users to access the Cross Trail from the Old Sitka cruise ship dock. The total length of new trail to be constructed is 14,000 feet (2.6 miles), increasing the total length of the Sitka Cross Trail system to over 7 miles, including multiple access points throughout.

The project is being constructed by Sitka Trail Works, who has assisted with the development of the project from start to finish. The current funding plan is as follows:

\$ 2,132,698 – Grant from Western Federal Lands  
\$ 72,575 – CBS GF and/or CPET Funds  
\$ 142,596 – STW contribution  
\$ 2,347,869 – Total Available Project Funding

Current Contracts:	Sitka Trail Works, Inc.	\$2,010,644
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### **Thomsen Harbor Anode Replacement (DESIGN PHASE)**

#### **Milestones This Period**

- All future milestones are in progress.

#### **Future Milestones**

- Anticipate bid advertisement, pending design revisions, July 2020.
- Construction planned for October 2020. Substantial Completion, February 2021.

## **Background**

Old Thomsen Harbor was originally built in 1976. In 2006, the CBS replaced the Old Thomsen Harbor floats with new timber floats as part of a comprehensive capital improvement program. At the time of construction, a cathodic protection system was considered to prevent future corrosion, but not installed due to financial considerations. Some of the existing steel piles are already showing signs of mild corrosion. This project will install cathodic protection on all of the steel pipe piles in Thomsen Harbor in the form of sacrificial anodes welded to the piles. The new anodes are designed to protect the piles for 20 years, thereby extending the life of this important and expensive harbor facility.

The project currently has an estimated total cost of \$450,000. Total available funding for this project is \$406,000. Funding for this project is provided by the following sources:

\$203,000 – Harbor Fund Working Capital  
\$203,000 – AK DOT Harbor Matching Grant  
\$406,000 – Total Available Project Funding

If necessary, additional working capital – approximately \$44,000 - from the completed Crescent Harbor Phase 1 project may be transferred to fully fund this project prior to an award of a construction contract.

Current Contracts: PND Engineers, Inc.

\$17,870

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

For more information and history on this project, visit the City website at:

[www.cityofsitka.com](http://www.cityofsitka.com) > Public Works Department > Public Works Projects > New Sitka Seaplane Base – or go directly to:

<https://www.cityofsitka.com/government/departments/publicworks/SitkaSeaplaneBaseSitingStudy.htm>

## **Milestones This Period**

- Consultant onsite fieldwork for tideland, wetlands, and cultural/historical completed.
- Planning level Wind and Wave study completed.
- Planning level upland and marine options along with descriptions and survey prepared for pilot/stakeholder meeting(s) and input.
- The State has started the process to transfer the tide and submerged lands to CBS. DNR published the Preliminary Decision and Public Notice for Tideland Conveyance to City and Borough of Sitka, ADL 109021 – Sitka Channel for the submerged and tide lands for the SPB. The comment period closed May 11, 2020. Two comments were received.

## **Future Milestones**

- Preliminary facility layout options to be shared electronically with Pilot Stakeholders for facility size and amenity input, June 2020.
- Completion of field work in Sitka by the consultants for the Intertidal Habitat and Marine Life Surveys. Completion of all fieldwork and these studies will impact and influence the final preliminary facility layout.
- The facility layout stakeholders meetings will be scheduled once preliminary facility layout options are ready for discussion and user input, July 2020.
- Permitting: DRAFT NEPA Environmental Assessment (EA) prepared and ready for Public Review: November 2020.
- Planning for land acquisition and business plan: October/November 2020.
- Public Meeting and/or input on drafts EA, facility layout, and business plan: November 2020
- Prepare and submit AIP grant applications to FAA for next phase Design/Land Acquisition: Fall 2021 (depends on federal funding cycle).

## **Background**

The existing Seaplane Base has been operating for 65 years and is at the end of its useful life. The Assembly passed an action plan to construct a new facility just inside the breakwater on Japonski Island (end of Seward Street) making this a top priority to secure Federal Funding, land, and ultimately construction. Federal funding is anticipated to cover 93.75% of the cost of construction and another \$150k per year in operational maintenance. For this reason, it is essential for the project development to follow the required Federal funding process anticipated to span four years.

There are 5 main phases required to complete to be eligible to proceed to the next stage and receive Federal funding:

1. Planning and Environmental Review (current funded stage):  
Complete early 2021
2. Layout plan (current funded stage): Complete early 2021
3. Land acquisition (not funded until EA is completed and approved):  
Complete Summer 2022
4. Design/Final Permitting (must build or give back FAA funds):  
Complete Summer 2022
5. Construction: 2023-2024

We understand there are concerns over the length of the process especially as it relates to these initial grant phases of work for the Environmental Assessment and completed a kickoff meeting to help clarify and brainstorm options in navigating the required federal process as well as to provide an opportunity to give comments and ask questions, before the project proceeds into the permitting phase.

For detailed meeting notes and presentation materials, visit the project web page at the link above.

The preliminary total project cost is estimated at \$16 million. Funding for this project is provided by the following sources:

\$842,629 – FAA AIP Grant (E/A & Planning Grant)  
\$56,176 – General Fund Working Capital (Req'd CBS Match @ 6.25%)  
\$898,805 – Total Available Project Funding

Current Contracts: DOWL (E/A & Aviation Planning) \$707,079

### **Sitka Sea Walk Phase 2 (PLANNING & DESIGN PHASE)**

#### **Milestones This Period**

- All future milestones are in progress.

#### **Future Milestones**

- Additional scoping effort to be performed to explore more affordable alternatives, July 2020.
- Design phase to kick off in late 2020 with plans for multiple meetings throughout the process.
- Construction is estimated to begin, Spring 2021.

#### **Background**

The project includes extending the Sitka Sea Walk from the Sitka Public Library toward (and under) O'Connell Bridge and terminating at the west end of Lincoln Street at its intersection with Harbor Way. Phase 2 of the Sea Walk, an 8-foot wide handicap accessible multi-use path, will continue the same theme as the first phase of the Sea Walk that extends from Harrigan Centennial Hall East through Crescent Harbor Park toward Sitka National Historical Park. The project is being delivered (managed) by Western Federal Lands (WFL), will be designed in 2020 and construction is expected to begin Summer 2021. Multiple rounds of public involvement are anticipated throughout the design process. The current funding plan is as follows:

\$ 1,674,713 – Grant from Western Federal Lands  
\$158,060 – CBS GF and/or CPET Funds  
\$1,832,773 – Total Available Project Funding

Current Contracts: No CBS contracts at this time.

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

#### **Milestones This Period**

- All future milestones are in progress.

#### **Future Milestones**

- Apply for Alaska Sustainable Salmon Fund grant, June 2020. The list of projects selected for funding will be released in December 2020.
- Complete design, July 2020.
- Project to be bid in Fall 2020 and constructed in Summer 2021 when public schools are not in session. The closure of Peterson Street would cause major school-bus delays.

## Background

The project includes replacement of deteriorated 60" corrugated metal culvert crossing under Peterson Street, allowing for fish passage. Peterson Street is a collector street that provides critical access to side streets and local residences as well as to Sitka High School.

Total project cost is estimated at \$1,215,000. Funding for the project is provided by:

\$1,020,000 – General Fund Working Capital  
\$55,000 – National Fish & Wildlife Foundation design grant  
\$60,000 – U.S. Fish and Wildlife Service Fish Passage construction grant  
\$80,000 – U.S. Fish & Wildlife Service Fish Passage construction grant  
\$1,215,000 – Total Available Project Funding

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

## **Channel and Eagle Way Lift Station Rehabilitation (BIDDING PHASE)**

### **Milestones This Period**

- All future milestones are in progress.

### **Future Milestones**

- Rehabilitate Channel and Eagle Way lift stations:
  - Substantial Completion: October 23, 2020.
  - Physical Completion: November 23, 2020.
  - Contractor is developing detailed Work Plan and schedule. This information will provide more specific future milestone dates.

## Background

Eagle Way Lift Station is responsible for pumping all sewage east of Eagle Way toward the Wastewater Treatment Plant. Channel Lift Station is responsible for an apartment complex and one private residence on Halibut Point Road. Both 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.

The estimated construction cost for the project is approximately \$1.2 million. Funding for the project is provided by:

\$250,000 – DCCED grant (Eagle Way Lift Station)  
\$530,000 – Wastewater Fund Working Capital (Eagle Way Lift Station)  
\$108,266 – Wastewater Fund Working Capital (Channel Lift Station)  
\$371,109 – ACWF loan (Channel Lift Station)  
\$1,259,375 – Total Available Project Funding

Current Contracts: DOWL (C-EW portion of bigger design project) \$100,975  
DXPE (Eagle Way portion of pump supply contract) \$56,714  
Boreal Control (C-EW portion of control equipment supply contract) \$97,200  
Marble Construction (construction) \$829,238

## **Brady Lift Station Rehabilitation (DESIGN PHASE)**

### **Milestones This Period**

- All future milestones are in progress.

### **Future Milestones**

- Request supplemental appropriation for \$250K. This was missed during the FY21 budget process: June 2020.
- Complete design and bid out project: June 2020.
- Issue Notice to Proceed to low bidder: August 2020.
- Construct Brady Lift Station improvements:
  - Start construction: November 2020.
  - Substantial Completion: February 2021.
  - Physical Completion: March 2021.

### **Background**

Brady Lift Station is responsible for pumping all sewage generated north of Brady Street to the Wastewater Treatment Plant. A plug valve in the lift station has failed, making it impossible to isolate one of the three pumps for maintenance. Equipment is outdated and requires excessive maintenance. Project will rehabilitate lift station, re-using existing infrastructure to the extent feasible. Work is scheduled to minimize impacts to True Value. The project will require use of part of their parking lot.

The estimated construction cost for the project is approximately \$900K. Funding for the project is provided by:

\$217,400 – ACWF loan  
\$428,759 – Wastewater Fund Working Capital  
\$646,159 – Total Available Project Funding

A supplemental budget request for \$250K will be needed to fully fund the project.

Current Contracts:	DOWL (Brady portion of bigger design project)	\$115,467
	DXPE (Brady portion of pump supply contract)	\$53,730
	Boreal Control (Brady portion of control equipment supply contract)	\$97,700

## **Airport Terminal Improvements (DESIGN PHASE)**

### **Milestones This Period**

- Received a grant amendment offer from TSA for additional funding for the Design of the TSA Baggage Screening Area, due to delays and additional design effort required by Consultants and CBS staff. Execution of this grant amendment will allow the restart of the project, which has been stalled awaiting this amendment.

### **Future Milestones**

- Assembly approved appropriation to spend additional TSA grant funds, June, 2020.
- Complete the 35% revisions for the rest of the terminal improvements design and move into the Design Development Phase (65%) where the improvements will be

developed and defined in separate phases for construction and funding, Summer 2020.

- Resolve the remaining 30% TSA design submittal issues for the TSA Baggage Screening Area, Summer 2020.
- AK DOT involvement 65%, especially regarding potential FAA AIP funding & Improvement staging Fall 2020.
- 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 at least 2021 through 2023, due to the Federal Government shutdown at the end of 2018 and the lack of project funding.

### **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. The total anticipated revenue collection over the 20-year period of collection is \$6,840,000.00, which will finance the \$4,025,000 revenue bond along with its fees and debt service.

The 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 Secured
• TSA OTA Grant	\$158,569	Secured
• TSA Funding	\$3,397,500	Unsecured
• Eligible AIP Grant Request	\$10,283,954	Unsecured

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

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

#### **Milestones This Period**

- All future milestones are in progress.

#### **Future Milestones**

- Obtain DNR approval of easement drawings, Summer 2020.
- Utilize remaining State grant funds, approximately \$60,000 to complete additional improvements (emergency phone line or cell booster to shooting range, guardrail at HPR intersection, turnaround area at new bridge), Summer 2020.

- Final Project Closeout, Summer 2020.

### **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 entirely 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

### **Maintenance Activities**

#### Streets

- Repaired waterline Kiksadi Court.
- Graded gravel roads.
- Watered down gravel roads.
- Adjusted manholes on SMC by National Cemetery.
- Spray patched manhole lids on SMC from Wolff Dr. to Shotgun Alley.
- Hauled training vehicles for Fire Dept. to Scrapyard.
- Cleared brushed around intersections.
- Cleaned ditches on Monastery Street area.
- Swept downtown and various other streets.
- Buried approximately 80 yds. of bio-solids.
- Over hauled and inventoried snow chains for next season.
- Filled Potholes.
- Repaired culvert end at Crescent Harbor.
- Repaired sink hole on Wolff Dr. and RV parking lot.
- Cleaned out catch basins at Baranof Elementary, Keet Gooshi Heen and Sitka High School.

#### Central Garage

- Replaced clutch and pressure plate on the sand truck.
- Rebuilt damaged bumper on the sand truck.
- Pulled conveyor out of old sand truck ordered parts to rebuild bottom.
- Did numerous repairs and maintenance.

#### Scrapyard

- Cleaned up scrapyard area.
- Loaded 8 gondolas total weight 173,960 pounds which equals 86.98 tons and the average of 10.87 tons a load.

#### Solid Waste

- Scheduled City Clean Up 7/18/2020 to 7/26/2020.

## **Grounds Maintenance**

### **Completed**

- Preventive maintenance schedule – Normal operations 9 preventative maintenance (PMs)
- Reactive/Requested Work Orders – 29 PMs
- Hired 2 summer temp Grounds Maintenance crew. Retracted rotation and operations due to COVID-19 and resources available.
- Cleanup of Herring Cove Grounds.
- Crescent Harbor Lawns repaired due to items staged during the Harbor project.
- Playgrounds re-opened Friday, May 22<sup>nd</sup>. Due to COVID-19 playgrounds were temporarily closed.

### **Ongoing**

- Providing support, continuing maintenance, repairs based around necessity pertaining to COVID-19. Security checks of recreations facilities.
- Disinfecting of skate park due to COVID-19
- Lower Moller East Playground – had been on hold due to COVID-19. As mandates are lifted CBS team and volunteers will continue to work on getting the playground re-opened pending other priorities.
- Looking into option for anti-skid surface along sea-walk's board walk areas. A couple products have been picked as potential solutions. Vetting cost and labor to commence a trial run of one product or both products.
- Working on security cameras for the Moller Complex.

## **Building Maintenance**

### **Completed**

- Preventive maintenance schedule – Normal Operations – 116 PMs.
- Reactive/Requested Work Orders – 4 Work Orders (documented in report)
- Temp. Building & Grounds Attendants hired to assist with demands and commencing touch point sanitization as well as cleaning of some City Buildings, Grounds and Restroom Facilities. Also supporting efforts for Harbors bathrooms. They are:
  - Provide support to building & grounds maintenance team, building occupants, staff, and facilities as it relates to COVID-19.
  - Providing stock to sites that have been ordered for sanitation/disinfecting of City buildings.
- Senior Center Roof leak repairs made.
- Library roof leak repairs made.
- Library LED lighting repairs made.

### **Ongoing**

- City/State office complaints on damaged window with cold weather. Provided estimated cost to replace based off other windows. Reached out to contractor for proposal. State would need to pay for replacing.
- State DOT/PF requesting City/State to no longer be part of their infrastructure. Discussion on option to proceed with City/State 1967 Agreement.

- Centennial Hall – Gutter membrane installation, contractor will be complete before June 3, 2020.

### **Monitoring**

- Harrigan Centennial Hall – tile floor cracking common areas, waiting to see if weather changes create more issues.
- Harrigan Centennial Hall additional cracks discovered under meeting room 5 carpet tiles. Waiting to see what happens with weather changes and activate on plan for repairs if required.

### **Water/Wastewater**

May Water/Wastewater Highlights.

The Water Division replaced a leaking section of a 1-inch copper service on Kiksadi Court.



Wipes are a problem for wastewater treatment plant operators. The extra cleaning due to COVID-19 has exacerbated this problem. They do not break down in water and can cause back-ups and damage to sewer infrastructure. The Environmental Division will continue to inform the community on what not to flush. This is a check valve that is packed full of wipes:





# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 20-115      Version: 1      Name:  
Type: Item      Status: AGENDA READY  
File created: 6/3/2020      In control: City and Borough Assembly  
On agenda: 6/9/2020      Final action:  
Title: Approve the minutes of the May 26 and May 28 Assembly meetings  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Consent and Minutes](#)

Date	Ver.	Action By	Action	Result
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#

## **CONSENT AGENDA**

### **POSSIBLE MOTION**

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

I wish to remove Item(s) \_\_\_\_\_

**REMINDER – Read aloud a portion of each item being  
voted on that is included in the consent vote.**

#

#

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

## **POSSIBLE MOTION**

**I MOVE TO** approve the minutes of the May 26 and May 28 Assembly meetings.



# 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 Kevin Mosher,*  
*Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor Christianson*

*Municipal Administrator: John Leach*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

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Tuesday, May 26, 2020

6:00 PM

Assembly Chambers

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#### REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

**Present:** 6 - Christianson, Eisenbeisz, Wein, Paxton, Mosher, and Nelson

**Absent:** 1 - Knox

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

**20-113** Reminders, Calendars, and General Correspondence

V. CEREMONIAL MATTERS

None.

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

**A 20-111** Special Reports: 1) U.S. Senator Dan Sullivan, and, 2) Alaska Trollers Association: Wild Fish Conservancy Lawsuit

Senator Dan Sullivan reported on past, present, and future legislation with regards to the CARES Act funding. He gave amounts, told of source of funding, and noted the challenges. He went over the Paycheck Protection Program (PPP) history and legislation that was moving forward as changes to the program. He gave information on

legislation to try and stabilize the global energy crisis, oil prices, ocean clean up, Coast Guard, tourism, infrastructure, inefficient infrastructure permitting, and revenue replacement for municipalities. He thanked the Assembly and his team who had been working around the clock and encouraged Sitkans to reach out to his team.

Wein told about Sitka's bond, refinancing and infrastructure needs. Nelson noted the delay in knowing what the financial impacts would be of the COVID-19 pandemic. Paxton relayed the daycare program challenges and needs.

Municipal Administrator John Leach thanked the Senator and his staff. He told of infrastructure needs and gave examples of Green Lake Hydro, Marine Service Center, and a haulout.

President of Alaska Trollers Association (ATA) Matt Donohoe told of the Wild Fish Conservancy Lawsuit. He gave details of a treaty negotiation and the closure of the outside waters to king salmon fishing. ATA Board Member Jim Moore reported on the hiring of an attorney, the finance concerns, and the lack of funds.

## VII. PERSONS TO BE HEARD

Karen Lucas voiced concern for the youth population with regards to drug addition and told of the need of a treatment center. Paulette Moreno told of the concern and need for the fishing industry. She urged for help for businesses and different groups in the community and noted the importance of food sharing and security.

## VIII. REPORTS

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

Administrator - Leach told of correspondence of collection notices and delinquent taxes owed.

Attorney - Hanson reported on the effects on the city with regards to changes in the court system due to the COVID-19 pandemic. He shared of his participation in the Alaska Municipal Attorneys Association meetings.

## IX. CONSENT AGENDA

**A motion was made by Nelson that the Consent Agenda consisting of item A be APPROVED. The motion PASSED by unanimous consent.**

**B 20-112** Approve the minutes of the May 12 Assembly meeting

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

## X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

## XI. UNFINISHED BUSINESS:

**C ORD 20-26** Amending Title 2 "Administration", Chapter 2.04 "City and Borough

Assembly", Section 2.04.010 "Agenda"

Nelson noted the time it took to get through reports toward the beginning of the meeting and felt they should be toward the end of the agenda as they were a lower priority. Christianson was in support of moving the reports toward the end of the meeting. Eisenbeisz wondered if reports were needed. Wein noted the importance of boards and commission reports and that it was a small portion of the meeting.

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

**Yes:** 4 - Christianson, Paxton, Mosher, and Nelson

**No:** 2 - Eisenbeisz, and Wein

**Absent:** 1 - Knox

## **XII. NEW BUSINESS:**

### **D ORD 20-27** Amending Title 2 "Administration", Chapter 2.20 "Fire Department", Section 2.20.010 "Establishment"

Paxton ruled no conflict for Eisenbeisz who was a paid volunteer with the Fire Department. Wein stated the Sitka General Code referred to a Fire Chief and Assistant Fire Chief but that the assistant position had not been funded. He felt that eliminating the official title which was in code still gave flexibility that was needed to have an efficient Fire Department. Paxton noted that Interim Fire Chief Dave Miller had been filling both positions. Mosher felt it was cleaning up the code. Christianson was not in support, didn't feel that it saved money, and said the Fire Chief had been covering for other positions. Nelson was in support since the assistant position wasn't funded. Eisenbeisz told of the Assistant Fire Chief duties that included training for the department, which he stated was important. He said that with the longevity in the department, it wasn't a current issue, but that it could be in the future.

Interim Fire Chief Dave Miller spoke and offered historical background by telling of many hours of overtime, the need for the position, and he encouraged the hiring of an assistant.

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

**Yes:** 3 - Wein, Mosher, and Nelson

**No:** 3 - Christianson, Eisenbeisz, and Paxton

**Absent:** 1 - Knox

### **E ORD 20-30** Authorizing the City to obtain a loan from the Alaska Municipal Bond Bank in a principal amount not to exceed \$7,000,000 to refinance for savings the City's outstanding loan from the Alaska Energy Authority; authorizing the issuance to the Bond Bank of a junior lien electric revenue refunding bond of the City to evidence and secure the loan; authorizing the Municipal Administrator and Chief Finance and Administrative Officer to enter into a loan agreement with the Bond Bank setting forth the terms and conditions of the loan and the refunding bond; and establishing an effective date

Chief Finance and Administrative Officer Jay Sweeney provided a summary and noted cost savings. He told of the funded accounts involved and of the break even estimate.

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

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

**Absent:** 1 - Knox

**F RES 20-19**

Accepting Coronavirus relief funds in the amount of \$14,057,653.37 for costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19), from the Alaska Department of Commerce, Community and Economic Development and authorizing the Municipal Administrator to execute the finalized grant agreement (*1st and final reading*)

Wein gave an explanation regarding the first step of accepting the funding and of next step of a grant agreement with the state. Christianson noted the restrictions on the spending of the funds. Paxton informed that there would be a fund set up to allow citizens and businesses to receive money and that it would be determined on how to allocate the funds.

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

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

**Absent:** 1 - Knox

**G ORD 20-31**

Making supplemental appropriations for Fiscal Year 2021 (*CARES Act Funding - Utilities and Moorage Accounts*)

Municipal Attorney Brian Hanson told of the conditions and stated the drafted ordinances wouldn't be implemented unless funds were received.

Wein wondered how the specific amount was derived and how many utility and moorage accounts were in arrears. He felt that the total amount was too high. Nelson relayed the amounts that could be given and didn't feel that 100% of people would apply for the grant. She told of stringent criteria to apply. She offered that a budget adjustment could be made for the funding that wasn't given. Christianson confirmed that the amount was derived from if every account applied for funding, however did not feel that it would all be spent especially with the short application period. Paxton urged that input was needed from citizens and businesses which would reveal the amount needed. He stated that staff would be looking at it strategically. Eisenbeisz offered he was not in support of using the funding for a moorage subsidization. Mosher noted the purpose to be a fair and equitable way to use the money and stated that there were some citizens that lived on boats.

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

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

**No:** 1 - Eisenbeisz

**Absent:** 1 - Knox

**H ORD 20-28** Establishing the CARES Act Utilities Subsidization Program

Christianson expressed this was a way to fairly disperse funds and felt it could be simple to apply for. He noted that it was also supportive of the city. He explained the language which was taken from the CARES Act. Christianson reminded that all communities were in the same situation and that there was a small risk of not passing an audit. Nelson felt that dispersing the funds would be possible by June 30. Wein spoke in support. He relayed the criteria. He told of concerns of being audited and passing that audit. He reminded that the monies for different programs were being stipulated and there would be no double dipping. Eisenbeisz wondered how to work with businesses that may have received and used Payroll Protection Program on utilities. Paxton felt that staff could sort it out.

Municipal Administrator John Leach relayed concerns from the auditors but that a needs test had not been described.

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

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

**Absent:** 1 - Knox

**I ORD 20-29** Establishing the CARES Act Moorage Costs Subsidization Program

Eisenbeisz stated he was not in support as written. He felt that moorage should be included in the rent and lease section. Mosher noted the citizens that were live aboard. Christianson offered the fishing community would be the biggest beneficiary but that there were live aboards and others that had boats in the harbor. Wein was in support for moorage assistance but had concerns with the language and the possibility of applicants receiving funding if they had already through a separate program.

Municipal Attorney Brian Hanson told of the requirement for the applicant to certify they had not received funding. Municipal Administrator John Leach noted the fisheries would be eligible for this funding and there was money allocated from the state as well.

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

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

**No:** 1 - Eisenbeisz

**Absent:** 1 - Knox

**XIII. PERSONS TO BE HEARD:**

None.

**XIV. EXECUTIVE SESSION**

None.

**XV. ADJOURNMENT**

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:43 p.m.

ATTEST: \_\_\_\_\_  
Melissa Henshaw, CMC  
Deputy Clerk



# 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 Kevin Mosher,*  
*Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor Christianson*

*Municipal Administrator: John Leach*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

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Thursday, May 28, 2020

6:00 PM

Assembly Chambers

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#### SPECIAL MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

Knox participated by videoconference.

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

#### IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

#### V. PERSONS TO BE HEARD

George Paul thanked the media for Assembly meeting coverage. He stated the newspaper had been given to residents at no cost and suggested subsidizing the newspaper office to give to their employees.

#### VI. NEW BUSINESS:

#### A 20-114 Discussion / Direction / Decision on the establishment and membership of the CARES Act Working Group

Municipal Administrator John Leach summarized the memo and told of the working group established after the May 19 work session. He noted there were sectors who did not feel they were adequately represented and thus decided to bring the establishment and membership of the CARES Act Working Group before the Assembly for approval. He reminded the intent was to have the working group do preliminary work and bring

forward for assembly approval.

Christianson was in support of the working group that was established by the Administrator. He reminded the group could provided a framework and then turn it over to the assembly. Nelson suggested one additional assembly member to make a total of three. Mosher spoke in support. Wein reminded the assembly had accepted funds and the city was responsible for decisions made. He suggested it was the assembly's responsibility to design and disburse the CARES Act money and to allow for public testimony from community members. Eisenbeisz spoke in support of the Administrator's working group. Paxton concurred and believed there should be assembly oversight. Knox spoke in support of a diverse group e.g. for-profit, non-profit.

Christianson reminded there had been suggestions for using the money that were not allowed. He said the working group could vet the requests. Wein stated the working group process eliminated interaction and communication with requestors. Nelson noted the motion was to establish the working group and develop a framework to operate within. Eisenbeisz shared the working group could craft the framework and make suggestions and recommendations to the assembly.

George Paul spoke in support of Wein's proposal of the assembly disbursement and allowing for public testimony.

**A motion was made by Nelson to approve the working group\* as proposed by the Municipal Administrator. The motion PASSED by the following vote.**

**\*Working group members: John Leach, Garry White, Lisa Gassman, Kevin Mosher, Kevin Knox, Jay Sweeney, Melissa Haley, Brian Hanson, and Melissa Henshaw**

**Yes:** 6 - Christianson, Eisenbeisz, Knox, Paxton, Mosher, and Nelson

**No:** 1 - Wein

#### **VII. PERSONS TO BE HEARD:**

None.

#### **VIII. EXECUTIVE SESSION**

None.

#### **IX. ADJOURNMENT**

**A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 6:30 p.m.**

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



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 20-117      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 6/3/2020      In control: City and Borough Assembly

On agenda: 6/9/2020      Final action:

Title: Approve a restaurant designation permit application and licensed premises diagram application for Hector Barragan dba Pizza Express at 1321 Sawmill Creek Road Suite E, F, G, H, I

Sponsors:

Indexes:

Code sections:

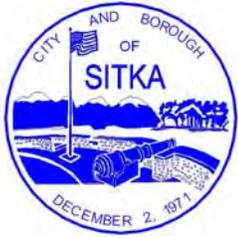
Attachments: [01 Motion and Memos](#)  
[02 5204 AB-14 and AB-03 FULL PACKET](#)

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

## **POSSIBLE MOTION**

**I MOVE TO** approve a restaurant designation permit application and licensed premises diagram application for Hector Barragan dba Pizza Express at 1321 Sawmill Creek Road Suite E, F, G, H, I and forward this approval to the Alcoholic Beverage Control Board without objection.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
**Thru:** John Leach, Municipal Administrator   
**From:** Sara Peterson, Municipal Clerk  
**Date:** June 3, 2020  
**Subject:** Approve restaurant designation permit application and licensed premises diagram change for Hector Barragan dba Pizza Express

Our office has received notification of the following liquor license related applications:

### **Restaurant Designation Permit Application**

Lic #: 5204  
DBA: Pizza Express  
License Type: Restaurant/Eating Place  
Licensee: Hector Barragan  
Premises Address: 1321 Sawmill Creek Road Suite E, F, G, H, I

This request is for the request of designation as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049, and for the request of the following designations:

- Dining by persons 16-20 year of age: AS 04.16.049(a)(2)
- Dining by persons under the age of 16 years, accompanied by a person over the age of 21: AS 04.16.049(a)(3)
- Employment for persons 16 or 17 years of age: AS 04.16.049(c)

### **Licensed Premises Diagram Change**

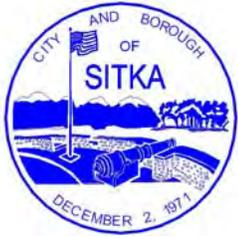
Lic #: 5204  
DBA: Pizza Express  
License Type: Restaurant/Eating Place  
Licensee: Hector Barragan  
Premises Address: 1321 Sawmill Creek Road Suite E, F, G, H, I

This request is for expansion of existing seating area and the addition of a bar with seating.

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

### **Recommendation:**

**Approve 1) the restaurant designation permit application, and, 2) licensed premises diagram change for Hector Barragan dba Pizza Express at 1321 Sawmill Creek Road Suite E, F, G, H, I and forward this approval to the Alcoholic Beverage Control Board without objection.**



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

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

**From:** Sara Peterson, Municipal Clerk

**Date:** June 1, 2020

**Subject:** Pizza Express – liquor license restaurant designation permit application and licensed premises diagram change

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The Municipal Clerk's Office has been notified by the Alcohol and Marijuana Control Office of the following applications submitted by:

### **Restaurant Designation Permit Application**

Lic #: 5204  
DBA: Pizza Express  
License Type: Restaurant/Eating Place  
Licensee: Hector Barragan  
Premises Address: 1321 Sawmill Creek Road Suite E, F, G, H, I

This request is for the request of designation as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049, and for the request of the following designations:

- Dining by persons 16-20 year of age: AS 04.16.049(a)(2)
- Dining by persons under the age of 16 years, accompanied by a person over the age of 21: AS 04.16.049(a)(3)
- Employment for persons 16 or 17 years of age: AS 04.16.049(c)

### **Licensed Premises Diagram Change**

Lic #: 5204  
DBA: Pizza Express  
License Type: Restaurant/Eating Place  
Licensee: Hector Barragan  
Premises Address: 1321 Sawmill Creek Road Suite E, F, G, H, I

This request is for expansion of existing seating area and the addition of a bar with seating.

Please notify no later than **noon on Wednesday, June 3** of any reason to protest these requests. These requests are scheduled to go before the Assembly on June 9.

Thank you.



Alaska Alcoholic Beverage Control Board

**Form AB-03: Restaurant Designation Permit Application**

**What is this form?**

A restaurant designation permit application is required for a licensee desiring designation under 3 AAC 304.715 – 3 AAC 304.795 as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049. Designation will be granted only to a holder of a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license, and only if the requirements of 3 AAC 304.305, 3 AAC 304.725, and 3 AAC 304.745, as applicable, are met. A menu or expected menu listing the meals, including entrees prepared onsite and offered to patrons, and copy of the DEC Food Service Permit (or corresponding DHHS documentation for licenses located in the Municipality of Anchorage) must accompany this form. Applicants should review AS 04.16.049 – AS 04.16.052 and 3 AAC 304.715 – 3 AAC 304.795. All fields of this form must be completed. The required \$50 permit fee may be made by credit card, check, or money order.

**Section 1 – Establishment Information**

Enter information for licensed establishment.

Licensee:	Hector Barragan		
License Type:	Resturant Eating Place	License Number:	5204
Doing Business As:	Pizza Express		
Premises Address:	1321 Sawmill Creek Road Suite E,F,G,H,I		
City:	Sitka	State:	AK
		ZIP:	99835
Contact Name:	Hector Barragan	Contact Phone:	907- 966-2428

**Section 2 – Type of Designation Requested**

This application is for the request of designation as a bona fide restaurant, hotel, or eating place for purposes of AS 04.16.010(c) or AS 04.16.049, and for the request of the following designation(s) (check all that apply):

- Dining after standard closing hours: AS 04.16.010(c)
- Dining by persons 16 – 20 years of age: AS 04.16.049(a)(2)
- Dining by persons under the age of 16 years, accompanied by a person over the age of 21: AS 04.16.049(a)(3)
- Employment for persons 16 or 17 years of age: AS 04.16.049(c)  
 NOTE: Under AS 04.16.049(d), this permit is not required to employ a person 18 - 20 years of age.

OFFICE USE ONLY	
Transaction #:	Initials:



Alaska Alcoholic Beverage Control Board

## Form AB-03: Restaurant Designation Permit Application

### Section 3 – Minor Access

Review AS 04.16.049(a)(2); AS 04.16.049(a)(3); AS 04.16.049(c)

List where within the premises minors are anticipated to have access in the course of either dining or employment as designated in Section 2. (Example: Minors will only be allowed in the dining area. OR Minors will only be employed and present in the Kitchen.)

Minors will only be allowed in the dining area except for employees. Employed minors will be allowed in the dining and kitchen area.

Describe the policies, practices and procedures that will be in place to ensure that minors do not gain access to alcohol while dining or employed at your premises.

See alcohol policy attached.

Is an owner, manager, or assistant manager who is 21 years of age or older always present on the premises during business hours?

Yes  No

### Section 4 – DEC Food Service Permit

Per 3 AAC 304.910 for an establishment to qualify as a Bona Fide Restaurant, a Food Service Permit or (for licenses within the Municipality of Anchorage) corresponding Department of Health and Human Services documentation is required.

Please follow this link to the DEC Food Safety Website: <http://dec.alaska.gov/eh/fss/food/>

Please follow this link to the Municipality Food Safety Website:

<http://www.muni.org/Departments/health/Admin/environment/FSS/Pages/fssfood.aspx>

IF you are unable to certify the below statement, please discuss the matter with the AMCO office:

Initials

I have attached a copy of the current food service permit for this premises OR the plan review approval.

HB

\*Please note, if a plan review approval is submitted, a final permit will be required before finalization of any permit or license application.



Alaska Alcoholic Beverage Control Board

**Form AB-03: Restaurant Designation Permit Application**

**Section 5 – Hours of Operation**

Review AS 04.16.010(c).

Enter all hours that your establishment intends to be open. Include variances in weekend/weekday hours, and indicate am/pm:

Between 9am and 2am seven days a week.

**Section 6 – Entertainment & Service**

Review AS 04.11.100(g)(2)

Are any forms of entertainment offered or available within the licensed business or within the proposed licensed premises?

Yes  No

If "Yes", describe the entertainment offered or available and the hours in which the entertainment may occur:

Live music until 11pm.

Food and beverage service offered or anticipated is:

table service  buffet service  counter service  other

If "other", describe the manner of food and beverage service offered or anticipated:



Alaska Alcoholic Beverage Control Board

# Form AB-03: Restaurant Designation Permit Application

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

## Section 7 – Certifications and Approvals

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

Initials

There are tables or counters at my establishment for consuming food in a dining area on the premises.

HB

I have included with this form a menu, or an expected menu, listing the meals to be offered to patrons. This menu includes entrees that are regularly sold and prepared by the licensee at the licensed premises.

HB

I certify that the license for which I am requesting designation is either a beverage dispensary, club, recreational site, golf course, or restaurant or eating place license.

HB

I have included with this application a copy of the most recent AB-02 or AB-14 for the premises to be permitted. (AB-03 applications that accompany a new or transfer license application will not be required to submit an additional copy of their premises diagram.)

HB

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

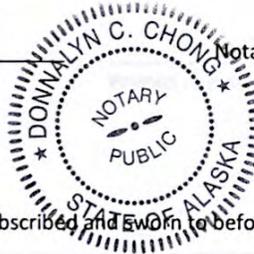
Signature of licensee

Hector Barragan

Printed name of licensee

Signature of Notary Public

Notary Public in and for the State of ALASKA



My commission expires: 12-08-2020

Subscribed and sworn to before me this 15<sup>th</sup> day of May, 2020

Local Government Review (to be completed by an appropriate local government official):

Approved

Denied

Signature of local government official

Date

Printed name of local government official

Title



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

Alaska Alcoholic Beverage Control Board

**Form AB-03: Restaurant Designation Permit Application**

AMCO Enforcement Review: \_\_\_\_\_ Enforcement Recommendation: Approve Deny

\_\_\_\_\_  
Signature of AMCO Enforcement Supervisor

\_\_\_\_\_  
Printed name of AMCO Enforcement Supervisor

\_\_\_\_\_  
Date

**Enforcement Recommendations:**

AMCO Director Review: \_\_\_\_\_ Approved Denied

\_\_\_\_\_  
Signature of AMCO Director

\_\_\_\_\_  
Printed name of AMCO Director

\_\_\_\_\_  
Date

**Limitations:**



Alcohol and Marijuana Control Office  
 550 W 7<sup>th</sup> Avenue, Suite 1600  
 Anchorage, AK 99501  
[alcohol.licensing@alaska.gov](mailto:alcohol.licensing@alaska.gov)  
<https://www.commerce.alaska.gov/web/amco>  
 Phone: 907 269.0350

Alaska Alcoholic Beverage Control Board  
**Form AB-14: Licensed Premises Diagram Change**

**What is this form?**

This licensed premises diagram change form is required for all liquor licensees seeking to alter the functional floor plan or reduce or expand the area of the establishment's existing licensed premises, under 3 AAC 304.185. The required \$250 licensed premises diagram change fee may be made by check, cashier's check, money order, or credit card (VISA or MasterCard).

Your diagram must include dimensions and must show all entrances and boundaries of the premises, walls, bars, fixtures, and areas of storage, service, and consumption. If your proposed premises is located within a building or building complex that contains multiple businesses and/or tenants, please provide an additional page that clearly shows the location of your proposed premises within the building or building complex, along with the addresses and/or suite numbers of the other businesses and/or tenants within the building or building complex.

If approved, this form will replace the existing licensed premises diagram on file. All sections of the currently licensed area that you wish to remain licensed must be included in the outlined area, as described on Page 2 of this form. Blueprints, CAD drawings, or other clearly drawn and marked diagrams may be submitted in lieu of the second page of this form, as long as it meets the requirements listed on this form. The first and third pages must still be completed, attached to, and submitted with any supplemental diagrams. An AMCO employee may require you to complete the second page of this form if additional documentation for your premises diagram is needed.

This form must be completed and submitted to AMCO's main office prior to altering the existing floor plan. The licensed premises may not be altered unless and until the AMCO director has given written approval on this form. Please note that licensees seeking to change licensed premises diagrams for multiple licenses must submit a separate completed copy of this form and pay a separate fee for each license.

**Section 1 – Establishment Information**

Enter information for the licensed establishment.

Licensee:	Hector Barragan	License Number:	5204
License Type:	Restaurant/Eating Place		
Doing Business As:	Pizza Express		
Premises Address:	1321 Sawmill Creek Road Suite E,F,G,H,I		
City:	Sitka	State:	AK
		ZIP:	99835

**Section 2 – Summary of Changes**

Provide a summary of the changes for which you are requesting approval.

Expansion of seating area and adding bar with seating.



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

Alaska Alcoholic Beverage Control Board

## Form AB-14: Licensed Premises Diagram Change

### Section 3 – Detailed Premises Diagram

Clearly indicate the boundaries of the premises and the proposed licensed area within that property. Clearly indicate the interior layout of any enclosed areas on the proposed premises. Clearly identify all entrances and exits, walls, bars, and fixtures, and outline in red the perimeter of the areas designated for alcohol storage, service, and consumption. Include dimensions, cross-streets, and points of reference in your drawing. You may attach blueprints or other detailed drawings that meet the requirements of this form.

*See attached drawings.*



Alcohol and Marijuana Control Office  
 550 W 7th Avenue, Suite 1600  
 Anchorage, AK 99501  
 Alcohol Licensing @ Alaska.gov  
<https://www.commerce.alaska.gov/enr/amlaw/>  
 Phone: 907 269 0350

Alaska Alcoholic Beverage Control Board

**Form AB-14: Licensed Premises Diagram Change**

**Section 4 - Declarations**

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

Initials

INITIAL HERE ----->

HP

The proposed changes conform to all applicable public health, fire, and safety laws.

As a liquor licensee, I declare under penalty of perjury that this form, including all attachments, is true, correct, and complete.

*[Signature]*  
 Signature of licensee

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

**Hector Barragan**

Printed name of licensee

My commission expires: September 17, 2021

Subscribed and sworn to before me this 23<sup>rd</sup> day of March, 2020.

**Section 5 - Local Government & AMCO Review**

Local Government Review (to be completed by an appropriate local government official):

Yes No Pending

The proposed changes shown on this form conform to all local restrictions and laws.

A local building permit is required for the proposed changes.

*[Signature]*  
 Signature of local government official

17099  
 Building Permit #

3-25-2020  
 Date

**PATRICK SWEDEN**  
 Printed name of local government official

**Building Official**  
 Title

AMCO Review:

Approved Disapproved

Signature of AMCO Enforcement Supervisor

Signature of Director

Printed name of AMCO Enforcement Supervisor

Printed name of Director

Date

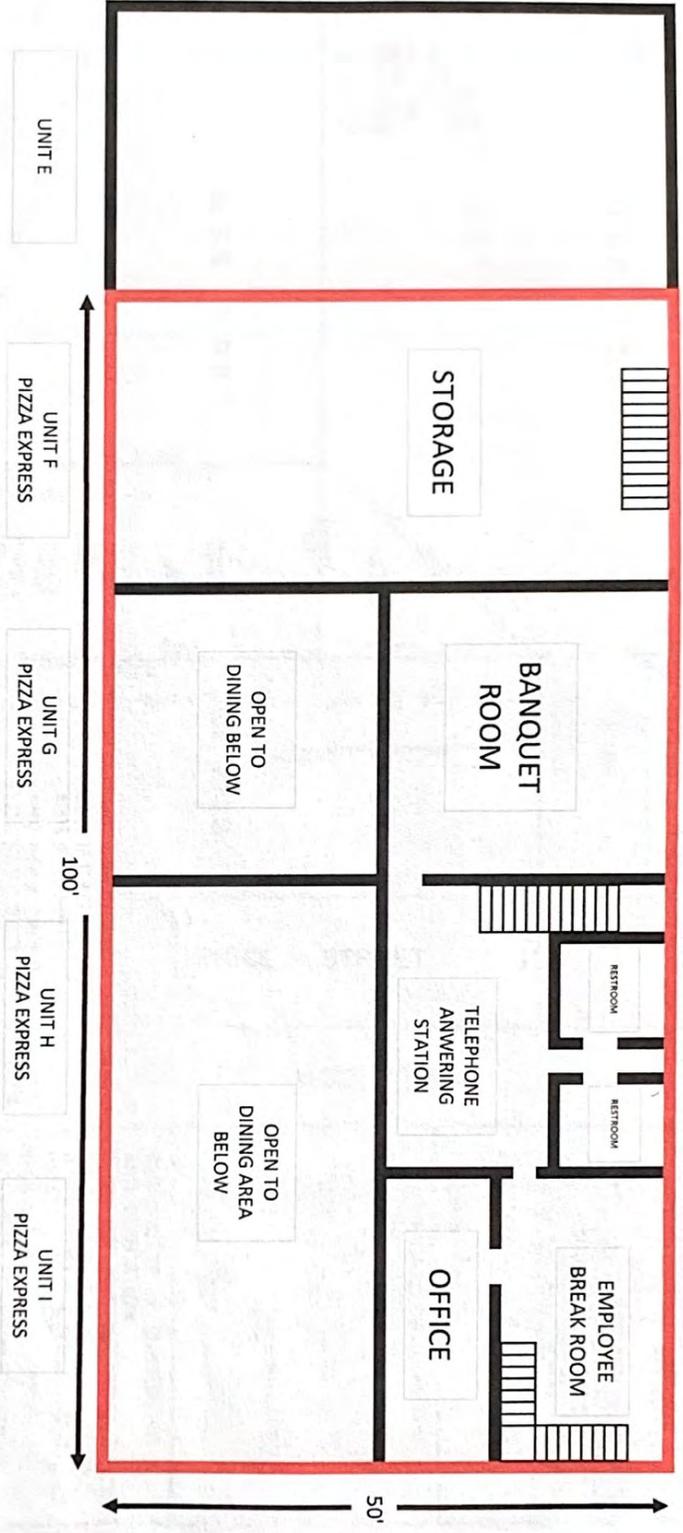
AMCO Comments:

[Empty box for AMCO Comments]



SAWMILL CREEK ROAD

PIZZA EXPRESS, 2ND FLOOR LAYOUT, UNITS F, G, H AND I, LOCATED AT 1321 SAWMILL CREEK ROAD SITKA, AK 99835



UNIT E

UNIT F  
PIZZA EXPRESS

UNIT G  
PIZZA EXPRESS

UNIT H  
PIZZA EXPRESS

UNIT I  
PIZZA EXPRESS

PRICE STREET

100'

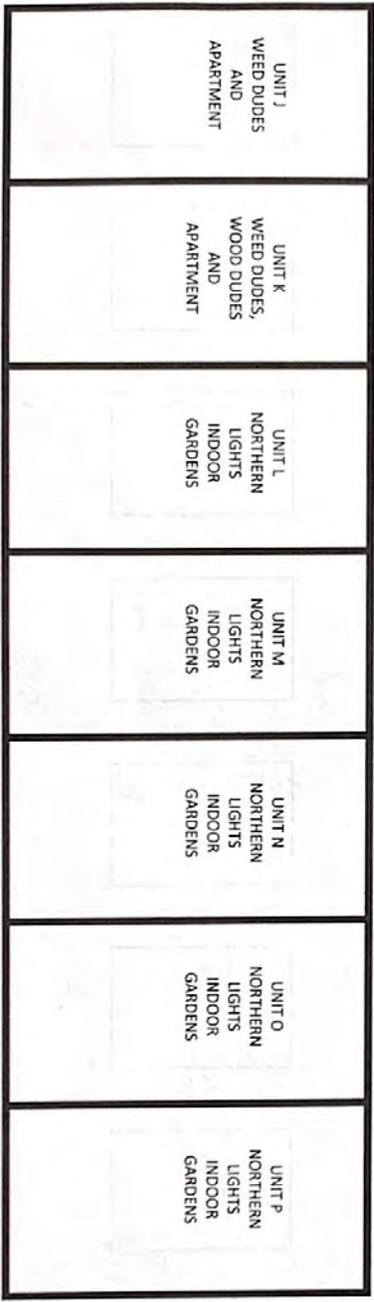
50'



SAWMILL CREEK ROAD



SAWMILL CREEK ROAD



SAWMILL CREEK PLAZA 1321 SAWMILL CREEK ROAD, Units A through P, SITKA, AK

99835

# Pizza Express

## **Alcohol Policies for serving and security purposes**

The following policies are effective as of 4/16/20 and may be updated or modified as needed in the future.

### **Servers**

All servers of alcoholic beverages, their supervisors, and persons providing security must be 21 years of age or older and provide Pizza Express with proof of receiving an approved alcohol server training (TAPS) either before or within the first thirty days of employment. Each server, supervisor, or security person must renew their TAPS training certification every three years and provide Pizza Express with a copy the renewed certificate. You must have your current TAPS card on your person when working and or a copy of your current TAPS card needs to be on file at Pizza Express while you are working.

Employees ages 16-20 MAY NOT serve alcohol, they may however clear tables of and wash dishes of empty or partially emptied alcoholic containers; provided any remaining alcohol is immediately dumped into a waste drain or waste container. Employees ages 16-20 when performing these duties must also be supervised by an employee that is 21 years or older and TAPS certified.

Employees must physically check the ID of anyone ordering an alcoholic beverage that does not appear to be well over the age of 21.

No minor or intoxicated person shall be served alcoholic beverages. Employees who willfully violate this policy will be terminated immediately. Serving under aged and intoxicated persons is unlawful and can have criminal penalties. Furthermore, if an intoxicated person, after leaving our establishment, should be involved in an accident the injured parties may file a lawsuit against the company and YOU.

Despite all your good efforts, a customer may become intoxicated and should not be served additional alcohol. If this occurs, every effort should be made to stop alcohol service. Here are some suggestions to use when “cutting off” a customer.

- Avoid a confrontation.
- Do not attempt any physical confrontation.
- Make the manager and all personnel aware of the problem.
- Bring menus to the table or casually suggest an appetizer.
- Suggest an alternative form of transportation. If the patron insists on driving report this to your supervisor at once.

Always remember-there is no reason over service should occur. Use your own “common sense” as well as what you have learned in your TAP Server Certification course and the above helpful hints, and there should never be a problem

## **SECURITY**

**Boundaries** - No alcohol is permitted outside of the “red line”, the red line area is that area inside of the walls and doors of the establishment. *Please see attached drawing with red line location.* It is every employee’s responsibility watch for and if needed, inform patrons that they cannot take alcohol outside of the red line.

There is one outside exception to the “walls and doors” red line boundary. Seasonally or during good weather, we may (when decided by management) put up additional seating outside where alcohol service may occur. This area is also outlined in an attached redline drawing, look it over so you are familiar with all the boundaries. The outdoor seating area, when open, shall be clearly marked with roped off boundaries approximately 3’ high and signage stating no alcohol beyond this point. It is every employee’s responsibility watch for and, if needed, inform patrons that they cannot take alcohol outside of this red line area as well when open.

**Cameras**- several security cameras are placed throughout establishment and record continuously, 24 x 7. Copies of the recordings are backed up, in the office, if management, law enforcement or other authorities should need to review them.

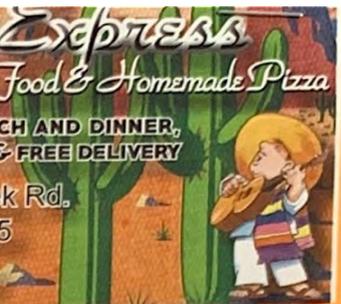
*Pizza Express*  
Authentic Mexican Food & Homemade Pizza

OPEN DAILY FOR LUNCH AND DINNER,  
DINE-IN, CARRY-OUT & FREE DELIVERY

1321 Sawmill Creek Rd.

Sitka, Alaska 99835

(907)966-2428



# Pizza Express

Authentic Mexican Food & Homemade Pizza

*Bienvenidos  
Amigos!*



## Appetizers

Nachos .....	\$12.95
Chips topped with melted cheese & jalapenos	
Super Nachos .....	Half Order \$9.50 ..... \$17.00
Chips covered with beans & your choice of ground beef, shredded beef or chicken, then topped with cheese, jalapenos, diced tomatoes, black olives, green onions & served with guacamole & sour cream.	
Onion Rings Appetizer with Ranch .....	\$8.75
Tostaditas .....	Half Order \$9.50 ..... \$17.00
Chips covered with beans, your choice of meat, topped w/ lettuce, diced tomatoes, black olives, green onions cheese & jalapenos.	
Quesadilla .....	Full ..... \$12.50
Grilled flour tortillas filled with melted cheese .....	Half ..... \$9.00
Quesadilla Deluxe .....	Full ..... \$12.50
.....	Half ..... \$9.00
Grilled flour tortillas filled with cheese & your choice of meat, topped with sour cream & guacamole.	
House Appetizer .....	\$17.95
Combination of nachos, quesadillas, taquitos & flautas, served with sour cream, guacamole, garnished with black olives, tomatoes, jalapenos & green onions.	
Bread Sticks (8) .....	\$10.25
Homemade breadsticks, covered with parmesan cheese, served with marinara sauce.	
Mozzarella Sticks (8) .....	\$10.25
Breaded cheese sticks served with marinara sauce.	
Chicken Tenders (5) .....	\$12.50
Breaded chicken strips, served with french fries and honey mustard.	
Jalapeno Poppers (2) .....	\$9.00
Taquitos Appetizer (4) .....	\$12.75
Corn Tortilla filled with your choice of meat, with sour cream and guacamole.	
Chicken Wings .....	\$10.75
Choice of Diablo spicy, crispy, BBQ sauce or Habanero sweet sauce.	
Greek Bread .....	\$11.25
Topped with garlic butter, parmesan cheese and oregano served w/ ranch dressing.	
Sampler Plate .....	\$18.50
3 Jalapeno Poppers, 3 Mozzarella sticks, 3 Chicken tenders, 3 Crispy Wings. Served with French Fries, ranch & honey mustard.	

### Children's Menu (10 Years & Younger)

Mexican Food  
Served with Rice & Beans

Taco • Enchilada • Burritos • Quesadilla

Choice of One .....	\$9.50
Kids Nachos .....	\$8.25
Hamburger with Fries .....	\$9.00
Cheeseburger with Fries .....	\$9.95
Chicken Strips with Fries .....	\$10.95
Fish with Fries .....	\$11.95
Mini Pizza (Choice of three toppings) .....	\$11.00
Kids Spaghetti & Garlic Bread .....	\$10.25

### Mexican Lunch Specials

Served until 3 p.m.

All served with rice & beans

Enchilada • Quesadilla • Taco • Flauta • Burrito • Taquito	
Choice of One .....	\$10.25
Choice of Two .....	\$12.50
Tostada .....	\$11.85
Tamale (1) .....	\$12.00
Mini Chimichanga .....	\$12.00
Chile Relleno (1) .....	\$12.00
Beef or Chicken Fajitas .....	\$13.25
Shrimp Fajitas .....	\$15.50
Huevos Rancheros .....	\$11.95
Two eggs over medium on a flat tortilla, covered with ranchero sauce and cheese, accompanied by guacamole and sourcream.	

## Pasta

Served with Small Green Salad & Garlic Bread

Spaghetti with Meat Sauce .....	\$16.25
Spaghetti with Meat Balls .....	\$18.50
Ravioli with Meat Sauce .....	\$16.25
Lasagna .....	\$17.50
Ravioli or Spaghetti with Marinara Sauce .....	\$15.00

## Fish

Battered Halibut Fillets with Fries or Salad .....	\$17.00
--	---------

## Hot Sandwiches

All Sandwiches served with french fries,  
jojitos, or green salad. (Onions rings for an extra \$1)

Alpine Sub .....	\$12.00
Hot sub sandwich with mayonnaise, Canadian bacon, pepperoni, melted cheese, lettuce & tomatoes.	
Meatball Sub .....	\$12.00
Hot homemade meatball sub with marinara sauce & cheese.	
Steak Sandwich Sub .....	\$14.85
Thin cut of steak with mayonnaise, cheese, lettuce & tomatoes.	
Turkey Sub .....	\$12.65
Hot sub of sliced turkey, melted cheese, mayonnaise, with lettuce & tomatoes.	
Club Sub .....	\$13.00
Ham, turkey, bacon, mayonnaise, cheese with lettuce & tomatoes.	
Texas Burger .....	\$14.60
Two beef patties topped with a stack of onion rings, cheese, onions, lettuce, tomato, on Texas toast, and BBQ sauce on the side.	
Burger Deluxe .....	\$12.95
Burger with ham & cheese.	
Double Cheeseburger .....	\$14.00
Two beef patties .....	beef patties ..... \$10.75
Hamburger .....	\$11.50
Cheeseburger .....	\$13.00
Bacon Cheeseburger .....	\$13.00
Mushroom Cheeseburger .....	\$13.00
Jalapeno Cheeseburger .....	\$13.00
Guacamole Burger .....	\$13.75
Beef patty covered with guacamole & garnish.	
Gyro Sandwich .....	\$12.00
Grilled Chicken Burger .....	\$11.50
French Dip Sandwich .....	\$12.65
Chicken Wrap .....	\$12.00
Chicken, onions, tomatoes, avocado, lettuce, cheese and ranch dressing.	
Chicken or Beef Fajita Wrap .....	\$12.95
12" flour tortilla with chicken or beef, sour cream and guacamole.	
Halibut Wrap .....	\$14.85
Halibut, onions, tomatoes, avocado, lettuce, cheese and ranch dressing	



### A la Carte

Tostada .....	\$8.75
Taco (1) .....	\$4.25
Chile Relleno (1) .....	\$6.00
Enchilada (1) .....	\$4.50
Flauta (1) .....	\$6.00
Taquito (1) .....	\$5.75
Tamale (1) .....	\$5.75
Fish Taco (1) .....	\$6.75

### Side Orders

French Fries .....	\$6.00
Tortillas (3) .....	\$2.75
Mexican Rice .....	\$6.50
Beans .....	\$6.50
Chips & Salsa .....	\$7.00
Guacamole .....	\$6.75
Sour Cream .....	\$3.75
Jalapenos .....	\$3.75
Salad Dressing .....	\$3.75
Pico de Gallo .....	\$3.75



# Mexican Dinners



Served with Rice & Beans ~ Choice of Ground Beef, Shredded Beef or Chicken

Substitutions may change price • There are peanuts in our enchilada sauce

1. Two Soft Tacos ..... \$15.75  
Flour tortillas filled with your choice of meat, lettuce, cheese & mild salsa.
2. Two Crispy Corn Tacos ..... \$15.75  
Corn tortillas filled with your choice of meat, lettuce, cheese, topped with mild salsa.
3. Two Enchiladas ..... \$15.75  
Corn tortillas filled with your choice of meat or cheese, topped with enchilada sauce.
4. Burrito ..... \$16.25  
Large burrito filled with your choice of meat & beans, topped with enchilada sauce, cheese, sour cream and guacamole.
5. Two Tamales ..... \$16.50  
Seasoned pork wrapped in a corn maza dough, topped with enchilada sauce & cheese.
6. Two Chile Relleno ..... \$16.50  
Green chiles stuffed with cheese, dipped in egg batter & deep-fried to a golden brown, topped with ranchero sauce.
7. Two Flautas ..... \$16.25  
Made with flour tortillas filled with your choice of meat & deep fried, topped with guacamole & sour cream.
8. Two Taquitos ..... \$16.25  
Made with corn tortillas filled with your choice of meat then grilled until crisp, topped with guacamole & sour cream.
9. Two Enchilada Rancheros ..... \$16.25  
Covered with our own ranchero sauce & filled with your choice of meat, served with guacamole & sour cream.
10. Chimichanga ..... \$16.75  
A deep-fried burrito filled with beans & your choice of meat, covered with enchilada sauce & cheese, served with guacamole & sour cream.
11. Tostada ..... \$16.25  
A flat crisp tortilla layered with beans & your choice of meat, topped with lettuce, cheese, black olives, tomatoes, guacamole & sour cream.
12. Chile Colorado ..... \$17.50  
Tender chunks of steak simmered in a spicy red sauce, served with corn or flour tortillas.
13. Chile Verde ..... \$17.50  
Chunks of pork simmered in a green tomatillo sauce, served with corn or flour tortillas.
14. Carne Azada ..... \$18.50  
Steak cooked on the grill, served with corn or flour tortillas, pico de gallo, sour cream and guacamole.
15. Fajitas ..... \$18.50  
A specialty of the house, strips of marinated chicken or beef sauteed with fresh bell peppers, onions & mushrooms, served with guacamole, sour cream & corn or flour tortillas.
- Shrimp Fajitas ..... \$21.95

16. Arroz con Pollo ..... \$18.50  
A delicious plate of boneless chicken breast in a special sauce with onions, green peppers & mushrooms. Served on a bed of Mexican rice & topped with cheese, guacamole & sour cream with corn or flour tortillas
17. Combination of Taco & Enchilada ..... \$15.95
18. Combination of Chile Relleno & Enchilada ..... \$17.25
19. Combination of Chile Relleno, Enchilada & Taco ..... \$18.50
20. Fish Tacos ..... \$16.75  
Two flour tortillas, with halibut fillets, pico de gallo, served with sour cream and guacamole.
21. Pastel Azteca ..... \$16.75  
Crispy corn tortillas layered with your choice of meat, covered in enchilada sauce, cheese, topped with pico de gallo and avocado slices.
22. Mexican Flag Enchiladas ..... \$19.50  
Three enchiladas: one in green sauce, one in white sauce, one in red, with your choice of meat, served with sour cream and guacamole.
23. Carne Azada & Cheese Enchilada ..... \$18.00  
Steak cooked on the grill and a cheese enchilada served with our special pico de gallo, sour cream and guacamole and your choice of flour or corn tortilla.
24. Two Steak Tacos ..... \$18.00  
Two flour tortillas filled with steak, lettuce, guacamole, pico de gallo, and cheese
25. Fajitas Presidente ..... \$21.50  
Our special combination of strips of marinated chicken, beef and shrimp sauteed with fresh bell peppers, onions, mushrooms and served with sour cream, guacamole and your choice of flour or corn tortilla
26. Chile Verde Burrito ..... \$17.50  
Served with rice and beans, sour cream and guacamole.
27. Diablo Shrimp ..... \$21.95  
Jumbo shrimp cooked with garlic butter, special spicy red sauce, served with rice, beans and flour or corn tortillas.
28. Camarones Con Arroz ..... \$21.95  
Jumbo shrimp cooked with garlic butter, lemon juice and a touch of wine, served on a bed of rice with slices of avocado and flour or corn tortillas.
29. Fiesta Shrimp ..... \$21.95  
Jumbo shrimp cooked with garlic, butter, pico de gallo and a touch of wine, topped with green sauce & cheese, accompanied with sour cream and guacamole.
30. Chile Verde Enchiladas ..... \$17.50  
Two corn tortilla enchiladas filled with pork, simmered in a green tomatillo sauce, topped with green sauce & cheese, accompanied with sour cream and guacamole.
31. White Sauce Chicken Enchiladas ..... \$17.50  
Two flour tortilla enchiladas covered with our delicious white sauce and melted cheese, topped with chopped onion and tomatoes, accompanied with rice, beans and sour cream.
- Or Dungeness Crab Enchiladas ..... \$20.75

## Salads

- Aguacate Tostada ..... \$11.50  
Avocado, beans, lettuce, sour cream, guacamole, tomato, cheese & black olives.
- Taco Salad ..... \$12.95  
A deep-fried flour tortilla bowl filled with beans, your choice of meat, topped with lettuce, cheese, black olives, tomatoes, sour cream & guacamole.
- Caesar Salad ..... \$10.50  
Romaine lettuce tossed with Caesar dressing & topped with sliced tomatoes, black olives, croutons and parmesan cheese.
- Caesar Salad with Chicken ..... \$12.95  
Caesar salad topped with our own grilled chicken fajita meat.
- Green Dinner Salad ..... \$8.50  
Tossed green salad topped with your choice of dressing - ranch, thousand island, blue cheese, Italian or Caesar.
- Chef Salad ..... \$12.95  
Large green salad topped with turkey, ham, cheese & hard-boiled egg.
- Shrimp Louis ..... \$13.75  
Green salad with shrimp, sliced avocados, black olives & tomatoes.
- Chicken Salad ..... \$12.95  
Green salad with chicken, black olives & tomatoes.
- Fried Chicken Strips Salad ..... \$12.95  
Chicken salad with fried chicken strips topped with black olives, tomatoes, cheese and your choice of dressing.

## Burritos Ala Carte

- Chimichanga ..... \$13.25  
Deep-fried burrito filled with your choice of meat, beans and cheese, topped with enchilada sauce, sour cream and guacamole.
- Burrito Deluxe ..... \$12.95  
Filled with your choice of meat, beans and cheese, topped with enchilada sauce, sour cream and guacamole.
- Burrito Ranchero ..... \$12.95  
Filled with your choice of meat, beans and cheese, topped with our special sauce, tomatoes, onions, green peppers, sour cream and guacamole.
- Burrito Chile Colorado ..... \$14.50  
Filled with beans, chunks of steak and cheese, topped with spicy red sauce, sour cream and guacamole.
- Burrito Chile Verde ..... \$13.50  
Filled with beans, chunks of pork and cheese, topped with a green tomatillo sauce, sour cream and guacamole.
- Veggie Burrito ..... \$11.95  
Large tortilla filled with beans, cheese, fajita veggies, covered in enchilada sauce, sour cream and guacamole.
- Carne Azada Burrito ..... \$14.25  
Large tortilla filled with thin cuts of steak cooked on the grill, with beans, covered in your choice of enchilada or ranchero sauce, sour cream and guacamole.

# Homemade Pizza

## Pizza Toppings

Italian Sausage

Artichoke

Jalapenos

Ground Beef

Shrimp

Chicken

Spinach

Black Olives

Pepperoni

Canadian Bacon

Onions

Fresh Tomatoes

Pineapple

Anchovies - \$4.<sup>50</sup>

Pepperoncini

Mushrooms

Green Peppers

Feta Cheese

Extra Cheese

Extra Crust

Create your own pizza

	12" Small	14" Medium	16" Large	18" X-Large
One Topping.....	\$15.00	\$17.00	\$20.00	\$24.50
Extra Toppings.....	\$2.00	\$2.50	\$2.75	\$3.75

### Specialty Pizzas:

**Hawaiian Delight** ~ Canadian bacon & pineapple

**Meat Lovers** ~ Canadian bacon, pepperoni, Italian sausage, ground beef

**Butter Crust** ~ Garlic & butter base, Canadian bacon, pepperoni, mushrooms, onions & feta cheese

**Vegetarian** ~ Mushrooms, black olives, green peppers, onions & tomatoes

**Veggie Pesto** ~ Mushrooms, black olives, green peppers, onions, artichokes and pesto sauce

**Garlic Chicken Pizza** ~ White sauce, pieces of chicken with fresh garlic & mushrooms

**Taco Pizza** ~ Ground beef & beans topped with lettuce, tomatoes, black olives & cheddar cheese

**Barbecue Chicken Pizza** ~ Chicken in barbecue sauce

**Hawaiian Barbecue Chicken Pizza** ~ Chicken in barbecue sauce with onions & pineapple

**Chicken Fajita Pizza** ~ White sauce, chicken fajita meat, green & red peppers, mushrooms & onions

**Chicken Diablo Pizza** ~ Spicy chicken, red peppers, mushrooms and ranch sauce

**Chicken Ranch Pizza** ~ Ranch sauce, chicken and mushrooms

**Express Deluxe** ~ Pepperoni, Canadian bacon, Italian sausage, black olives & green peppers

**Mafia** ~ Pesto sauce, chicken, garlic, artichoke, tomatoes, feta cheese

**Juan's Special** ~

Pepperoni, Canadian bacon, Italian Sausage, mushrooms, black olives, green peppers, fresh tomatoes & extra cheese

**Potato Delight** ~

Ranch sauce, potatoes, diced tomatoes, green onions & bacon

**Pizza Pie** ~

Cream Cheese, pepperoni, Canadian bacon, Italian sausage, mushrooms, black olives, green peppers

**Pizza Primavera**

White sauce, chicken, spinach, ricotta, feta cheese, pepperoncinis, and red bell peppers on a thin crust

**Mama Mia** ~

Extra large pizza with pepperoni, Canadian bacon, Italian sausage, mushrooms, black olives, green peppers, onions, pineapple, fresh tomatoes & extra cheese

**Deluxe Calzone** ..... \$18.75

Pocket pizza filled with pizza sauce, ricotta cheese, pepperoni, Canadian bacon, mushrooms, black olives, green peppers & onions.

**Create your own Calzone** ..... \$18.75

With up to seven toppings.

## Desserts

Sopapillas	\$9.85
Flan	\$7.00
Mudpie	\$9.85
Deep-Fried Ice Cream	\$10.00
Cheesecake Xango	\$7.25
Churros	\$10.95
Sweet Pieces of fried dough rolled in hot cinnamon and sugar with a crunchy outside and a warm, soft center. Served with a bowl of vanilla icecream.	



Local Baranof  
Brewing Rootbeer  
\$3.75

"Jarritos"  
Mexican Soda  
\$3.25

Fruit Punch  
Madarin  
Pineapple  
Mango  
Lime  
Strawberry  
Tamarind  
Grapefruit  
Apple

## Drinks

Milk - lg	\$3.95
Orange, Apple, Cranberry Juice	\$3.75
Coffee	\$2.75
Hot Tea	\$2.75
Hot Chocolate	\$2.75
Ice Tea	\$3.50
Mex. Liquados	\$5.95

## Fountain Drinks:

Coke, Diet Coke, Cherry Coke, Lemonade, Sprite, Root Beer Large	\$3.00
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## Small Medium..... Large X-Large

\$15.50	\$17.75	\$21.00	\$27.95
\$17.50	\$19.50	\$23.00	\$29.95
\$17.75	\$21.00	\$24.00	\$30.95
\$17.50	\$19.50	\$23.00	\$29.95
\$17.50	\$20.25	\$24.50	\$31.50
\$18.25	\$22.50	\$24.50	\$31.50
\$18.00	\$22.00	\$24.25	\$31.50
\$18.00	\$22.00	\$24.00	\$30.95
\$17.75	\$21.00	\$24.25	\$31.50
\$17.25	\$22.50	\$24.50	\$31.50
\$17.50	\$19.75	\$24.75	\$31.75
\$17.50	\$19.75	\$24.75	\$31.75
\$17.50	\$19.75	\$23.75	\$31.75
\$17.50	\$19.75	\$24.75	\$31.75
\$18.00	\$21.00	\$26.00	\$33.00

\$17.50 \$20.50..... \$24.25 \$31.75

\$18.95 \$23.95..... \$28.95 \$35.95

\$18.25 \$22.50..... \$26.50 \$33.50

.....\$37.00 \$37.00

We are not responsible for lost or stolen items ~ We retain the right to refuse service to anyone for any reason.



**Alaska Food Code  
2020 Establishment Permit**

Division of Environmental Health  
Food Safety & Sanitation Program

Permit Number: 4126  
Issued to: **Hector Barragan**  
For: **Pizza Express Cantina**  
For Operation of: **FN-4 Tavern/Bar**  
Located at: **1321 Sawmill Creek RD STE 1 Sitka, AK 99835**

This permit, issued under the provisions of 18 AAC 31, is valid until the noted expiration date or unless suspended or revoked by the department.

This permit is not transferable for change of ownership, facility location, or type of operation. It must be posted in plain view in the establishment and is the property of the State of Alaska.

Expiration Date:  
**December 31, 2020**

Program Manager:

A handwritten signature in black ink, appearing to read "Kimberly S. B.", is written over the printed name of the Program Manager.

**If you have questions or concerns regarding  
safe food handling practices call toll free:**

**1-87-SAFE-FOOD**

**(in Anchorage call 334-2560)**





**Alaska Food Code  
2020 Establishment Permit**

Division of Environmental Health  
Food Safety & Sanitation Program

Permit Number: 4125  
Issued to: **Hector Barragan**  
For: **Pizza Express**  
For Operation of: **FF-6 Deli/Takeout/Drive-in Food Service**  
Located at: **1321 Sawmill Creek RD STE 1 Sitka, AK 99835**

This permit, issued under the provisions of 18 AAC 31, is valid until the noted expiration date or unless suspended or revoked by the department.

This permit is not transferable for change of ownership, facility location, or type of operation. It must be posted in plain view in the establishment and is the property of the State of Alaska.

Expiration Date:  
**December 31, 2020**

Program Manager:

A handwritten signature in black ink, appearing to read "Kimberly S. V.", is written over the printed name of the Program Manager.

**If you have questions or concerns regarding  
safe food handling practices call toll free:**

**1-87-SAFE-FOOD**

**(in Anchorage call 334-2560)**





# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 20-118      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 6/3/2020      In control: City and Borough Assembly

On agenda: 6/9/2020      Final action:

Title: Reassign category membership of Historic Preservation Commission member Roberta Littlefield from "Native Community" to "At-Large"

Sponsors:

Indexes:

Code sections:

Attachments: [Motion and Application](#)

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

**I MOVE TO** reassign category membership of Historic Preservation Commission member Roberta Littlefield from “Native Community” to “At-Large”.



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

Board/Commission/Committee: Sitka Historic Preservation Commission  
Name: Roberta Littlefield Preferred Phone: [REDACTED]  
Address: [REDACTED] Alternate Phone: \_\_\_\_\_  
Email Address: [REDACTED] Fax Number: \_\_\_\_\_  
Length of Residence in Sitka: 50 years Registered to vote in Sitka? \_\_\_ Yes \_\_\_ No  
Employer: Sitka School District

Organizations you belong to or participate in:

2 Native Dance Groups, Raven Radio Bd of Directors, ANS, NATIVE Inc.  
Dog Point Fish Camp, Karelian Bear Dogs of Alaska

Explain your main reason for applying:

I'm applying for the At-large seat in order to encourage more  
Native Community participation on the Commission.

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

A Deep interest in History, Migrations, local culture, language, Legends

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

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

None

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

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

Date: \_\_\_\_\_ Signature: [Signature]

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

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

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

Due by June 1-(6)

Roberta N. (Roby) Littlefield

Home Phone [REDACTED]

Cell phone [REDACTED]

Objective:

Tlingit language and cultural instruction; curriculum development; oral history research & documentation; genealogy research; and digital reformatting and archiving reel to reel tapes, cassette and VHS.

Accomplishments:

- Learned to understand, speak, read and write the Tlingit language.
- Founding member of three traditional Sitka dance groups.
- Developed individualized lessons to instruct teachers and students in the Tlingit language for Sitka, Hoonah, Juneau, and Atlin BC Canada.
- Researched, documented, digitized, transcribed and translated local oral history for over 30 years; provided free transcription services to fluent Elders and other language students and community members.
- Founding board member of N.A.T.I.V.E. Inc., 502(c)3 nonprofit corporation in 1991.
- Founder, in 1978, of the Dog Point Children's Fish Camp Cultural and Language Immersion Programs.

Experience:

Adjunct Professor at University of Alaska, Southeast	2009-2020
Digital Archivist and Cultural Specialist for Sitka Tribe	2007-2009
Director of Family Recovery Culture Camps	2000-2003
Tlingit Language Curricula developer for Sealaska Heritage Foundation, Goldbelt Inc., Sitka School District, UASS	1999-2020
Tlingit language instructor in Sitka School district	1994-2020
Drum making, regalia sewing, and traditional art teacher	1986-2020
Board Secretary for NATIVE, Inc. 501(c)3 non-profit	1986-2018
Language instructor for Sitka Native Education Program	1982-1983
Cultural Camp Facilitator for Dog Point Fish Camp	1978-2014
Preschool van driver for Sitka Native Education Program	1976-1981
Traditional foods harvester in Sitka Sound, Baranoff Isl.	1972-2020

Education: Transcripts available on request

Type M teaching certificate Sitka School Dist. valid until 2021

References:

Mary Wegner

Ben White

Lance Twitchell

Math Trafton

Ethel Makinen





## HISTORIC PRESERVATION COMMISSION

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES	CATEGORY
ROBERTA LITTLEFIELD 4102 Halibut Point Road	738-4004 c 747-3444 h robbylittlefield@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
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
CANDACE RUTLEDGE 1304 Edgecumbe Drive B	738-2207 candacemrutledge@gmail.com	8/13/19	2/28/20	At large Sopow's term
ROBERT SAM 456 Katlian Street	623-7097 bob.sam@sitkatriben-sns.gov	2/24/15 2/27/18	2/24/18 2/27/21	STA
<i>ANNE POLLNOW PO Box 6326</i>	<i>738-0794 anne@sealevelsitka.com</i>	<i>4/28/15 4/25/17</i>	<i>4/22/17 4/25/20</i>	<i>Vice Chair At large</i>
Amy Ainslie Planning Director	747-1815 amy.ainslie@cityofsitka.org			Staff Liaison/ Secretary
Kevin Mosher 100 Lincoln Street	752-0467 assemblymosher@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 7, 2020



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 20-106      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 5/5/2020      In control: City and Borough Assembly

On agenda: 6/9/2020      Final action:

Title: Approve the City and Borough of Sitka Athletic Field Use Policy and Guidelines as recommended by the Parks and Recreation Committee (this item was postponed at the May 12, 2020 meeting)

Sponsors:

Indexes:

Code sections:

Attachments: [00 Motion.](#)  
[May 12 Minutes](#)  
[01 Assembly memo for Athletic Field Use Policy](#)  
[02 REVISION Field Use Policy - Draft 4.7.2020](#)  
[03 P&R compiled minutes](#)  
[04 Athletic Field Use Permit Application](#)  
[05 AthleticFieldUsePermitGuidelines 2019](#)

Date	Ver.	Action By	Action	Result
5/12/2020	1	City and Borough Assembly	POSTPONED	Pass

## **POSSIBLE MOTION**

**I MOVE TO** approve the City and Borough of Sitka Athletic Field Use Policy and Guidelines as recommended by the Parks and Recreation Committee.

*Note: This item was postponed at the May 12, 2020 meeting.*

- N**     **20-106**           Approve the City and Borough of Sitka Athletic Field Use Policy and Guidelines as recommended by the Parks and Recreation Committee
- Knox had some questions for staff and offered to possibly postpone this until the next regular meeting.
- A motion was made by Christianson to POSTPONE this item to the next regular Assembly meeting on May 26. The motion PASSED by the following vote.**
- Yes:** 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson
- O**     [20-104](#)           Discussion / Direction / Decision regarding a recommendation whether to enter negotiations on a final contract with a developer to construct, maintain, and operate a haulout and shipyard at the Gary Paxton Industrial Park in accordance with the Request for Proposal
- Gary Paxton Industrial Park (GPIP) Board Director Garry White gave history of the proposals and the process. He stated the GPIP Board was asking for the Assembly to approve the process which would allow city staff to negotiate with the company.
- Kelly Warren went over the proposed plan to operate and manage the marine haulout noting that construction would take place in three phases. He told that phase 1 estimated to be completed in June of 2021 and vessels would be able to be hauled out after phase 1 was complete. He stated the haulout had no affiliation with Silver Bay Seafoods. Although the number was yet to be quantified, he confirmed that boats from 35 feet to 300 tons would be able to be hauled out without much time in the conversion to accommodate different sized vessels. Dan Cooper spoke to possible funding coming from the Southeast Economic Development Fund with repayment and that phase 1 would cost approximately \$1.5 million. He stated phase 1 would consist of constructing what was necessary, the lift, wash rack, small offices, and electric service in the yard. He told of the insurance requirement and felt that any environmental insurance policy would be absorbed.
- Public Comment:
- Jeremy Serka, a member of a local haulout group was looking at an agreement to use a lift and land. He said the group would come up with their own funding, had a business plan, but did not get a proposal in. Serka asked the city to not give away the property. Chris Hanson stated the haulout facilities are lacking in Sitka but would like to be able to haulout in Sitka. He told of haulout needs of slings, a pier, and a travel lift. He said a RFP requirement was to be able to haulout boats of 32 feet. He had concerns with the proposal stating it was geared toward larger boats. Greg Miller stated the plant and electrical was on the property and would be willing to work with a developer. He stated he was working with the local haulout group. Rob Allen recommended delaying making a commitment to negotiate with either party on the construction and operation. He stated the low scoring on important elements of the proposal and said that waiting or requiring better proposals would be in the best interest of the city. Michael Nurco urged to have a municipal body created to control how the lands at the new boat/shipyard are used and gave the example of a Port Authority. He asked to hold off on committing to either of the replies of the RFP. George Paul felt that the plan presented was good and it would bring tax money into Sitka.
- Nelson told of concerns with regards to not being able to accommodate smaller vessels. She stated she was willing to give 30 days to see if the proposal would work. Christianson stated concerns and confirmed that the machine to be used was a lift and not a trailer. He added that Allen Marine was hauling boats out and didn't feel that the



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members

**From:** James Poulson, Chair of the Parks and Recreation Committee

**Date:** 5/4/2020

**Subject:** Updated Athletic Field Use Policy and Guidelines

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Organized recreational activities, such as sport clubs and leagues, must submit an Athletic Field Use Permit Application to reserve a CBS field for regular use. There is a field use policy that establishes guidelines for organized team or group use of CBS athletic fields.

The updated field use policy was drafted by a Parks and Recreation Subcommittee which included members of field user groups. What started out as contentious item on our meeting agenda, with something like 50 cross-armed people ready to take sides, ended up being resolved in a civilized manner by the subcommittee. The updated policy differs in that there is a volunteer group that will work out schedules. There is no increased staff time for this updated policy.

The subcommittee met over a ten-month period, incorporated staff comments, and received unanimous approval of the policy as written from the Parks and Recreation Committee on April 14.

### Recommendation

Approve the updated Athletic Field Use Policy and Guidelines

# City and Borough of Sitka

## ATHLETIC FIELD USE POLICY & GUIDELINES

Organized recreational activities, such as sport clubs and leagues, must submit an Athletic Field Use Permit Application (“Application”) to reserve a CBS field for regular use. The fee charged is \$5 per player, with the exception of adult softball, which is \$250 per team. Fees will be waived for Sitka School District, but applications are still required. Applications including requested days of the week, time slots, & date range, must be submitted to the Public Works office on the second floor of City Hall (100 Lincoln Street), or [publicworks@cityofsitka.org](mailto:publicworks@cityofsitka.org), in order to be considered for the CBS Athletic Field Calendar. All fees are due after league registration is complete or before the first game of the season, whichever comes first. NO REFUNDS will be issued. If this low rate structure is abused, an hourly rate for all facilities may need to be instituted.

Athletic field use fees can be paid at the Utilities Counter, located on the first floor of City Hall, during regular business hours, Monday through Friday, 10am to 4pm.

## GENERAL GUIDELINES FOR ATHLETIC FIELD USE

The field use policies establish guidelines for organized team or group use of City and Borough of Sitka athletic fields. Parks and Recreation Committee will fairly and consistently enforce this policy.

### I. General Policies

- A. All municipal parks are open daily from 6am to 10pm, unless requested otherwise. Walk-on use is permitted by the general public on City and Borough of Sitka fields, on a first come, first serve basis. The field must be vacated if a scheduled team arrives to use the field. The City reserves the right to limit or prohibit an organized group from using a field.
- B. Fields may be closed, if conditions dictate.
- C. All coaches must be notified of field use policies and reserved time slots by league officials.
- D. Fields must be left in a litter free condition. CBS ask that user group to empty trash in these areas after use of the field and put in the large 300 gallon trash can outside. Trash bags, trash cans, and other components can be provided by CBS with adequate notice. No food or drinks (other than water) on Upper Moller turf field. Teams that have repeated violations of this field use requirement may be asked to forfeit use of fields for a portion of or the remainder of the season. Please do your part and leave the parks cleaner than you found them.
- E. Field rules shall be followed by all.

## II. Field Assignment

- A. Fields will be assigned using the online CBS calendar as applications are submitted, with the exception of Upper Moller Field. Non-priority groups will not be assigned before 45 days in advance of their requested dates, unless agreed to in the subcommittee meetings with stakeholders as described in section B(i) below.
- B. Each sports club or league shall submit a field use schedule for practices and games to the Public Works office, at least 45 days prior to the commencement of practice.
  - i. For Upper Moller, the Subcommittee on Upper Moller Field Use shall meet with stakeholders at least three times a year in January, May, and August and shall notify all stakeholders of the time and place for the meeting to update the field use schedule for Upper Moller taking into account all field use requests in deference to the priority of use policy.
  - ii. The Subcommittee will sign off on the schedule and shall submit their updated schedule to the Public Works office within 10 days of their meetings (in January, May, and August). Each sports club or league shall remain responsible for submitting their Application and fees each year prior to using the field.
  - iii. Non-priority users may apply directly with the City public works department within 45 days of their scheduled activity, but they are encouraged to coordinate schedules with priority users to avoid conflicts. The point of contact for the period between January 1 and June 15, shall be the acting President of Little League. The point of contact for the period between June 15 and December 31 shall be the acting Manager for Sitka's American Legion Baseball team. Names and Contact information for the acting points of contact shall be posted on the City Website and will be available at the Public Works Department.
  - iv. Applications shall be submitted to the staff at the Public Works Department for consideration by the director or the director's designee. The Public Works Director or their designee shall be responsible for approval of Upper Moller field use applications and shall be responsible for updating the calendar and notifying the applicant within 7 business days. Any denial/disapproval may be appealed to the Administrator within 7 days of receipt of the denial.
- C. Time slots can be blocked out for league use and do not need to denote specific team use.
- D. Each league needs to include an estimate of the number of participants.

## III. Field Use Priority

- A. Youth Baseball and softball user groups have priority use of the Upper Moller Field

with allowance for Sitka School District teams, classes and activities during the school day.

- B. In order for non-priority groups to plan accordingly, baseball and softball groups must submit a field use schedule for practices and games no later than 45 days prior to the start of practices and have it posted on the online field calendar and shall refresh these calendars as provided above.
- C. After that 45-day window, non-priority users can reserve field time. In the event a conflict with priority users arises after a non-priority user has scheduled time on Upper Moller, the user groups agree to work in good faith to try and find an amicable resolution to the conflict between the user groups' prospective field use.
- D. To view field calendars, go to:  
<http://www.cityofsitka.com/government/departments/parks/ParksandRecreation.html>  
Scroll down to CBS Athletic Field Calendars
- E. If there are special events or user groups that can bring business or support to the community, the priority groups agree to work together to do what is best for the community.

#### IV. Tournaments, Camps, Special Events

- A. All requests for tournaments, camps and special events that use the fields shall be submitted 45 days prior to the event, if possible. Given that some camps and tournaments become available on shorter time, non-priority user groups agree to work in good faith to try and find an amicable resolution. The request should include a prediction for the total number of participants. Any additional maintenance or supplies should be requested at this time.

#### V. Maintenance or Work Requests

- A. Any athletic field maintenance or work request needs to be made 2 weeks in advance of the projected date that maintenance needs to be completed. Maintenance requests should be emailed to [publicworks@cityofsitka.org](mailto:publicworks@cityofsitka.org) or (907) 747-1804. Calls after 5pm, will not be received until the next day.
- B. The spaces need to be left SECURED, clean and organized (trash picked up and placed in receptacle).
- C. If you find damage done to the facility, please notify your league official and/or [publicworks@cityofsitka.org](mailto:publicworks@cityofsitka.org). Photos help!
- D. Items within the facilities may belong to someone else's organization and should be treated with respect and/or used per manufacturer's recommendations. If you notice issues with misuse of any equipment or items, please notify the Buildings, Grounds, & Parks Supervisor and CBS will bring it up with the appropriate party.

## VI. Moller Field Alterations

Temporary lines for a soccer field boundary may be painted, in a color to be agreed upon after consultation with the priority user groups, in consultation with the Public Works Department, beginning August 1 of each year (after the baseball season concludes) through February 28 when the lines shall be washed off of the field (no later than the day before the first day of high school baseball practice). A red color to most closely matches the infield rust color will be used, unless a different color is agreed to. No other painted field boundary lines, except those lines required for softball regulation play, shall be permitted on upper Moller.

Any other field alterations shall be discussed in Upper Moller Subcommittee meetings and agreed to using consensus decision making and referred to the Parks and Rec Committee for approval.

**June 11, 2019 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** – Marx suggested to form a scheduling subcommittee that comprised of stakeholders including Krupa and others that use Upper Moller Field that would be tasked with a priority of use policy that could assist with current conflicts and scheduling.

Morse clarified the subcommittee would make recommendations to the Parks and Recreation Committee which would in turn make a recommendation to the Assembly. She wondered what the limitations/requirements were as far as members of the committee's involvement. Marx was in agreement to have two committee members form the subcommittee. Corbell clarified that she receives emails and schedules in field use on the calendar. Harold Greene, Maintenance and Operations Superintendent relayed the complications with the scheduling.

Public Comment: Randy Hitchcock stated the need for a clear policy written enforced by city staff. He recommended the subcommittee be led and organized by city staff. Morse agreed to the importance of having city staff attend the subcommittee meetings and suggested Corbell attend. Marx agreed that city staff should be involved in the subcommittee as well as having stakeholders from all interested parties and that it be by consensus. He also felt the subcommittee should follow the existing policy, would like to avoid conflicts in the future, and felt the need to address the alterations issue. Widmark addressed concerns with involving staff time and noted the three tournaments that were to take place in July. Morse felt it important for the subcommittee to come to a consensus as to what the policy means.

**M - Marx / S - Smith – moved to amend the main motion to include alterations.  
Motion passed unanimously.**

Morse felt other members of the community should be invited and thought to advertise or send a public service announcement for subcommittee meetings. Marx thought to advertise in order to solicit user groups and felt that 5 to 10 members would be involved. General consensus was to have Rich Krupa and Brandon Marx as part of the subcommittee along with Randy Hitchcock, Alicia Eells, and Karen Case among others.

Public Comment: Alicia Eells representing Sitka (Adult) Soccer requested the opportunity to be scheduled on the field two times a month. Brant Brantman manager of the Hames Center and requested a one page, very simple, priority policy to follow as well as defining a user group. Rich Krupa, Athletic Director of the Sitka High School requested information of the conflict that was discussed during the first day of high school baseball practice because he was never informed. Karen Case stated there was no need to over complicate the situation and suggested following a policy and to use civility. Jeffery Richard representing the new middle school and elementary football league, asked about the possibility of refurbishing other fields.

Widmark felt that by keeping staff out of the subcommittee meetings, it would empower the public and make a more relaxed setting.

**M - Marx / S - Smith – moved to form a Scheduling Subcommittee that follows the existing priorities of use policy and alternations to deal with Upper Moller Field. Motion passed unanimously.**

**July 9, 2019 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** - Marx noted the policy that was made available by (Lynne) Brandon and wondered if it should also be discussed in the subcommittee. Clarification was made by Henshaw of the current policy in place. Marx felt that clarity would be beneficial and that some of the scheduling issues are with interpreting the language in the policy. Widmark and Smith voice they were in agreement that it needed clarification. Widmark stated edits and recommendations to the policy would be first with the Subcommittee, then come to the Parks and Recreation Committee, and be forwarded on to the Assembly.

**M - Marx / S - Smith – moved to expand the Scheduling Subcommittee’s scope to address the issue of whether to clarify the field use priority, that the decision be made by consensus, and report back to the Parks and Recreation Committee. Motion passed unanimously by a voice vote of all six members present.**

Poulson clarified the process and reminded to include the goal of getting the most use out of city resources as possible.

Brandon came forward to give history on the policy that was developed with a work group when she was working for the City and Borough of Sitka as the Parks and Recreation Manager and Jim Dinley was Municipal Administrator that implemented fees.

Marx clarified that the most current policy and guidelines were in the packet and on the website and the generic statement replaced the listed out dates of use.

**August 13, 2019 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** - Krupa reported on the last subcommittee meeting two weeks ago. He relayed he had distributed a draft of the *athletic field use policy and guidelines* to the subcommittee stakeholders, stated it was a starting point, and solicited feedback. He was still waiting to hear from the USCG and rugby folks. He noted that most responses have been positive. He wondered if the subcommittee needed 100% consensus. Henshaw relayed the recommendation process noting that it would be by a majority vote of the Committee and Assembly. Krupa felt that the fees may need to go to an hourly rate, however would like to avoid that.

**M – Poulson / S – Smith moved to *suspend the rules* to allow for public comment. The motion passed by an unanimously by a voice vote.**

Kelli Boddy stated she would like to be invited to the subcommittee meetings and had questions on the concession stands.

**September 10, 2019 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** - Marx reported on the progress of the subcommittee for the *athletic use field policy* and noted the subcommittee was close to having a policy that was agreed upon. He told the basic structure of it was to set up a process that fostered lines of communication where the stakeholders were communicating amongst each other. He stated that the policy stipulated baseball and softball have priority use of the field but that it also explained how the scheduling would work noting the subcommittee would meet three times a year to map out the schedule. Marx informed that the schedule would be a block schedule with availability of a 45-day window for non-priority users to book.

**October 8, 2020 Parks and Recreation Committee meeting excerpt**

**Upper Moller Field Use** - Marx stated there was still work to do but reported that the subcommittee would meet at the end of this month and should be ready to present a recommendation that was signed off by all stakeholders. He gave details on the policy and alterations discussion and work that still needed to be done.

**November 12, 2019 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** - Marx stated there had been many meetings with stakeholders over the last several months and although not everyone was pleased, felt the new policy was a good compromise. He noted that it was by unanimous consent. Chair Poulson inquired of the lines. Krupa answered that they would most likely be red or gray, have the least impact, damage, harm to the field and they would be able to be washed off. Krupa told of a list of priority users that the city would have with contact information.

**M – Smith / S – Compagno moved to recommend approval of the Athletic Field Use Policy and Guidelines as it stands. Motion passed unanimously by a voice vote.**

Marx went over the changes to the document noting that it sets up a new framework with stakeholders communicating which included three meetings per year, priority use, a calendar, and a 45-day opening for non-priority users to book the field.

Public Comment: Randy Hitchcock stated that all agreed to the changes. Lynne Brandon suggested a couple of members attend the Assembly meeting and that a memo be included. Chair Poulson noted the typo and confirmed that the soccer players were OK with the color stated in the policy. Smith thanked the subcommittee for their work.

**December 10, 2019 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** - Henshaw noted Municipal Attorney Brian Hanson's email of concerns with regards the Athletic Field Use Policy and Guidelines. Marx stated that clarifications could be helpful. Colliver stated he and his team looked at the policy and had questions of equipment that was left out by users. Marx thought further discussions as the subcommittee level may be

needed, that they could meet in January to discuss and bring it back. He gave a rundown on the process and his understanding of Public Work's responsibility. He noted that the main goal was to have stakeholders communicate and there was a good faith obligation to work issues out.

**M – Marx / S – Morse moved to refer this back to the subcommittee to incorporate clarifications. Motion passed unanimously by a voice vote.**

**January 14, 2020 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** - Marx told that there would be a subcommittee meeting tomorrow to address Municipal Attorney Brian Hanson's concerns. He stated that Krupa was out of town but that he was being kept informed.

**February 11, 2020 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** - Krupa stated that Marx would make the changes when he returned. Randy Hitchcock told of a subcommittee meeting he attended stating that all agreed with Brian Hanson's recommendations and the policy would come back for approval at the next meeting.

**March 10, 2020 Parks and Recreation Committee meeting minutes excerpt**

**Upper Moller Field Use** - Colliver stated that staff had been working out the schedule conflicts.

**M – Smith / S - Lawrie moved to place Approval of the policy on the next agenda. Motion passed by a unanimous voice vote of the four members present.**

Lawrie offered to make the changes if Marx could not.

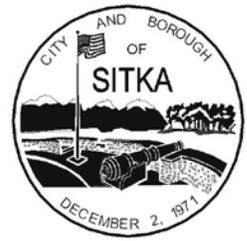
**April 14, 2020 Parks and Recreation Committee meeting DRAFT minutes excerpt**

**Upper Moller Field Use** - Marx stated the sub-committee met in January and made the changes recommended by the Municipal Attorney.

**M – Krupa / S – Morse moved to approve the Athletic Field Use Policy and Guidelines as written and recommend to the Assembly for approval. Motion passed unanimously.**

Marx noted the closure and wondered how folks could collect their equipment. Colliver stated that a COVID-19 execution plan would need to be submitted. He told of the closures and the locks had been changed out.

# City and Borough of Sitka



## ATHLETIC FIELD USE PERMIT APPLICATION

### APPLICANT INFORMATION:

Today's Date: \_\_\_\_\_

Team of Group Name: \_\_\_\_\_

Contact 1: \_\_\_\_\_

Contact 2: \_\_\_\_\_

Phone: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

Requested Day(s) of the Week: \_\_\_\_\_

Requested Times(s): \_\_\_\_\_

SEASON DATE RANGE (including end date): \_\_\_\_\_

### FIELD LOCATION REQUEST:

MOLLER COMPLEX

Upper Field

Lights

Lower Field

KEET GOOSHI HEEN

Field A

Field B

KIMSHAM COMPLEX

Field A

Field B

Field C

Field D - Krueger

BLATCHLEY - Vilandre

### \$\$\$ FEES per season:

\_\_\_\_\_ X \$250 = \_\_\_\_\_ TOTAL PLAYER FEE  
Number of Adult Softball Teams

--- OR ---

\_\_\_\_\_ X \$5 = \_\_\_\_\_ TOTAL PLAYER FEE  
Number of Players

\_\_\_\_\_ TAX (5% Oct-March or 6% April-September)

\_\_\_\_\_ TOTAL FEE with TAX

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

WAIVER AND RELEASE: I, duly authorized on behalf of the applying organization, hereby certifies that said organization/team/group will agree to hold the City and Borough of Sitka harmless from any and all claims for injury or damage to persons or property suffered in connection with the permittee's activities unless such injury or damage is caused by the gross negligence of the City and Borough of Sitka. I certify the information contained in this application is true to the best of my knowledge. As group representative, I hereby agree to take responsibility to inform and assure that all group members follow the rules and the Public Use of Parks and Recreation Facilities Ordinance of the City and Borough of Sitka. (Chapter 23.30, available upon request.)

# City and Borough of Sitka



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## ATHLETIC FIELD USE POLICY & GUIDELINES

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Athletic fields are available for use by the general public on a first-come, first-served basis **when not in use for scheduled league or club activities.**

The fee charged is \$5 per player for sport clubs, leagues, and other organized recreational activities that regularly use a CBS sport field. Adult softball is \$250 per team. All fees are due after league registration is complete or before the first game of the season, whichever comes first. Specific maintenance requests must be made at least two weeks in advance of the scheduled event.

Field scheduling is the responsibility of each league, sport or recreational user group. **Player fees and field use schedules (practices and games) must be submitted prior to each league's first game for fields to be "reserved."** Copies of the field use schedules must be submitted to the Public Works office on the second floor of City Hall or [publicworks@cityofsitka.org](mailto:publicworks@cityofsitka.org). Athletic field use fees can be paid at the Utilities Counter, located on the first floor of the Municipal Building (100 Lincoln Street) during regular business hours, Monday through Friday, 9:00 am to 4:00 pm.

\*\*\*\*\* NO REFUNDS for Player Fees \*\*\*\*\*

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## GENERAL GUIDELINES FOR ATHLETIC FIELD USE

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The field use policies establish guidelines for organized team or group use of City and Borough of Sitka athletic fields. Municipal Parks and Recreation staff will fairly and consistently enforce this policy.

### I. General Policies

- A. All municipal parks are open from 6AM to 10 PM daily, unless requested otherwise. Walk-on use is permitted on City and Borough of Sitka fields. The field must be vacated if a scheduled team arrives to use the field. The City reserves the right to limit or prohibit an organized group from using a field if permit or schedule has not been submitted to the City.
- B. Fields may be closed if conditions dictate.
- C. All coaches must be notified of field use policies, game and practice schedules by league officials.
- D. **Fields must be left in a litter free condition. Please do your part and leave the parks cleaner than you found them.** Teams that have repeated violations of this field use requirement may be asked to forfeit use of fields for a portion of or the remainder of the season. **No refunds.** Trash bags, trash cans, and other components can be provided by CBS with adequate notice. CBS ask that user group empty trash in these areas after use of the field and put in the large 300 gallon trash can outside.
- E. Field rules shall be followed by all.

## City & Borough of Sitka - GENERAL GUIDELINES FOR ATHLETIC FIELD USE

### II. Field Assignment

- A. Each league is requested to submit a field use schedule for practices and games **no later than one week prior** to the commencement of practices. Copies should be sent electronically to [publicworks@cityofsitka.org](mailto:publicworks@cityofsitka.org) and/or the Buildings, Grounds, & Parks Supervisor. Time slots can be blocked out for league use and don't need to denote specific team use.
- B. Each league needs to include an estimate of the number of participants.
- C. FIELD USE PRIORITY

User groups that are in season shall get priority over those that are not. Moller Upper priority is baseball programs over those that are not. However, if there are special events or user groups that can bring business or support to the community, the priority groups have the opportunity to work together to do what is best for the community.

### II. Tournaments, Camps, Special Events

All requests for tournaments, camps and special events that use the fields must be submitted separately **four weeks prior to the event**. The request should include a prediction for the total number of out-of-town players who will be in attendance. Any additional facilities, maintenance or supplies should be requested at this time.

### III. Maintenance or Work Requests

- A. Any **athletic field maintenance or work request** needs to be made **14 days in advance** of the projected date that maintenance needs to be completed. Maintenance requests should be emailed to [publicworks@cityofsitka.org](mailto:publicworks@cityofsitka.org) or (907) 747-4039. Calls after 5pm, will not be received until the next day.
- B. The spaces need to be left SECURED, clean and organized (no trash please).
- C. If you find damage done to the facility, please notify your direct point/supervisor and/or [publicworks@cityofsitka.org](mailto:publicworks@cityofsitka.org). Photos help!
- D. Items within the facilities may belong to someone else's organization and should be treated with respect and/or used per manufacturer's recommendations. If you notice issues with misuse of "your" or other's items, please let Buildings, Grounds, & Parks Supervisor know and CBS will bring it up with the appropriate party.
- E. Coaches and/or user groups are responsible for chalking or painting lines on the field. CBS will provide some guidance, proper products, and assistance when possible.

CBS Grounds Department's role is to maintain the facilities, infrastructure, and grounds for the community's best interest and keeping a safe environment. Internal operation of the user group's process is the responsibility of the user groups but CBS will happily assist if needed.

Thank you for adhering to this policy and guidelines.



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 20-26    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 5/5/2020    In control: City and Borough Assembly

On agenda: 6/9/2020    Final action:

Title: Amending Title 2 "Administration", Chapter 2.04 "City and Borough Assembly", Section 2.04.010 "Agenda"

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2020-26](#)  
[Ord 2020-26](#)

Date	Ver.	Action By	Action	Result
5/26/2020	1	City and Borough Assembly		

Sponsors: Nelson / Christianson

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2020-26 on second and final reading amending Title 2 “Administration”, Chapter 2.04 “City and Borough of Assembly”, Section 2.04.010 “Agenda”.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-26

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 2 "ADMINISTRATION", CHAPTER 2.04 "CITY AND BOROUGH ASSEMBLY", SECTION 2.04.010 "AGENDA"

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

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

3. PURPOSE. The purpose of this ordinance is to revise the order of business of Assembly meetings by moving "Municipal reports from mayor, administrator, attorney, liaisons, clerk and other, not to exceed three minutes per report" to the end of the meeting.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 2 "Administration", Chapter 2.04 "City and Borough Assembly", Section 2.04.010 "Agenda" is amended to read as follows (deleted language stricken, new language underlined):

Title 2
ADMINISTRATION

Chapters:

2.04 City and Borough Assembly

\*\*\*

Sections:

2.04.010 Agenda.

\*\*\*

2.04.010 Agenda

A. At all regular meetings, the order of business shall be:

- 1. Call to order;
2. Flag salute;
3. Roll call;
4. Correspondence and changes to agenda;
5. Ceremonial matters: proclamations, presentations, awards;
6. Special reports: government-to-government, municipal boards/commissions, committees, municipal departments, school district, students and guests;
7. Public participation on any item off the agenda. Public testimony is not to exceed three minutes per individual, unless the mayor imposes other time constraints at the beginning of the agenda item;

- 57  
58 ~~8. Municipal reports from mayor, administrator, attorney, liaisons, clerk and other, not to~~  
59 ~~exceed three minutes per report;~~  
60  
61 9. 8. Consent agenda, to include vote on approval of minutes of previous meeting(s),  
62 ordinances for introduction, and routine items adopted by one motion;  
63  
64 ~~10. 9.~~ Board, commission, and committee appointments;  
65  
66 ~~11. 10.~~ Unfinished business, with public hearing/participation after motion on agenda item,  
67 but before deliberation of the assembly;  
68  
69 ~~12. 11.~~ New business, with public hearing/participation after motion on agenda item, but  
70 before assembly deliberation;  
71  
72 ~~13. 12.~~ Public participation on any item on or off the agenda. Not to exceed three minutes  
73 per individual;  
74  
75 13. Municipal reports from mayor, administrator, attorney, liaisons, clerk and other, not to  
76 exceed three minutes per report;  
77  
78 14. Executive session, if motion for executive session is made and adopted;  
79  
80 15. Adjournment.

81 \* \* \*

82  
83 **5. EFFECTIVE DATE.** This ordinance shall become effective the day after the date  
84 of its passage.

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86  
87 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of  
88 Sitka, Alaska, this 9<sup>th</sup> day of June, 2020.

89  
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91  
92 \_\_\_\_\_  
93 Gary L. Paxton, Mayor

94 ATTEST:

95  
96 \_\_\_\_\_  
97 Sara Peterson, MMC  
98 Municipal Clerk  
99

100 1<sup>st</sup> reading no action taken – insufficient time to address item 5/12/2020

101 1<sup>st</sup> reading 5/26/2020

102 2<sup>nd</sup> and final reading 6/9/2020

103  
104 Sponsors: Nelson / Christianson



# CITY AND BOROUGH OF SITKA

## Legislation Details

File #: ORD 20-27    Version: 1    Name:  
Type: Ordinance    Status: AGENDA READY  
File created: 5/20/2020    In control: City and Borough Assembly  
On agenda: 6/9/2020    Final action:  
Title: Amending Title 2 "Administration", Chapter 2.20 "Fire Department", Section 2.20.010 "Establishment"  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Motion Ord 2020-27](#)  
[Ord 2020-27](#)

Date	Ver.	Action By	Action	Result
5/26/2020	1	City and Borough Assembly		

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2020-27 on second and final reading amending Title 2 “Administration”, Chapter 2.20 “Fire Department”, Section 2.20.010 “Establishment”.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-27

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 2 "ADMINISTRATION", CHAPTER 2.20 "FIRE DEPARTMENT", SECTION 2.20.010 "ESTABLISHMENT"

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

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

3. PURPOSE. The purpose of this ordinance is to revise the required positions for the Sitka Fire Department by removing the Assistant Fire Chief as currently required by Sitka General Code.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 2 "Administration", Chapter 2.20 "Fire Department", Section 2.20.010 "Establishment" is amended to read as follows (deleted language stricken, new language underlined):

Title 2 ADMINISTRATION

Chapters:

2.20 Fire Department

\*\*\*

\*\*\*

Sections:

2.20.010 Establishment.

\*\*\*

2.20.010 Establishment.

A. There shall be a fire department in and for the city and borough of Sitka to be known as the "Sitka fire department."

B. The purposes of the fire department are to save lives and property through professional response to emergency situations and to minimize emergency occurrences via prevention programs.

C. The department shall consist of a fire chief and assistant chief (or chiefs) and as many other positions as may be necessary for the effective operation of the department. Members of the fire department will include both paid and unpaid professionals.

D. The fire department includes a fire division, an emergency medical services (EMS) division, a dive rescue and recovery division, a search and rescue division, and an emergency management division.

\*\*\*

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

57  
58           **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of  
59 Sitka, Alaska, this 9th day of June, 2020.

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

64 ATTEST:

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68 \_\_\_\_\_  
Sara Peterson, MMC

69 Municipal Clerk

70

71 1<sup>st</sup> reading 5/26/2020

72 2<sup>nd</sup> and final reading 6/09/2020

73

74 Sponsors: Nelson / Wein



# CITY AND BOROUGH OF SITKA

## Legislation Details

File #: ORD 20-30    Version: 1    Name:  
Type: Ordinance    Status: AGENDA READY  
File created: 5/20/2020    In control: City and Borough Assembly  
On agenda: 6/9/2020    Final action:  
Title: Authorizing the City to obtain a loan from the Alaska Municipal Bond Bank in a principal amount not to exceed \$7,000,000 to refinance for savings the City's outstanding loan from the Alaska Energy Authority; authorizing the issuance to the Bond Bank of a junior lien electric revenue refunding bond of the City to evidence and secure the loan; authorizing the Municipal Administrator and Chief Finance and Administrative Officer to enter into a loan agreement with the Bond Bank setting forth the terms and conditions of the loan and the refunding bond; and establishing an effective date

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2020-30](#)  
[Memo Ord 2020-30](#)  
[Ord 2020-30](#)

Date	Ver.	Action By	Action	Result
5/26/2020	1	City and Borough Assembly		

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2020-30 on second and final reading authorizing the City to obtain a loan from the Alaska Municipal Bond Bank in a principal amount not to exceed \$7,000,000 to refinance for savings the City's outstanding loan from the Alaska Energy Authority; authorizing the issuance to the Bond Bank of a junior lien electric revenue refunding bond of the City to evidence and secure the loan; authorizing the Municipal Administrator and Chief Finance and Administrative Officer to enter into a loan agreement with the Bond Bank setting forth the terms and conditions of the loan and the refunding bond; and establishing an effective date.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members

**From:** John Leach, Municipal Administrator 

**Date:** May 21, 2020

**Subject:** Refinancing of 1979 Alaska Energy Authority Loan

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### **Issue:**

The Alaska Municipal Bond Bank Authority (AMBBA) is currently taking steps to refinance a substantial portion of its outstanding publicly held bonds. As the AMBBA uses proceeds from its public bond issuances to loan to Municipalities, those Municipalities are being afforded a chance to work in conjunction with the AMBBA to refinance their loans from the AMBBA.

In conjunction with the refinancing of its outstanding publicly held bonds, the AMBBA is affording municipalities the ability to apply for new loans from the AMBBA which would be funded through the issuance of additional new AMBBA debt.

Accordingly, the City and Borough of Sitka has applied to the AMBBA for a loan to refinance the remaining balance of Sitka's 1979 loan with the Alaska Energy Authority. Passage of an ordinance by the Assembly is required to enter into the loan, and the accompanying ordinance serves this purpose.

### **Analysis:**

#### **Structure of AMBBA Debt and CBS loan agreements with the AMBBA**

The AMBBA is a subdivision of the State of Alaska, Department of Revenue. The AMBBA was established to help smaller Municipalities in Alaska access bond markets that would otherwise be unavailable to small bond issuers. The AMBBA has specific statutory authority to issue general obligation bonds.

The basic functioning of the AMBBA is to sell bonds to the general public through underwriters, then lend the proceeds from its debt issuances to Alaska Municipalities

through loan agreements. As collateral for the loans, the AMBBA requires each Municipality to sell one single municipal bond to the AMBBA. The AMBBA then crafts debt repayment schedules for the loans it makes to mirror its own debt service obligations to the public. Thus, debt service payments made by Municipalities are used by the AMBBA to make its own debt service.

The bonds sold to the general public by the AMBBA are callable serial municipal bonds. This means that AMBBA bonds carry different interest coupons, and, mature at those dates specified in the serial structure. Callable means that the AMBBA can pay off the bonds early, but only according to specific rules set forth at the time of issuance. All AMBBA bonds are continuously callable after 10 years; before the 10-year anniversary, they can't be called. AMBBA bonds may be partially called, meaning some bonds in the serial, but not all, are paid off early.

As the proceeds of AMBBA bonds are lent to Municipalities and those Municipalities have repayment schedules that mirror the AMBBA's debt service, the ability of Municipalities to pay off their loans early is limited and may only take place according to stipulations set forth in their loan agreements with the AMBBA.

The calling of bonds and early pay-off of loans can be initiated either by the AMBBA, or, by Municipalities. The AMBBA has a contractual financial advisor who continually monitors interest rates in the bond market, and, who recommends to the AMBBA Executive Director and Board when bonding looks economical. While a municipality can apply to the AMBBA for a loan, municipalities can't compel the AMBBA to issue new public debt.

### **New Money Refinancing of AEA Loan**

The CBS has a long-standing term loan with the Alaska Energy Authority. The loan was entered into in 1979, and, was refinanced in 1993 (in conjunction with a disaster assistance request tied to the APC mill closure) to extend its term to 50 years. The loan terms include semi-annual payments of principal and interest of \$307,037.96 at 4% interest.

Current interest rates lower than 3% make refinancing of this loan an attractive option, wherein it did not make economic sense to do so in the past. Accordingly, the CBS has applied to the AMBBA for additional bonded indebtedness ("new money") to refinance this old loan and reduce interest costs to the rate payers. The AMBBA has analyzed the loan and has agreed that enough savings will be achieved to make refinancing attractive.

In order to take on additional bonded indebtedness to pay off this older loan and achieve lower interest expense, passage of an ordinance is required.

### **Fiscal Note:**

### **Effective Interest Rates and Savings Not Finalized Until Underwriting**

The exact amount of savings and the effective interest rate(s) for the refinancing of the AEA loan cannot be known with certainty until the underwriter takes the bond issuances to market in New York. The underwriter has, however, estimated effective interest rates based on current bond market conditions, as well as a sensitivity analysis showing the effect on the proposed refunding if market interest rates rise or fall.

When a bond issuance is brought to market, the rate of interest to be paid on each bond in the serial is pre-determined well in advance. These rates are called bond coupon rates. Rather than adjusting coupon rates continuously to match ever-changing market conditions, bonds in the various serials in a bond issuance will be sold at either a premium or discount to the stated redemption value.

AMBBA bonds are often sold at a premium. When bonds are sold at a premium, the CBS gets extra bond proceeds it does not have to pay back to offset the higher coupon interest it pays. When this occurs, it results in the effective interest rate on the issuance which, in the case of a premium, will be substantially lower than the stated coupon rates.

### **Estimated Savings for AEA Loan Refinancing**

The savings to be achieved by issuing new electric revenue bonds to refinance the AEA loan has also not been determined with certainty by the underwriter. The CBS Finance Department believes that refinancing the AEA loan could potentially save as much as \$50,000 in annual interest expense.

### **Effect Refinancing of AEA Loan on User Fees**

Although the proposed refinancing of the AEA loan will result in significant interest rate and cash flow savings to the Municipality, staff does not intend to recommend user fee reductions at this time. Savings will instead be used to strengthen the financial health of enterprise funds by increasing their working capital, and, by potentially reducing the amount of future fee increases.

### **Recommendation**

Staff recommends that the Assembly approve the accompanying Ordinance necessary to refinance its outstanding AEA loan.

1 CITY AND BOROUGH OF SITKA, ALASKA  
2  
3 JUNIOR LIEN ELECTRIC REVENUE REFUNDING BOND (TAXABLE)  
4  
5 (REFINANCING AEA LOAN)  
6  
7  
8

9 ORDINANCE NO. 2020-30  
10  
11  
12

13 AN ORDINANCE of the City and Borough of Sitka authorizing the City to obtain a  
14 loan from the Alaska Municipal Bond Bank in a principal amount not to exceed  
15 \$7,000,000 to refinance for savings the City's outstanding loan from the Alaska  
16 Energy Authority; authorizing the issuance to the Bond Bank of a junior lien  
17 electric revenue refunding bond of the City to evidence and secure the loan;  
18 authorizing the Municipal Administrator and Chief Finance and Administrative  
19 Officer to enter into a loan agreement with the Bond Bank setting forth the terms  
20 and conditions of the loan and the refunding bond; and establishing an effective  
21 date.  
22

23  
24 PASSED: June 9, 2020  
25  
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27  
28  
29

30 Prepared by:

31 Stradling Yocca Carlson & Rauth, a Professional Corporation  
32 Seattle, Washington  
33  
34

CITY AND BOROUGH OF SITKA, ALASKA

ORDINANCE NO. 2020-30

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65 EXHIBIT A Form of the Bond

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67

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-30

AN ORDINANCE of the City and Borough of Sitka authorizing the City to obtain a loan from the Alaska Municipal Bond Bank in a principal amount not to exceed \$7,000,000 to refinance for savings the City’s outstanding loan from the Alaska Energy Authority; authorizing the issuance to the Bond Bank of a junior lien electric revenue refunding bond of the City to evidence and secure the loan; authorizing the Municipal Administrator and Chief Finance and Administrative Officer to enter into a loan agreement with the Bond Bank setting forth the terms and conditions of the loan and the refunding bond; and establishing an effective date..

WHEREAS, the City and Borough of Sitka, Alaska (the “City”), owns and operates electric generation and transmission facilities (the “Electric System”); and

WHEREAS, to pay a portion of the cost of the City’s Green Lake hydroelectric project, a component of the Electric System, the City borrowed \$15,000,000 (at a per annum interest rate of 4.0%) from the Alaska Power Authority (now known as the Alaska Energy Authority, “AEA”) under a Loan and Security Agreement dated as of August 24, 1982, as evidenced by a Promissory Note dated August 26, 1982 (as subsequently amended, the “AEA Loan”); and

WHEREAS, in 1994 or 1995, the City and AEA agreed on a restructuring of debt service on the AEA Loan, which is currently payable in approximately equal semiannual installments of principal and interest each January 1 and July 1 with a current outstanding balance of \$6,177,921.70; and

WHEREAS, after due consideration it appears to this Assembly that the City may be able to realize savings to the City and ratepayers of the Electric System by refinancing the AEA Loan from the proceeds of a lower-cost loan from the Alaska Municipal Bond Bank (the “Bond Bank”) that would be evidenced and secured by the issuance to the Bond Bank of a junior lien electric revenue refunding bond (the “Bond”), as authorized by this ordinance; and

WHEREAS, there are currently outstanding (as of May 1, 2020) the following electric revenue bonds of the City, all held by the Bond Bank:

Sitka Series	Issue Date	Ordinance	Principal Amount Outstanding	Bond Bank Series
2010 Senior Lien	12/9/2010	2010-29	\$31,500,000	2010 Four
2013 Junior Lien	3/12/2013	2013-02	35,530,000	2013 One
2013(2d) Junior Lien	11/14/2013	2013-38	25,615,000	2013 Three
2014 Junior Lien	10/30/2014	2013-38	16,325,000	2014 Three

105 WHEREAS, the ordinances that authorized the issuance of the outstanding electric revenue  
106 bonds provide that the City may issue additional bonds with a lien on revenue of the Electric System  
107 on a parity with the lien on such revenue of the Junior Lien Bonds (as identified above), if certain  
108 conditions are met; and

109  
110 WHEREAS, this Assembly finds that the applicable parity conditions have been or will be met,  
111 so the Bond may be issued as a Parity Bond; and

112  
113 WHEREAS, the Assembly has determined that it is in the best interest of the City to delegate  
114 to the Municipal Administrator and the Chief Finance and Administrative Officer authority to enter  
115 into a loan with the Bond Bank by issuing the Bond to the Bond Bank, as authorized by this ordinance,  
116 so long as the principal amount of the Bond does not exceed \$7,000,000; and

117  
118 WHEREAS, the Assembly finds that it is in the best interest of the City and ratepayers of  
119 the Electric System to issue the Bond through the Bond Bank, on the terms and conditions set forth  
120 in this ordinance and in a loan agreement authorized by this ordinance to be entered into with the  
121 Bond Bank;

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

124 Section 1. Classification. This ordinance is not of a permanent nature and is not  
125 intended to become part of the Sitka General Code.

126 Section 2. Definitions. As used in this ordinance, the following words have the  
127 following meanings, unless a different meaning clearly appears from the context:

128 “AEA” means the Alaska Energy Authority (formerly known as the Alaska Power  
129 Authority).

130 “AEA Loan” means the loan to the City in the original amount of \$15,000,000 (at a per  
131 annum interest rate of 4.0%) from the Alaska Power Authority (now known as AEA) under a Loan  
132 and Security Agreement dated as of August 24, 1982, as evidenced by a Promissory Note dated  
133 August 26, 1982, and as subsequently amended.

134 “Annual Debt Service” means the total amount of Debt Service for any bonds or other  
135 evidences of indebtedness payable from Revenue of the System in any fiscal year.

136 “Assembly” means the Assembly of the City and Borough of Sitka, Alaska, the general  
137 legislative authority of the City, as duly constituted from time to time, or any successor body.

138 “Balloon Maturity Bonds” means any bonds or other evidences of indebtedness of the City  
139 payable from Revenue of the System that are so designated in the ordinance pursuant to which  
140 such bonds are issued or such indebtedness is incurred.

141 “Base Period” means any consecutive 12-month period selected by the City out of the  
142 36-month period next preceding the date of issuance of a series of Future Parity Bonds.

143           “Bond” means the Junior Lien Electric Revenue Refunding Bond, 20\_\_ (Taxable),  
144 authorized to be issued in a principal amount not to exceed \$7,000,000 pursuant to this ordinance.

145           “Bond Bank” means the Alaska Municipal Bond Bank, a public corporation and  
146 instrumentality of the State of Alaska, created pursuant to the provisions of Chapter 85, Title 44,  
147 Alaska Statutes, as amended.

148           “Bond Bank Bonds” means bonds to be issued by the Bond Bank to provide funds to be  
149 loaned to the City under the Loan Agreement.

150           “Bond Fund” means the “City and Borough of Sitka 2013 Electric Revenue Bond  
151 Redemption Fund,” created pursuant to Ordinance No. 2013-02 and continued by this ordinance  
152 to pay and secure the payment of all Parity Bonds.

153           “Bond Register” means the registration books for the Bond maintained by the Registrar,  
154 for the purpose of complying with the requirements of Section 149 of the Code and listing, inter  
155 alia, the name and address of the Registered Owner of the Bond.

156           “Chief Finance and Administrative Officer” means the Chief Finance and Administrative  
157 Officer of the City or the successor to the duties of that office.

158           “City” means the City and Borough of Sitka, Alaska, a home rule municipal corporation  
159 duly organized and existing under the Constitution and laws of the State of Alaska and its Charter.

160           “Code” means the federal Internal Revenue Code of 1986, as amended, together with  
161 corresponding and applicable final, temporary or proposed regulations and revenue rulings issued  
162 or amended with respect thereto by the United States Treasury Department or the Internal Revenue  
163 Service.

164           “Consultant” means an independent municipal financial consultant, including but not  
165 limited to an independent accounting firm or engineer, having a favorable reputation for skill and  
166 experience with electric utilities comparable to the Electric System in such matters as are relevant  
167 to the purpose for which he or she is retained, appointed from time to time by the City to perform  
168 the duties of the Consultant as required by this ordinance.

169           “Covered Bonds” means the 2013 Bond, the 2013(2d) Bond, the 2014 Bond, the Bond, and  
170 any Future Parity Bonds designated in the ordinance authorizing their issuance as Covered Bonds  
171 secured by the Reserve Account, subject to the approval of the Bond Bank, as provided in Section  
172 8(b), and the 2010 Bonds, subject to the approval of the Bond Bank, as provided in Section 8(b).

173           “Debt Service” means, for any period of time,

174           (a)     for outstanding Fixed Rate Bonds, an amount equal to the sum of:

175                   (1) all interest payable on such Fixed Rate Bonds during the period;

176 (2) the amount of principal of such Fixed Rate Bonds due or subject to mandatory  
177 redemption during such period and for which no Sinking Fund Requirement has been  
178 established, and

179 (3) the amount of the Sinking Fund Requirement for the period;

180 plus

181 (b) for outstanding Parity Bonds other than Fixed Rate Bonds, including but not limited  
182 to Balloon Maturity Bonds and Parity Bonds bearing variable rates of interest, an amount for the  
183 period equal to the amount that would have been payable for principal and interest on these Parity  
184 Bonds during that period computed on the assumption that the amount of Parity Bonds as of the  
185 date of such computation would be amortized (i) in accordance with the mandatory redemption  
186 provisions, if any, set forth in the ordinance authorizing the issuance of such Parity Bonds, or if  
187 mandatory redemption provisions are not provided, during a period commencing on the date of  
188 computation and ending on the date 30 years after the date of issuance (ii) at an interest rate equal  
189 to the yield to maturity set forth in the 40-Bond Index published in the edition of *The Bond Buyer*  
190 (or comparable publication or such other similar index selected by the City) and published within  
191 ten days prior to the date of calculation or, if such calculation is being made in connection with  
192 the certificate required by Section 11 hereof, then within ten days of such certificate, (iii) to  
193 provide for approximately level annual debt service of principal and interest over such period.

194 Debt Service shall be net of any capitalized interest funded out of bond proceeds and any  
195 Debt Service Offsets.

196 “Debt Service Offset” means receipts of the City, including but not limited to federal  
197 interest subsidy payments, designated as such by the City that are not included in Revenue of the  
198 System and are legally available to pay debt service on Parity Bonds.

199 “Electric System” means the electric utility properties, rights and assets, real and personal,  
200 tangible and intangible, now owned and operated by the City and used or useful in the generation,  
201 transmission, distribution and sale of electric energy and the business incidental thereto and all  
202 properties, rights and assets, real and personal, tangible and intangible, hereafter constructed or  
203 acquired by the City as additions, betterments, improvements or extensions to those electric utility  
204 properties, rights and assets, but shall not include any other generating, conservation, transmission  
205 or distribution facilities that have been or may hereafter be acquired or constructed by the City as  
206 a utility system designated by the Assembly at the time of financing thereof to be separate from  
207 the Electric System, the revenues of which may be pledged to the payment of bonds issued to  
208 purchase, construct or otherwise acquire or expand that separate utility system or are otherwise  
209 pledged to the payment of the bonds of another separate utility system of the City other than the  
210 Electric System. The Assembly may, by ordinance, elect to combine with and include as a part of  
211 the Electric System any other separate utility of the City, provided that full provision for the  
212 payment of any outstanding indebtedness of that separate system must first be paid or that  
213 indebtedness must be refunded with bonds issued in accordance with this ordinance.

214 “Event of Default” means any of those events described as such in Section 18 of this  
215 ordinance.

216           “Fitch” means Fitch, Inc., organized and existing under the laws of the State of Delaware,  
217 its successors and their assigns, and, if such organization is dissolved or liquidated or no longer  
218 performs the functions of a securities rating agency, “Fitch” shall be deemed to refer to any other  
219 nationally recognized securities rating agency (other than S&P or Moody’s) designated by the  
220 Chief Finance and Administrative Officer.

221           “Fixed Rate Bonds” means those Parity Bonds other than Balloon Maturity Bonds the rates  
222 of interest of which are fixed and determinable through their final maturity or for a specified period  
223 of time. If so provided in the ordinance authorizing their issuance, Parity Bonds may be deemed  
224 to be Fixed Rate Bonds for only a portion of their term.

225           “Future Parity Bonds” means electric revenue bonds of the City issued after the date of  
226 issuance of the Bond that have a lien on Revenue of the System for the payment of the principal  
227 thereof and interest thereon equal to the lien on the Revenue of the System for the payment of the  
228 principal of and interest on the 2013 Bond, the 2013(2d) Bond, the 2014 Bond, and the Bond.

229           “Government Obligations” means any bonds or other obligations that, as to principal and  
230 interest, constitute direct obligations of, or are unconditionally guaranteed by, the United States of  
231 America.

232           “Loan Agreement” means the Loan Agreement by and between the City and the Bond Bank  
233 authorized to be entered into pursuant to Section 17 of this ordinance for the sale of the Bond.

234           “Moody’s” means Moody’s Investors Service, its successors and their assigns, and, if such  
235 corporation is dissolved or liquidated or no longer performs the functions of a securities rating  
236 agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating  
237 agency (other than S&P and Fitch) designated by the Chief Finance and Administrative Officer.

238           “Municipal Administrator” means the Municipal Administrator (or Borough  
239 Administrator) or the successor to the duties of that office.

240           “Net Revenue” means, for any period, Revenue of the System less Operating Expenses for  
241 that period, excluding from the computation of Revenue of the System (a) any profit or loss derived  
242 from the sale or other disposition, not in the ordinary course of business, of properties, rights or  
243 facilities of the Electric System, or resulting from the early extinguishment of debt; and  
244 (b) insurance proceeds other than proceeds to replace lost revenue.

245           “Operating Expenses” mean the City’s expenses for operating and maintaining the Electric  
246 System, and ordinary repairs, renewals, replacements and reconstruction of the Electric System,  
247 including all costs of delivering electric power and energy, and payments into reasonable reserves  
248 in the Revenue Fund for items of operation and maintenance the payment for which is not  
249 immediately required, and shall include, without limiting the generality of the foregoing, costs of  
250 purchased power; costs of transmission and distribution operation and maintenance expenses;  
251 rents; administrative and general expenses; engineering expenses; legal and financial advisory  
252 expenses; required payments to pension, retirement, health and hospitalization funds; insurance  
253 premiums; and any taxes, assessments, payments in lieu of taxes or other lawful governmental  
254 charges, all to the extent properly allocable to the Electric System; and the fees and expenses of  
255 the Registrar. Operating Expenses shall not include any costs or expenses for new construction,

256 interest, amortization, non-cash losses or costs with respect to any real or personal property,  
257 investment or agreement that may be required to be recognized under generally accepted  
258 accounting principles, including but not limited to depreciation expense and unrealized mark-to-  
259 market losses.

260 “Parity Bonds” mean the 2013 Bond, the 2013(2d) Bond, the 2014 Bond, the Bond, and  
261 any Future Parity Bonds.

262 “Permitted Investments” means any of the following to the extent permitted by the laws of the  
263 State of Alaska:

264 (1) Direct obligations of the United States of America (including obligations  
265 issued or held in book-entry form on the books of the Department of the Treasury of the United States  
266 of America, and CATS and TIGRS) or obligations the timely payment of the principal of and interest  
267 on which are fully guaranteed by the United States of America.

268 (2) Bonds, debentures, notes or other evidence of indebtedness issued or  
269 guaranteed by any of the following federal agencies and provided such obligations are backed by the  
270 full faith and credit of the United States of America (stripped securities are only permitted if they have  
271 been stripped by the agency itself):

- 272 A. Farmers Home Administration: certificates of beneficial ownership;
- 273 B. Federal Financing Bank;
- 274 C. General Services Administration: participation certificates;
- 275 D. Government National Mortgage Association (GNMA): GNMA-  
276 guaranteed mortgage-backed bonds and GNMA-guaranteed pass-  
277 through obligations;
- 278 E. U.S. Maritime Administration: guaranteed Title XI financing; and
- 279 F. U.S. Department of Housing and Urban Development: project notes; local  
280 authority bonds; U.S. government-guaranteed new communities debentures;  
281 U.S. government-guaranteed public housing notes and bonds.

282  
283 (3) Bonds, debentures, notes or other evidence of indebtedness issued or  
284 guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped  
285 securities are only permitted if they have been stripped by the agency itself):

- 286 A. Federal Home Loan Bank System: senior debt obligations;
- 287 B. Federal Home Loan Mortgage Corporation (FHLMC): participation  
288 certificates and senior debt obligations rated AAA by S&P or Aaa by  
289 Moody’s;
- 290 C. Federal National Mortgage Association (FNMA): mortgage-backed  
291 securities and senior debt obligations rated AAA by S&P or Aaa by  
292 Moody’s;
- 293 D. Student Loan Marketing Association (SLMA): senior debt obligations;
- 294 E. Resolution Funding Corp. (REFCORP): only the interest component of  
295 REFCORP strips that have been stripped by request to the Federal  
296 Reserve Bank of New York; and
- 297 F. Farm Credit System: consolidated systemwide bonds and notes.

298 (4) Money market funds registered under the Federal Investment Company Act of  
299 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by  
300 S&P of AAAM-G, AAAM or AAM or having a rating by Moody's of Aaa, Aa1 or Aa2.

301 (5) Certificates of deposit secured at all times by collateral described in (1) and/or  
302 (2) above. Such certificates must be issued by commercial banks, savings and loan associations or  
303 mutual savings banks whose short-term obligations are rated A-1+ or better by S&P and Prime-1 or  
304 better by Moody's. The collateral must be held by a third party and Bondowners must have a perfected  
305 first security interest in the collateral.

306 (6) Certificates of deposit, savings accounts, deposit accounts or money market  
307 deposits that are fully insured by FDIC, including BIF and SAIF.

308 (7) Commercial paper rated, at the time of purchase, Prime-1 by Moody's and A-  
309 1 or better by S&P.

310 (8) Bonds or notes issued by any state or municipality rated by Moody's and S&P  
311 in one of the two highest rating categories assigned by such agencies.

312 (9) Federal funds or bankers acceptances with a maximum term of one year of any  
313 bank that has an unsecured, uninsured and unguaranteed obligation rating of Prime-1 or A3 or better  
314 by Moody's and A-1 or A or better.

315 (10) Repurchase agreements providing for the transfer of securities from a dealer  
316 bank or securities firm (seller/borrower) to the City or its agent or trustee (buyer/lender), and the  
317 transfer of cash from the City or its agent or trustee to the dealer bank or securities firm with an  
318 agreement that the dealer bank or securities firm will repay the cash plus a yield to the City or its agent  
319 or trustee in exchange for the securities at a specified date. Repurchase Agreements for a term of  
320 30 days or less must satisfy the following criteria:

321 A. Repos must be between the City or its agent or trustee and a dealer bank  
322 or securities firm.

323 a. Primary dealers on the Federal Reserve reporting dealer list that  
324 fall under the jurisdiction of the SIPC and that are rated A or  
325 better by S&P and Moody's, or

326 b. Banks rated A or above by S&P and Moody's.

327 B. The written repo contract must include the following:

328 a. Securities that are acceptable for transfer are:

329 (1) Direct U.S. governments, or

330 (2) Federal agencies backed by the full faith and credit of  
331 the U.S. government (and FNMA & FHLMC).

332 b. The term of the repo may be up to 30 days.

333 c. The collateral must be delivered to the City (if the City is not  
334 supplying the collateral) or to a third party acting as agent for  
335 the City (if the City is supplying the collateral) before or  
336 simultaneously with payment (perfection by possession of  
337 certificated securities).

338 d. The securities must be valued weekly, marked-to-market at  
339 current market price plus accrued interest. The value of  
340 collateral must be equal to 104% of the amount of cash  
341 transferred by the City or its agent or trustee to the dealer bank  
342 or securities firm under the repo plus accrued interest. If the  
343 value of securities held as collateral slips below 104% of the  
344 value of the cash transferred, then additional cash and/or  
345 acceptable securities must be transferred. If, however, the  
346 securities used as collateral are FNMA or FHLMC, then the  
347 value of collateral must equal 105%.

348 (11) Any other investments approved by the Bond Bank.

349 “Qualified Insurance” means any non-cancelable municipal bond insurance policy or  
350 surety bond issued by any insurance company licensed to conduct an insurance business in any  
351 state of the United States (or by a service corporation acting on behalf of one or more such  
352 insurance companies) which insurance company or companies, as of the time of issuance of such  
353 policy or surety bond, are currently rated in one of the two highest Rating Categories by two Rating  
354 Agencies.

355 “Qualified Letter of Credit” means any irrevocable letter of credit issued by a financial  
356 institution for the account of the City on behalf of registered owners of the applicable Parity Bonds,  
357 which institution maintains an office, agency or branch in the United States and as of the time of  
358 issuance of such letter of credit, is currently rated in one of the two highest Rating Categories by  
359 any Rating Agency.

360 “Rate Stabilization Account” means the account of that name within the Revenue Fund.

361 “Rating Agency” means Moody’s, S&P or Fitch.

362 “Registrar” means the Chief Finance and Administrative Officer, for the purposes of  
363 registering and authenticating the Bond, maintaining the Bond Register, and paying principal of  
364 and interest on the Bond.

365 “Registered Owner” means the person in whose name the Bond is registered on the Bond  
366 Register.

367 “Reserve Account” means the Parity Bond Reserve Account created within the Bond Fund  
368 pursuant to Ordinance No. 2012-02 and continued by this ordinance.

369 “Reserve Requirement” means the amount to be calculated with respect to all Covered  
370 Bonds and separately with respect to other Parity Bonds, as follows:

371 (a) For Covered Bonds, the Reserve Requirement is equal to the least of: (1) maximum  
372 Annual Debt Service for Covered Bonds, (2) 10% of the initial principal amount of each series of  
373 Covered Bonds, and (3) 125% of average Annual Debt Service for Covered Bonds; provided,  
374 however, that the amount required to be contributed, if any, as a result of the issuance of a series  
375 of Future Parity Bonds will not be greater than the Tax Maximum. If the amount required to be  
376 contributed at the time of issuance of a series exceeds the Tax Maximum, then the amount required  
377 to be contributed shall be equal to the Tax Maximum.

378 (b) For any Parity Bonds that are not designated as Covered Bonds, the Reserve  
379 Requirement will be the amount, if any, specified in the ordinance authorizing the issuance of  
380 those Parity Bonds.

381 The amount of the Reserve Requirement may be recalculated from time to time as principal  
382 of Parity Bonds is paid or Future Parity Bonds are issued.

383 “Revenue Fund” means the Electric Utility Revenue Fund heretofore established and  
384 maintained in the office of the Chief Finance and Administrative Officer.

385 “Revenue of the System” means all income and revenue derived by the City from the sale  
386 of electric energy and all other commodities, services and facilities sold, furnished or supplied by  
387 the City through the ownership or operation of the Electric System, together with the proceeds  
388 received by the City directly or indirectly from the sale, lease or other disposition of any of the  
389 properties, rights or facilities of the Electric System, any federal interest subsidy payments  
390 received in connection with Parity Bonds (to the extent such payments are not designated as Debt  
391 Service Offsets), and any investment income earned on money held in any fund or account of the  
392 City, including any bond redemption funds and the accounts therein, in connection with the  
393 ownership and operation of the Electric System (but excluding income derived from investments  
394 irrevocably pledged to the payment of any specific revenue bonds of the City, such as bonds  
395 heretofore or hereafter refunded or defeased, investment income earned on money in any arbitrage  
396 rebate account, grants for capital purposes, and non-cash marked-to-market gains with respect to  
397 any real or personal property, investment or agreement that may be required to be recognized under  
398 generally accepted accounting principles).

399 “Rule” means the SEC’s Rule 15c2-12 under the Securities Exchange Act of 1934.

400 “SEC” means the United States Securities and Exchange Commission.

401 “S&P” means Standard & Poor’s Ratings Services, its successors and their assigns, and, if  
402 such corporation is dissolved or liquidated or no longer performs the functions of a securities rating  
403 agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency  
404 (other than Moody’s and Fitch) designated by the Chief Finance and Administrative Officer.

405 “Sinking Fund Requirement” means, for any fiscal year, the principal amount and premium, if  
406 any, of Term Bonds required to be purchased, redeemed or paid at maturity in that fiscal year as  
407 established by the ordinance or other proceedings of the City authorizing the issuance of those Term  
408 Bonds.

409           “Tax Maximum” means the maximum amount permitted by the Code to be allocated to a  
410 bond reserve account from bond proceeds without requiring a balance to be invested at a restricted  
411 yield.

412           “Term Bonds” means any Future Parity Bonds identified as such in the proceedings for the sale  
413 thereof, the payment of the principal of which is fully provided for by a Sinking Fund Requirement.  
414

415           “2010 Bonds” means the City’s Electric Revenue and Refunding Bonds, 2010, issued in  
416 three series on December 9, 2010, in the initial aggregate principal amount of \$48,700,000, as  
417 authorized by Ordinance No. 2010-29, and as they may be amended or refinanced from time to  
418 time.

419           “2013 Bond” means the City’s Junior Lien Electric Revenue Bond, 2013, issued on March  
420 12, 2013, in the initial principal amount of \$35,530,000, as authorized by Ordinance No. 2013-02.

421           “2013(2d) Bond” means the City’s Junior Lien Electric Revenue Bond, 2013 Second  
422 Series, issued on November 14, 2013, in the initial principal amount of \$25,615,000, as authorized  
423 by Ordinance No. 2013-38.

424           “2014 Bond” means the City’s Junior Lien Electric Revenue Bond, 2014, issued on  
425 October 30, 2014, in the initial principal amount of \$16,325,000, as authorized by Ordinance  
426 No. 2013-38.

427           *Rules of Interpretation.* Words of the masculine gender are deemed and construed to  
428 include correlative words of the feminine and neuter genders. Words imparting the singular  
429 number include the plural numbers and vice versa unless the context otherwise indicates.  
430 Reference to sections and other subdivisions of this ordinance are to the sections and other  
431 subdivisions of this ordinance as originally adopted unless expressly stated to the contrary. The  
432 headings or titles of the sections hereof, and the table of contents appended hereto, are for  
433 convenience of reference only and do not define or limit the provisions hereof.

434           Section 3. Compliance with Parity Conditions. The Assembly hereby finds that the  
435 conditions required for issuance of the Bond as a Parity Bond have been or will be met. The Assembly  
436 finds that:

437  
438           (1) there will be no deficiency in the Bond Fund or any of the accounts therein;

439           (2) this ordinance contains the required covenants (provided in Section 10 hereof) and  
440 provides that the Reserve Requirement, if any, will be funded no later than the date of delivery of  
441 the Bond; and

442           (3) the City will have on file a certificate (dated no earlier than the date that is 90 days prior  
443 to the date of issuance of the Bond) relating to Net Revenue, as described in Section 11 (c) or (d)  
444 of Ordinance No. 2013-02 and Ordinance No. 2013-38, except as otherwise permitted under  
445 subsection (e) of Section 11 therein.

446           The parity conditions having been complied with or assured, the payments required in this  
447 ordinance to be made out of the Revenue Fund into the Bond Fund and the Reserve Account shall

448 constitute a lien and charge upon the money in the Revenue Fund equal to the lien and charge  
449 thereon for the payments required to be made into the Bond Fund to pay and secure the payment  
450 of the principal of and interest on the outstanding Parity Bonds.

451  
452 Section 4. Authorization of Bonds. To provide funds to refinance the AEA Loan, the  
453 City shall issue and sell to the Bond Bank its junior lien electric revenue refunding bond in a  
454 principal amount not to exceed \$7,000,000 (the “Bond”). The Bond shall be designated as the  
455 “City and Borough of Sitka Junior Lien Electric Revenue Refunding Bond, 20\_\_ (Taxable),” with  
456 such year and series designation as may be appropriate. The Bond shall be dated the date of its  
457 sale and delivery to the Bond Bank, in accordance with Section 17 hereof, shall be fully registered  
458 as to both principal and interest, shall be numbered in such manner and with any additional  
459 designation as the Registrar deems necessary for purposes of identification and control, shall bear  
460 interest at the rate or rates, shall mature on the date or dates and shall be paid in installments in the  
461 principal amounts and on the dates to be determined in accordance with Section 17 hereof. Interest  
462 on the Bond shall be calculated based on a 360-day year of twelve 30-day months.

463 The Bond shall be an obligation only of the Bond Fund and shall be payable and secured  
464 as provided herein. The Bond does not constitute an indebtedness or general obligation of the City  
465 within the meaning of the constitutional provisions and limitations of the State of Alaska.

466 Section 5. Registration, Payment and Transfer. The Chief Finance and Administrative  
467 Officer shall act as authenticating agent, transfer agent, paying agent and registrar for the Bond  
468 (collectively, the “Registrar”). Both principal of and interest on the Bond shall be payable in lawful  
469 money of the United States of America. Interest on the Bond shall be paid by check or draft of the  
470 Registrar mailed (on the date such interest is due) to the Registered Owner or nominee at the  
471 addresses appearing on the Bond Register on the fifteenth day of the month preceding each interest  
472 payment date. Principal of the Bond shall be payable upon presentation and surrender of the Bond  
473 to the Registrar by the Registered Owner or nominee at the office of the Registrar in Sitka, Alaska.  
474 Notwithstanding the foregoing, if the Bond is sold to the Bond Bank pursuant to the provisions of  
475 Section 17 of this ordinance, and for so long as the Bond Bank is the owner of the Bond, payments  
476 of principal of and interest on that Bond shall be made to the Bond Bank in accordance with the  
477 applicable Loan Agreement.

478 The Bond may be transferred only on the Bond Register maintained by the Registrar for  
479 that purpose upon the surrender thereof by the Registered Owner or nominee or his or her duly  
480 authorized agent and only if endorsed in the manner provided thereon, and thereupon a new fully  
481 registered Bond of like principal amount, maturity and interest rate shall be issued to the transferee  
482 in exchange therefor. Upon surrender thereof to the Registrar, the Bond is interchangeable for a  
483 bond or bonds (in denominations of \$5,000 or any integral multiple thereof) of an equal aggregate  
484 principal amount and of the same interest rates and principal payment amounts as the Bond. Such  
485 transfer or exchange shall be without cost to the Registered Owner or transferee.

486 The City may deem the person in whose name the Bond is registered to be the absolute  
487 owner thereof for the purpose of receiving payment of the principal of and interest on the Bond  
488 and for any and all other purposes whatsoever.

489           Section 6.     Prepayment. Provisions for the optional prepayment of some or all  
490 principal installments of the Bond may be established pursuant to Section 17 and shall be set forth  
491 in the Loan Agreement. Portions of the principal amount of the Bond, in increments of \$5,000 or  
492 any integral multiple of \$5,000, may be prepaid.

493           So long as the Bond Bank is the owner of the Bond, notice of prepayment shall be given  
494 according to the terms of the Loan Agreement. If the Bond Bank is not the owner of the Bond,  
495 notice of prepayment shall be given not less than 30 nor more than 60 days prior to the date fixed  
496 for prepayment by first class mail, postage prepaid, to the Registered Owner of the Bond at the  
497 address appearing on the Bond Register. The requirements of this section shall be deemed  
498 complied with when notice is mailed as herein provided, regardless of whether it is actually  
499 received by the owner of the Bond. Each official notice of prepayment shall be dated and shall  
500 state: (i) the prepayment date, (ii) the prepayment price or prepayment premium, if any, payable  
501 upon such prepayment; (iii) if less than all of an installment of principal is to be prepaid, the  
502 principal amount to be prepaid (which must be an integral multiple of \$5,000); (iv) that the interest  
503 on the Bond, or on the principal amount thereof to be prepaid, designated for prepayment in such  
504 notice, shall cease to accrue from and after such prepayment date; and (v) that on such date there  
505 will become due and payable on the Bond the principal amount thereof to be prepaid and the  
506 interest accrued on such principal amount to the prepayment date.

507           Section 7.     Revenue Fund.

508           (a)     *Revenue Fund Established.* There has heretofore been established in the office of  
509 the Chief Finance and Administrative Officer a separate enterprise fund of the City designated as  
510 the “City and Borough of Sitka Electric Utility Revenue Fund” (the “Revenue Fund”) All Revenue  
511 of the System will be deposited in the Revenue Fund. Notwithstanding the foregoing, the Chief  
512 Finance and Administrative Officer may maintain separate funds and accounts in such names and  
513 under such additional designations as may be required to comply with City practices and State law.

514           (b)     *Priority of Application of Revenue of the System.* The Revenue Fund shall be held  
515 separate and apart from all other funds and accounts of the City, and the Revenue of the System  
516 deposited in this fund shall be used only for the following purposes and in the following order of  
517 priority:

518                     First, to pay the Operating Costs;

519                     Second, to pay principal of and interest on the 2010 Bonds;

520                     Third, to make all payments required to be made into the reserve account for the  
521 2010 Bonds;

522                     Fourth, to pay principal of and interest on any Parity Bonds, including  
523 reimbursements to the issuer of a Qualified Letter of Credit or Qualified Insurance if the Qualified  
524 Letter of Credit or Qualified Insurance secures the payment of debt service on Parity Bonds and  
525 the ordinance authorizing those Parity Bonds provides for such reimbursement;

526                     Fifth, to make all payments required to be made into the Reserve Account for  
527 Covered Bonds and to any reserve account created in the future for the payment of debt service on

528 Future Parity Bonds, including reimbursements to the issuer of a Qualified Letter of Credit or  
529 Qualified Insurance if the Qualified Letter of Credit or Qualified Insurance has been issued to fund  
530 the Reserve Requirement or the reserve requirement(s) for any Future Parity Bonds and if the  
531 ordinance authorizing those Future Parity Bonds provides for such reimbursement;

532 Sixth, to make all payments required to be made into any revenue bond redemption  
533 fund or revenue warrant redemption fund and debt service fund or reserve account created to pay  
534 and secure the payment of the principal of and interest on any revenue bonds or revenue warrants  
535 of the City having a lien on Revenue of the System subordinate and inferior to the lien thereon to  
536 pay or secure the payment of Parity Bonds; and

537 Seventh, to retire by redemption or purchase any outstanding revenue bonds or  
538 revenue warrants of the City, to make necessary additions, betterments, improvements and repairs  
539 to or extensions and replacements of the Electric System, to make deposits into the Rate  
540 Stabilization Account, or for any other lawful City purposes.

541 The City may transfer any money from any funds or accounts of the Electric System legally  
542 available therefor, except bond redemption funds, refunding escrow funds or defeasance funds, to  
543 meet the required payments to be made into the Bond Fund.

544 (c) *Rate Stabilization Account.* As authorized by Ordinance No. 2010-29, the Chief  
545 Finance and Administrative Officer has established a Rate Stabilization Account within the  
546 Revenue Fund, which Account currently has on deposit therein approximately \$688,000. The City  
547 may make additional payments into the Rate Stabilization Account from the Revenue Fund at any  
548 time. Money in the Rate Stabilization Account may be withdrawn at any time for deposit into the  
549 Revenue Fund and used for the purposes for which Revenue of the System may be used. Amounts  
550 withdrawn from the Rate Stabilization Account and deposited into the Revenue Fund shall increase  
551 Revenue of the System for the period in which they are withdrawn, and amounts deposited in the  
552 Rate Stabilization Account shall reduce Revenue of the System for the period during which they  
553 are deposited. Credits to or from the Rate Stabilization Account that occur within 90 days after the  
554 end of a fiscal year may be treated as occurring within that fiscal year. Earnings on the Rate  
555 Stabilization Account shall be credited to the Revenue Fund.

556 Section 8. Bond Fund. A special fund of the City known as the “City and Borough of  
557 Sitka 2013 Electric Revenue Bond Redemption Fund” (the “Bond Fund”) has heretofore been  
558 created in the office of the Chief Finance and Administrative Officer, with the Debt Service  
559 Account and Reserve Account established therein, and that Fund and the Accounts therein are  
560 hereby authorized to be continued so long as the Bond is outstanding. The Bond Fund shall be  
561 drawn upon for the sole purpose of paying the principal of and interest on the Parity Bonds.

562 (a) *Payments into Debt Service Account.* As long as any Parity Bond remains  
563 outstanding, the City hereby irrevocably obligates and binds itself to set aside and pay into the  
564 Debt Service Account out of money in the Revenue Fund, on or before the date due as provided in  
565 the Loan Agreement, the amounts necessary, together with money already in the Debt Service  
566 Account, to pay the principal of, premium, if any, and interest on the Bond as the same become  
567 due and payable.

568 If there is a deficiency in the Debt Service Account for such purpose, the City shall make  
569 up the deficiency from the Reserve Account by the withdrawal of cash therefrom for that purpose,  
570 and, if necessary, by sale or redemption of any authorized investments in the amount that will  
571 provide cash in the Reserve Account sufficient to make up any such deficiency.

572 Whenever and so long as the assets of the Debt Service Account are sufficient to provide  
573 money to pay when due a principal installment on the Bond in full, including such interest as may  
574 be due thereon, no payments need be made into the Debt Service Account pursuant to this  
575 ordinance.

576 Money in the Debt Service Account shall be held for the benefit of the owners of all Parity  
577 Bonds then outstanding and payable equally and ratably and without preference or distinction as  
578 between different series, installments, or maturities.

579 (b) *The Reserve Account.* The Reserve Account shall be maintained as a common  
580 reserve, securing the payment of the principal of and interest on the 2013 Bond, the 2013(2d)  
581 Bond, the 2014 Bond, the Bond, any Future Parity Bonds that (i) are designated as Covered Bonds  
582 in the ordinance authorizing their issuance and (ii) so long as the Bond Bank is the owner of any  
583 of the Parity Bonds, are approved as “Covered Bonds” by the Bond Bank, and the 2010 Bonds, if  
584 the Bond Bank approves designating the 2010 Bonds as “Covered Bonds” (inclusively, “Covered  
585 Bonds”). Prior to or upon the issuance of the Bond, the City will deposit into the Reserve Account  
586 funds sufficient to satisfy the Reserve Requirement for the Bond. The City covenants and agrees  
587 that from and after the closing and delivery of the Bond, it will at all times maintain an amount in  
588 the Reserve Account at least equal to the Reserve Requirement, except for withdrawals therefrom  
589 authorized by this ordinance, so long as any Covered Bonds remain outstanding. The Reserve  
590 Requirement may be maintained by deposits of cash, a Qualified Letter of Credit or Qualified  
591 Insurance, or a combination of the foregoing. All amounts other than a Qualified Letter of Credit  
592 or Qualified Insurance held in the Reserve Account shall be invested solely in Permitted  
593 Investments. In computing the amount on hand in the Reserve Account, Qualified Insurance and/or  
594 a Qualified Letter of Credit shall be valued at the face amount thereof, and all other Reserve  
595 Account investments shall be valued as provided in (d) below. As used herein, the term “cash”  
596 includes U.S. currency, cash equivalents and evidences thereof, including demand deposits,  
597 certified or cashier’s check. The deposit to the Reserve Account may be satisfied initially by the  
598 transfer of qualified investments to that account.

599 If the balances on hand in the Reserve Account are sufficient to satisfy the Reserve  
600 Requirement, interest earnings shall be applied as provided in the following sentences. Whenever  
601 there is a sufficient amount in the Bond Fund, including the Reserve Account to pay the principal  
602 of and interest on all outstanding Covered Bonds, the money in the Reserve Account may be used  
603 to pay such principal and interest. As long as the money left remaining on deposit in the Reserve  
604 Account is equal to the Reserve Requirement, money in the Reserve Account may be transferred  
605 to the Bond Fund and used to pay the principal of and interest on Covered Bonds as the same  
606 become due and payable. The City also may transfer out of the Reserve Account any money  
607 required in order to prevent any Parity Bonds from becoming “arbitrage bonds” under the Code.

608 If a deficiency in the Bond Fund for the payment of debt service on Covered Bonds occurs,  
609 the deficiency shall be made up from the Reserve Account by the withdrawal of cash therefrom

610 for that purpose and by the sale or redemption of obligations held in the Reserve Account, in such  
611 amounts as will provide cash in the Reserve Account sufficient to make up any such deficiency  
612 with respect to Covered Bonds, and if a deficiency still exists immediately prior to an interest  
613 payment date and after the withdrawal of cash, the City shall then draw from any Qualified Letter  
614 of Credit or Qualified Insurance for Covered Bonds in sufficient amount to make up the deficiency.  
615 Such draw shall be made at such times and under such conditions as the agreement for such  
616 Qualified Letter of Credit or such Qualified Insurance provides.

617 In making the payments and credits to the Reserve Account required by this Section 8(b),  
618 to the extent that the City has obtained Qualified Insurance or a Qualified Letter of Credit for  
619 specific amounts required pursuant to this section to be paid out of the Reserve Account such  
620 amounts so covered by Qualified Insurance or a Qualified Letter of Credit will be credited against  
621 the amounts required to be maintained in the Reserve Account by this Section 8(b) to the extent  
622 that such payments and credits to be made are insured by an insurance company, or guaranteed by  
623 a letter of credit from a financial institution.

624 Any deficiency created in the Reserve Account by reason of any such withdrawal shall  
625 then be made up within one year of the date of withdrawal from Net Revenue (or out of any other  
626 money on hand legally available for such purpose) after making necessary provision for the  
627 payments required to be made by paragraphs First through Fourth in Section 7 of this ordinance.

628 Any Qualified Letter of Credit or Qualified Insurance shall not be cancelable on less than  
629 30 days' notice to the City. In the event of any cancellation, the Reserve Account shall be funded  
630 as if the Covered Bonds that remain outstanding had been issued on the date of such notice of  
631 cancellation.

632 If the City elects to meet the Reserve Requirement by using a Qualified Letter of Credit,  
633 Qualified Insurance or other equivalent credit enhancement device, the City may contract with the  
634 entity providing such Qualified Letter of Credit, Qualified Insurance or other equivalent credit  
635 enhancement device that the City's reimbursement obligation, if any, to such entity shall be made  
636 from payments of principal and interest on Covered Bonds from the City subject only to the prior  
637 lien thereon for the payments required hereunder to be made to registered owners of Parity Bonds.

638 (c) *Priority of Lien of Payments into Bond Fund and Reserve Account.* The amounts  
639 so pledged to be paid into the Bond Fund and the accounts therein from the Revenue Fund are  
640 hereby declared to be a prior lien and charge on the Revenue of the System superior to all other  
641 charges of any kind or nature whatsoever except the Operating Costs and payments required to be  
642 made to pay and secure the payment of the 2010 Bonds, and equal in rank to the lien and charge  
643 on Revenue of the System to pay and secure the payment of any Future Parity Bonds.

644 (d) *Application and Investment of Money in the Bond Fund.* Money in the Bond Fund  
645 may be kept in cash or Permitted Investments. Investments in the Debt Service Account shall  
646 mature prior to the date on which such money is needed for required interest or principal payments  
647 or having a guaranteed redemption price prior to maturity. Investments in the Reserve Account  
648 shall mature not later than the last maturity of any then outstanding Parity Bonds.

649 (e) *Sufficiency of Revenues.* The Assembly hereby finds that in fixing the amounts to  
650 be paid into the Bond Fund and the accounts therein out of Revenue of the System, it has exercised  
651 due regard for the Operating Costs and has not obligated the City to set aside and pay into the  
652 Bond Fund and the accounts therein a greater amount of such Revenue than in its judgment will  
653 be available over and above the Operating Costs and costs of paying debt service on the 2010  
654 Bonds.

655 Section 9. Defeasance. If money and/or Government Obligations, maturing at such  
656 time or times and bearing interest to be earned thereon in amounts sufficient to redeem and retire  
657 the Bond or a portion thereof in accordance with its terms, are set aside in a special account to  
658 effect such prepayment and retirement, and such money and the principal of and interest on such  
659 obligations are irrevocably set aside and pledged for such purpose, then no further payments need  
660 be made into the Bond Fund for the payment of the principal of and interest on the Bond or portion  
661 thereof so provided for, and the Bond or portion thereof shall cease to be entitled to any lien,  
662 benefit or security of this ordinance except the right to receive the money so set aside and pledged,  
663 and the Bond or portion thereof shall be deemed not to be outstanding hereunder.

664 Section 10. Specific Covenants.

665 (a) *Rate Covenant.* The City will establish, maintain and collect rates and charges for  
666 service of the Electric System for so long as the Bond is outstanding that will provide in any fiscal  
667 year hereafter Net Revenue, taking into account transfers from the Rate Stabilization Account in  
668 accordance with Section 7(c), in an amount equal to at least 125% of the Debt Service required to  
669 be paid in that fiscal year on the outstanding 2010 Bonds and Parity Bonds.

670 The City shall cause the rate coverage calculation described in this Section 10(a) to be  
671 made no later than 90 days following the end of each fiscal year. Failure to collect Revenue of the  
672 System in any fiscal year sufficient to comply with the rate covenant set forth in this Section 10(a)  
673 will not constitute an Event of Default under this ordinance if, before the 180th day of the following  
674 fiscal year, the City:

675 (1) employs a Consultant to recommend changes in the Electric System rates  
676 that are estimated to produce Revenue of the System sufficient to satisfy the rate covenant set forth  
677 in this Section 10(a); and

678 (2) imposes Electric System rates at least as high as those recommended by the  
679 Consultant that will become effective at the time or times so recommended.

680 (b) *Electric System Maintenance.* The City will at all times maintain and keep the  
681 Electric System in good repair, working order and condition, and also will at all times operate the  
682 Electric System and the business in connection therewith in an efficient manner and at a reasonable  
683 cost.

684 (c) *Disposal of Properties.* The City will not mortgage, sell, lease, or in any manner  
685 encumber or dispose of all or substantially all the property of the Electric System (voluntarily or  
686 involuntarily), unless provision is made for payment into the Bond Fund of a sum sufficient to pay  
687 the principal of, premium, if any, and interest on all outstanding Parity Bonds, nor will it mortgage,  
688 sell, lease, or in any manner encumber or dispose of (including but not limited to a disposition by

689 transfer to another public or private organization) voluntarily or involuntarily any part of the  
690 Electric System that is used, useful and material to the operation of the Electric System unless:

691 (1) the City certifies, based upon reasonable expectations, that the remaining  
692 assets of the Electric System will be sufficient to continue regular operations of the City on a  
693 financially sound basis for a period of at least five years and

694 (2) provision is made for replacement thereof or for payment into the Bond  
695 Fund of the total amount of revenue received, which shall not be less than an amount that bears  
696 the same ratio to the amount of outstanding Parity Bonds as the greatest of

697 (A) the Net Revenue available for Debt Service for such outstanding  
698 Parity Bonds for the 12 months preceding such sale, lease, encumbrance or disposal from the  
699 portion of the Electric System sold, leased, encumbered or disposed of bears to the Net Revenue  
700 available for Debt Service for such Parity Bonds from the entire Electric System for the same  
701 period;

702 (B) the Revenue of the System for the 12 months preceding such sale,  
703 lease, encumbrance or disposal from the portion of the Electric System sold, leased, encumbered  
704 or disposed of bears to the Revenue of the System for the same period;

705 (C) the proportion of assets (on a depreciated basis) allocable to the  
706 assets being sold, leased, encumbered or disposed of bears to the total assets of the Electric System;  
707 or

708 (D) the ratio of the number of customers of the City allocable to the  
709 assets being sold, leased, encumbered or disposed of to the total number of customers of the  
710 Electric System,

711 except that the City may dispose of any portion of the facilities of the Electric System up to an  
712 aggregate of 5% of the book value of the total assets of the Electric System without the requirement  
713 for any deposit to the Bond Fund as hereinabove provided.

714 Any such money so paid into the Bond Fund must be used to retire such outstanding Parity  
715 Bonds at the earliest possible date. Any money received by the City as condemnation awards,  
716 insurance proceeds or the proceeds of sale, if not deposited to the Bond Fund, shall be used for the  
717 replacement of facilities of the Electric System.

718 (d) *Books and Records.* The City will, while the Bond remains outstanding, keep  
719 proper and separate accounts and records in which complete and separate entries shall be made of  
720 all transactions relating to the Electric System, and it will furnish the registered owner of the Bond,  
721 at the written request of the owner, complete operating and income statements of the Electric  
722 System in reasonable detail covering any fiscal year, showing compliance with the terms and  
723 conditions of this ordinance, not more than 150 days after the close of such fiscal year, and it will  
724 grant the owner of the Bond the right at all reasonable times to inspect the entire Electric System  
725 and all records, accounts and data of the City relating thereto. Upon request of the owner of the  
726 Bond, it will also furnish to the owner a copy of the most recently completed audit of the City's  
727 accounts by an independent certified public accountant.

728 (e) *No Free Service.* The City will not furnish any commodity or service of the Electric  
729 System to any customer whatsoever free of charge (except as permitted by law to aid the poor, to  
730 provide for resource conservation or to provide for the proper handling of hazardous materials)  
731 and will promptly take legal action to enforce collection of all delinquent accounts.

732 (f) *Insurance.* The City will either self-insure or, as needed, and to the extent insurance  
733 coverage is available at reasonable cost with responsible insurers, keep, or cause to be kept, the  
734 Electric System and the operation thereof insured, with policies payable to the City, against the  
735 risks of direct physical loss, damage to or destruction of the Electric System, or any part thereof,  
736 and against accidents, casualties or negligence, including liability insurance and employer's  
737 liability, at least to the extent that similar insurance is usually carried by municipalities operating  
738 like utilities. If insurance policies to provide coverage required by this subsection are not  
739 obtainable at reasonable cost with responsible insurers, the City shall, prior to the lapse of such  
740 policies, deliver an opinion to that effect to the Registered Owner of the Bond.

741 Section 11. Issuing Future Parity Bonds.

742 (a) *No Senior Lien Bonds.* The City hereby covenants and agrees with the owner of  
743 the Bond that the City will hereafter issue no bonds with a lien on Revenue of the System superior  
744 to the lien thereon of the Bond, and by this covenant and agreement the City expressly waives its  
745 rights under Ordinance No. 2010-29 to issue additional bonds on a parity of lien with the 2010  
746 Bonds.

747 (b) *Conditions for Issuing Future Parity Bonds.* Except as provided in subsections (e)  
748 and (f) below, the City will issue Future Parity Bonds or incur any additional indebtedness with a  
749 parity lien or charge on Net Revenue (*i.e.*, on a parity of lien with the Bond and any other Parity  
750 Bonds at the time outstanding) only in compliance with the following conditions:

751 (1) At the time of the issuance of any Future Parity Bonds, there is no deficiency  
752 in the Bond Fund or any of the accounts therein;

753 (2) The ordinance authorizing the issuance of Future Parity Bonds will include  
754 the covenants provided in Section 10 hereof and provide that the Reserve Requirement, if any, will  
755 be funded no later than the date of delivery of the Future Parity Bonds; and

756 (3) the City will have on file a certificate (dated no earlier than the date that is  
757 90 days prior to the date of issuance of the Future Parity Bonds) relating to Net Revenue, as  
758 described in subsection (c) or (d) below, except as otherwise permitted under subsection (e) below.

759 (c) *Certificate of the City Without A Consultant.* If required pursuant to  
760 subsection (b)(3) above, a certificate may be delivered by the City, executed by the Chief Finance  
761 and Administrative Officer without a Consultant, showing that Net Revenue (which may be based  
762 on unaudited financial statements of the City if the audit has not yet been completed) for the Base  
763 Period equals at least 125% of the maximum Annual Debt Service for all 2010 Bonds and Parity  
764 Bonds then outstanding plus the proposed Future Parity Bonds.

765 (d) *Certificate of a Consultant.* If required pursuant to subsection (b)(3) above, a  
766 certificate of a Consultant may be delivered by the City showing that Net Revenue for the Base

767 Period equals at least 125% of the maximum Annual Debt Service for all 2010 Bonds and Parity  
768 Bonds then outstanding plus the proposed Future Parity Bonds. In computing Net Revenue for the  
769 purpose of this certificate, the Consultant shall use as a basis the Net Revenue (which may be  
770 based on unaudited financial statements of the City if the audit has not yet been completed) for the  
771 Base Period. Such Net Revenue may be adjusted to take into consideration changes in Net Revenue  
772 estimated to occur under one or more of the following conditions after delivery of the proposed  
773 Future Parity Bonds:

774 (1) any increase or decrease in Net Revenue projected to result from changes  
775 in rates and charges (A) adopted prior to the date of the certificate but after the beginning of the  
776 Base Period and (B) effective at any time prior to the date needed for payment of Debt Service on  
777 Parity Bonds;

778 (2) any increase or decrease in Net Revenue estimated by such engineer or  
779 accountant to result from any additions, betterments and improvements to and extensions of any  
780 facilities of the Electric System that (A) became fully operational after the beginning of the Base  
781 Period, (B) were under construction at the time of such certificate, or (c) will be constructed from  
782 the proceeds of the Future Parity Bonds to be issued;

783 (3) the additional Net Revenue that would have been received if any customers  
784 added to the Electric System after the beginning of the Base Period had been customers for the  
785 entire period.

786 The Consultant shall base the certification upon, and the certificate shall have attached  
787 thereto, financial statements of the Electric System, certified by the Chief Finance and  
788 Administrative Officer, showing income and expenses for the Base Period.

789 (e) *No Certificate Required.* The certificate described in subsection (b)(3) and  
790 subsections (c) or (d) above is not required as a condition to the issuance of Future Parity Bonds:

791 (1) if the Future Parity Bonds being issued are for the purpose of refunding  
792 outstanding Parity Bonds; or

793 (2) if the Future Parity Bonds are being issued to pay costs of construction of  
794 facilities of the Electric System for which Parity Bonds have been issued previously and the  
795 principal amount of such Future Parity Bonds being issued for completion purposes does not  
796 exceed an amount equal to an aggregate of 15% of the principal amount of Parity Bonds theretofore  
797 issued for such facilities and reasonably allocable to the facilities to be completed as shown in a  
798 written certificate of the Chief Finance and Administrative Officer, and there is delivered a  
799 certificate of the Municipal Administrator stating that the nature and purpose of such facilities has  
800 not materially changed.

801 (f) *Refunding Obligations.* Nothing herein contained shall prevent the City from  
802 issuing revenue bonds to refund maturing Parity Bonds for the payment of which money is not  
803 otherwise available.

804 Section 12. Subordinate Lien Bonds. Nothing herein contained shall prevent the City  
805 from issuing revenue bonds or other obligations that are a charge upon the Revenue of the System

806 subordinate or inferior to the payments required by this ordinance to be made out of such Revenue  
807 to pay and secure the payment of any Parity Bonds. Such subordinate or inferior obligations may  
808 not be subject to acceleration. This prohibition against acceleration does not prohibit mandatory  
809 tender or other tender provisions with respect to variable rate obligations.

810 Section 13. Form of the Bond. The Bond will be in substantially the form set forth on  
811 Exhibit A.

812 Section 14. Execution of the Bond. The Bond shall be signed on behalf of the City by  
813 the manual or facsimile signature of the Mayor, shall be attested by the manual or facsimile  
814 signature of the Municipal Clerk, and the seal of the City shall be impressed or imprinted thereon.

815 Only a Bond that bears thereon a Certificate of Authentication in the form set forth in  
816 Exhibit A, manually executed by the Registrar, shall be valid or obligatory for any purpose or  
817 entitled to the benefits of this ordinance. The Certificate of Authentication shall be conclusive  
818 evidence that the Bond so authenticated has been duly executed, authenticated, registered, and  
819 delivered hereunder and is entitled to the benefits of this ordinance.

820 In case any officer of the City who has signed, attested, authenticated, registered, or sealed  
821 the Bond ceases to hold that office before the Bond so signed, attested, authenticated, registered  
822 or sealed has been actually issued and delivered, the Bond shall be valid nevertheless and may be  
823 issued by the City with the same effect as though the person who had signed, attested,  
824 authenticated, registered or sealed that Bond had not ceased to hold that office. Any Bond may  
825 also be signed, attested, authenticated, registered or sealed on behalf of the City by a person who,  
826 at the actual date of execution of the Bond is a proper officer of the City although at the original  
827 date of the Bond that person did not hold that office.

828 Section 15. Lost or Destroyed Bond. If the Bond is lost, stolen or destroyed, the  
829 Registrar may authenticate and deliver a new Bond of like amount, date, and tenor to the Registered  
830 Owner upon such owner's paying the expenses and charges of the City in connection with  
831 preparation and authentication of the replacement Bond and upon his or her filing with the  
832 Registrar evidence satisfactory to the Registrar that the Bond was actually lost, stolen or destroyed  
833 and of his or her ownership, and upon furnishing the City with indemnity satisfactory to the  
834 Registrar.

835 Section 16. Application of Bond Proceeds; Plan of Refunding. Upon the issuance of  
836 the Bond, proceeds of the Bond shall be applied, as follows:

837 (a) An amount sufficient to pay in full the outstanding balance of the AEA Loan shall  
838 be paid to or at the direction of AEA;

839 (b) An amount shall be deposited in the Reserve Account that is sufficient, with other  
840 funds on deposit therein, to satisfy the Reserve Requirement for the Bond; and

841 (c) The remaining proceeds of the Bond shall be applied to pay costs of issuance of the  
842 Bond, with any balance deposited into the Bond Fund.

843           Section 17. Sale of the Bond. The Chief Finance and Administrative Officer is  
844 authorized to negotiate the sale of the Bond to the Bond Bank on terms and conditions consistent  
845 with this ordinance and the Bond Bank’s loan approval to be set forth in a Loan Agreement by and  
846 between the City and the Bond Bank (a sample of which is set forth on Exhibit B attached hereto).  
847 The Loan Agreement will include the principal amount, date, principal installment payment  
848 schedules, interest rates, and prepayment provisions for the Bond, all as provided for in this  
849 ordinance, subject to the approval of the Municipal Administrator, which approval shall be  
850 evidenced by the Municipal Administrator’s execution of the Loan Agreement. Following the  
851 execution of the Loan Agreement, the Chief Finance and Administrative Officer shall provide a  
852 report to the Assembly, describing the final terms of the Bond approved pursuant to the authority  
853 delegated by this ordinance.

854           The authority granted to the Chief Finance and Administrative Officer and Municipal  
855 Administrator by this section for the initial sale of the Bond shall expire on December 31, 2020. If  
856 a Loan Agreement for the Bond has not been executed by December 31, 2020, the authorization  
857 for the issuance of the Bond shall be rescinded, and the Bond shall not be issued nor its sale  
858 approved unless the Bond is re-authorized by ordinance. The ordinance reauthorizing the issuance  
859 and sale of the Bond may be in the form of a new ordinance repealing this ordinance in whole or  
860 in part (only with respect to the Bond not issued) or may be in the form of an amendatory ordinance  
861 approving a Loan Agreement or establishing terms and conditions for the authority delegated under  
862 this section.

863           The proper officials of the City and their agents and representatives are hereby authorized  
864 and directed to do everything necessary for the prompt execution and delivery of the Bond to the  
865 Bond Bank in accordance with the provisions of this ordinance and the Loan Agreement.

866           The Chief Finance and Administrative Office and Municipal Administrator are further  
867 authorized from time to time to approve a revised schedule of principal payment amounts and  
868 interest rates for the Bond, in accordance with the refinancing provisions of the Loan Agreement  
869 in connection with a refunding of the Bond Bank Bonds, so long as the revised debt service  
870 schedule is financially advantageous to the City. The Municipal Administrator is authorized to  
871 sign an amendment to the Loan Agreement that sets forth the revised debt service schedule, and  
872 the Municipal Administrator, Chief Finance and Administrative Officer, Municipal Attorney,  
873 Municipal Clerk, and other appropriate officers of the City are authorized and directed to take such  
874 steps, to do such other acts and things, and to execute such letters, certificates, agreements, or  
875 instruments as in their judgment may be necessary, appropriate or desirable for refinancing the  
876 Bonds in connection with a refunding of the Bond Bank Bonds.

877  
878           Section 18. Events of Default.

879           To protect and safeguard the covenants and obligations undertaken by the City securing  
880 the Bond, the City hereby covenants and agrees with the purchaser and owner from time to time  
881 of the Bond that the following shall constitute “Events of Default”:

882           (1) If default is made in the due and punctual payment of the principal of or  
883 premium, if any, on any of the Parity Bonds when the same become due and payable, either at maturity  
884 or by proceedings for redemption or otherwise;

885 (2) If default is made in the due and punctual payment of any installment of interest  
886 on any Parity Bond;

887 (3) If the City fails, by any Sinking Fund Requirement date, to have purchased or  
888 redeemed Term Bonds in a cumulative principal amount at least equal to the cumulative Sinking Fund  
889 Requirements at such Sinking Fund requirement date;

890 (4) If the City defaults in the observance and performance of any other of the  
891 covenants, conditions and agreements on the part of the City contained in this ordinance and such  
892 default or defaults continues for a period of 90 days after the City receives from a representative of (a)  
893 owners of not less than 66% in principal amount of the Parity Bonds then outstanding or (b) the Bond  
894 Bank, if the Bond Bank is then the Registered Owner of any of the Parity Bonds, a written notice  
895 specifying and demanding the cure of such default;

896 (5) If the City (except as herein permitted) sells, transfers, assigns or conveys any  
897 properties constituting the Electric System or interests therein, or makes any agreement for such sale  
898 or transfer (except as expressly authorized herein);

899 (6) If an order, judgment or decree is entered by any court of competent  
900 jurisdiction: (a) appointing a receiver, trustee or liquidator for the City or the whole or any substantial  
901 part of the Electric System; (b) approving a petition filed against the City seeking the bankruptcy,  
902 arrangement or reorganization of the City under any applicable law of the United States or the State of  
903 Alaska; or (c) assuming custody or control of the City or of the whole or any substantial part of the  
904 Electric System under the provisions of any other law for the relief or aid of debtors and such order,  
905 judgment or decree is not vacated or set aside or stayed (or, in case custody or control is assumed by  
906 said order, such custody or control is not otherwise terminated) within 90 days from the date of the  
907 entry of such order, judgment or decree; or

908 (7) If the City: (a) admits in writing its inability to pay its debts generally as they  
909 become due; (b) files a petition in bankruptcy or seeking a composition of indebtedness under any state  
910 or federal bankruptcy or insolvency law; (c) makes an assignment for the benefit of its creditors;  
911 (d) consents to the appointment of a receiver of the whole or any substantial part of the Electric System;  
912 or (e) consents to the assumption by any court of competent jurisdiction under the provisions of any  
913 other law for the relief or aid of debtors of custody or control of the City or of the whole or any  
914 substantial part of the Electric System.

915 Section 19. Remedies Available for an Event of Default.

916 (a) *Waivers of Default.* No delay or omission of the owners of the Parity Bonds to  
917 exercise any right or power arising upon the happening of an Event of Default shall impair any  
918 right or power or shall be construed to be a waiver of any such Event of Default or to be an  
919 acquiescence therein; and every power and remedy given by this Section to the owners of Parity  
920 Bonds may be exercised from time to time and as often as may be deemed expedient by such  
921 owners.

922 The owners of not less than 66% in principal amount of the Parity Bonds at the time  
923 outstanding (the "Majority Bondowners"), or their attorneys-in-fact duly authorized, may on  
924 behalf of the owners of all of the Parity Bonds waive any past default under this ordinance and its  
925 consequences, except a default in the payment of the principal of, premium, if any, or interest on

926 any of the Parity Bonds. No such waiver shall extend to any subsequent or other default or impair  
927 any right consequent thereon.

928 (b) *Suits at Law or in Equity.* The Majority Bondowners may, upon the happening of  
929 an Event of Default, and during the continuance thereof, take such steps and institute such suits,  
930 actions or other proceedings all as may be deemed appropriate for the protection and enforcement  
931 of the rights of owners of the Parity Bonds to collect any amounts due and owing the City, or to  
932 obtain other appropriate relief, and may enforce the specific performance of any covenant,  
933 agreement or condition contained in this ordinance, or in any of the Parity Bonds.

934 Any action, suit or other proceedings instituted by the Majority Bondowners hereunder  
935 shall be brought in its name on behalf of all owners of the Parity Bonds, and all such rights of  
936 action upon or under any of the Parity Bonds or the provisions of this ordinance may be enforced  
937 by the Majority Bondowners without the possession of any of said Parity Bonds and without the  
938 production of the same at any trial or proceedings relative thereto except where otherwise required  
939 by law, and the respective owners of said Parity Bonds, by taking and holding the same, shall be  
940 conclusively deemed irrevocably to appoint the Majority Bondowners the true and lawful trustee  
941 of the respective owners of the Parity Bonds, with authority to institute any such action, suit or  
942 proceeding; to receive as trustee and deposit in trust any sums becoming distributable on account  
943 of the Parity Bonds; to execute any paper or documents for the receipt of such money, and to do  
944 all acts with respect thereto that the owner of a Parity Bond might have done in person. Nothing  
945 herein contained shall be deemed to authorize or empower the Majority Bondowners to consent to  
946 accept or adopt, on behalf of any owner of any Parity Bond, any plan or reorganization or  
947 adjustment affecting the Parity Bonds or any right of any owner thereof, or to authorize or  
948 empower the Majority Bondowners to vote the claims of the owners thereof in any receivership,  
949 insolvency, liquidation, bankruptcy, reorganization or other proceeding to which the City shall be  
950 a party.

951 Nothing contained in this ordinance shall, in any event or under any circumstance, be deemed  
952 to authorize the acceleration of maturity of principal on Parity Bonds outstanding, and the remedy of  
953 acceleration is expressly denied to the owners of Parity Bonds outstanding under any circumstances  
954 including, without limitation, upon the occurrence and continuance of an Event of Default.

955 (c) *Books of City Open to Inspection.* The City covenants that if an Event of Default  
956 occurs and is not remedied, the books of record and account of the City will at all reasonable times  
957 be subject to the inspection and use of the owners of any Parity Bonds.

958 The City covenants that if an Event of Default happens and is not remedied, the City will  
959 continue to account, as trustee of an express trust, for all Revenues of the System and other money,  
960 securities and funds pledged under this ordinance.

961  
962 Section 20. Ongoing Disclosure. The City acknowledges that, under Rule 15c2-12 of  
963 the Securities and Exchange Commission (the “Rule”), the City may now or in the future be an  
964 “obligated person” with respect to the Bond Bank Bonds or other bonds issued by the Bond Bank.  
965 In accordance with the Rule and as the Bond Bank may require, the City shall undertake to provide  
966 certain annual financial information and operating as shall be set forth in the Loan Agreement.



999 NO. \_\_\_\_\_ \$ \_\_\_\_\_  
 1000  
 1001 UNITED STATES OF AMERICA  
 1002  
 1003 STATE OF ALASKA  
 1004  
 1005 CITY AND BOROUGH OF SITKA  
 1006 JUNIOR LIEN ELECTRIC REVENUE REFUNDING BOND, 20\_\_ (TAXABLE)  
 1007  
 1008 INTEREST RATE: \_\_\_\_\_ FINAL MATURITY DATE: \_\_\_\_\_  
 1009 SEE BELOW  
 1010 REGISTERED OWNER: ALASKA MUNICIPAL BOND BANK  
 1011 PRINCIPAL AMOUNT: \_\_\_\_\_ AND NO/100 DOLLARS

1012 The City and Borough of Sitka, Alaska (the “City”), a municipal corporation organized and  
 1013 existing under and by virtue of its charter and the laws and Constitution of the State of Alaska,  
 1014 hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner  
 1015 identified above, or registered assigns, the principal amount specified above, in installments  
 1016 payable as set forth below, together with interest on such installments from the date hereof or the  
 1017 most recent date to which interest has been paid or duly provided for, at the interest rates set forth  
 1018 below, on \_\_\_\_\_ 1, 20\_\_, and on each \_\_\_\_\_ 1 and \_\_\_\_\_ 1 thereafter until payment of  
 1019 the principal sum has been made or duly provided for.

Principal Installment Payment Year (_____ 1)	Principal Installment Amount	Interest Rate
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		

1020 Both principal of and interest on this bond are payable solely from the special fund of the  
 1021 City known as the City and Borough of Sitka 2013 Electric Revenue Bond Redemption Fund (the  
 1022 “Bond Fund”). Payments of principal of and interest on this bond shall be made in lawful money  
 1023 of the United States of America. Installments of principal of and interest on this bond are payable  
 1024 by check or draft of the Chief Finance and Administrative Officer of the City (the “Registrar”)  
 1025 mailed on the date such interest is due to the Registered Owner at the address appearing on the  
 1026

1027 Bond Register as of the fifteenth day of the month preceding the interest payment date. The final  
1028 installment of principal of and interest on this bond shall be paid to the Registered Owner upon  
1029 presentation and surrender of this bond at the office of the Registrar. Notwithstanding the  
1030 foregoing, so long as the Bond Bank is the Registered Owner of this bond, payments of principal  
1031 of and interest on this bond shall be made to the Bond Bank in accordance with the Loan  
1032 Agreement.

1033 This bond is issued pursuant to Ordinance No. 2020-30, passed June 9, 2020 (the “Bond  
1034 Ordinance”), to provide funds to refinance an outstanding loan to the City from the Alaska Energy  
1035 Authority. Capitalized terms used in this bond and not otherwise defined herein have the meanings  
1036 given those terms in the Bond Ordinance.

1037 Principal installments of this bond are subject to prepayment as provided in the Bond  
1038 Ordinance and in the Loan Agreement.

1039 The City does hereby pledge and bind itself to set aside from the Electric System Revenue  
1040 Fund of the City created by the Bond Ordinance, and to pay into the Bond Fund and the Accounts  
1041 therein, the various amounts required by the Bond Ordinance to be paid into and maintained in  
1042 said Fund and Accounts, all within the times provided by the Bond Ordinance. The City has further  
1043 pledged and bound itself to pay into the Revenue Fund as collected, all Revenue of the System.

1044 The amounts so pledged to be paid out of the Revenue Fund into the Bond Fund and  
1045 Accounts therein are hereby declared to be a prior lien and charge upon money in the Revenue  
1046 Fund superior to all other charges of any kind or nature except Operating Costs and the costs of  
1047 paying and securing payment of the 2010 Bonds and equal in rank to the lien and charge on the  
1048 money in the Bond Fund to pay and secure the payment of other Parity Bonds.

1049 The pledge of Revenue of the System for payment of principal of and interest on this bond  
1050 may be discharged prior to maturity of this bond by making provision for the payment thereof on  
1051 the terms and conditions set forth in the Bond Ordinance and Loan Agreement.

1052 This bond will not be valid or become obligatory for any purpose or be entitled to any  
1053 security or benefit under the Bond Ordinance until the Certificate of Authentication hereon has  
1054 been manually signed by the Registrar.

1055 It is hereby certified and declared that this bond is issued pursuant to and in strict  
1056 compliance with the Constitution and laws of the State of Alaska and the charter, ordinances, and  
1057 resolutions of the City, that all acts, conditions and things required to be done precedent to and in  
1058 the issuance of this bond have happened, been done and performed, and that this bond does not  
1059 exceed any Constitutional or statutory limitations.

1060 IN WITNESS WHEREOF, the City and Borough of Sitka, Alaska, has caused this bond to  
1061 be signed on behalf of the City with the manual or facsimile signature of the Mayor, to be attested  
1062 by the manual or facsimile signature of the Municipal Clerk, and the seal of the City to be imprinted  
1063 or impressed hereon, as of this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

1064 CITY AND BOROUGH OF SITKA,  
1065 ALASKA

1066  
1067  
1068 By \_\_\_\_\_ /s/  
1069 Gary L. Paxton, Mayor

1070 [SEAL]  
1071  
1072 ATTEST:

1073  
1074  
1075 /s/ \_\_\_\_\_  
1076 Sara Peterson, MMC  
1077 Municipal Clerk

1078  
1079 CERTIFICATE OF AUTHENTICATION

1080  
1081 Date of Authentication: \_\_\_\_\_

1082 This is the City and Borough of Sitka, Alaska, Junior Lien Electric Revenue Refunding  
1083 Bond, 20\_\_ (Taxable), dated \_\_\_\_\_, 20\_\_, as described in the Bond Ordinance.

1084  
1085  
1086  
1087 \_\_\_\_\_  
1088 Chief Finance and Administrative Officer,  
1089 City and Borough of Sitka, Alaska, as  
1090 Registrar  
1091  
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**EXHIBIT B**

**FORM OF  
LOAN AGREEMENT**

THIS LOAN AGREEMENT, dated as of the \_\_\_ day of \_\_\_\_\_ 20\_\_ (the "Loan Agreement"), between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and the [City] [Borough], Alaska, a duly constituted \_\_\_\_\_ [City] [Borough] of the State (the "[City] [Borough]"):

W I T N E S S E T H:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and make loans of money (the "Loan" or "Loans") to governmental units; and

WHEREAS, the [City] [Borough] is a "Governmental Unit" as defined in the General Bond Resolution of the Bank hereinafter mentioned and is authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, the [City] [Borough] desires to borrow money from the Bank in the amount not to exceed \$ \_\_\_\_\_ and has submitted an application to the Bank for a Loan in the amount not to exceed \$ \_\_\_\_\_; and

WHEREAS, the [City] [Borough] has duly authorized the issuance of its fully registered bond in the principal amount of \$ \_\_\_\_\_ (the "Municipal Bond"), which Municipal Bond is to be purchased by the Bank as evidence of and security for the [City's] [Borough's] obligation to repay the Loan in accordance with this Loan Agreement; and

WHEREAS, the application of the [City] [Borough] contains the information requested by the Bank; and

WHEREAS, to provide for the issuance of bonds of the Bank to obtain from time to time money with which to make and/or refinance Loans, the Board of Directors of the Bank (the "Board") has adopted its General Obligation Bond Resolution on July 13, 2005, as amended (the "General Bond Resolution"); and

WHEREAS, the Board approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, on April [\_\_], 2020, the Board adopted Series Resolution No. 2020-[\_\_] (the "Series Resolution" and together with the General Bond Resolution, the "Bond Resolution"), authorizing the Bank to, among other things, issue the Bank's General Obligation and Refunding Bonds, 2020 Series One Bonds and General Obligation and Refunding Bonds, 2020 Series Two

CERTIFICATE

1115

1116 I, the undersigned, duly chosen, qualified and acting Municipal Clerk of the City and Borough  
1117 of Sitka (the “City”) and keeper of the records of the Assembly, DO HEREBY CERTIFY:

1118 1. That the attached is a true and correct copy of Ordinance No. 2020-\_\_\_\_\_ of the  
1119 Assembly (the “Ordinance”), as finally adopted at a regular meeting of the Assembly held on \_\_\_\_\_,  
1120 2020, and duly recorded in my office.

1121 2. That said meeting was duly convened and held in all respects in accordance with law,  
1122 and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum  
1123 of the Assembly was present throughout the meeting and a legally sufficient number of members of  
1124 the Assembly voted in the proper manner for the passage of the Ordinance; that all other requirements  
1125 and proceedings incident to the proper passage of said Ordinance have been duly fulfilled, carried out  
1126 and otherwise observed, and that I am authorized to execute this certificate.

1127 IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

1128  
1129  
1130

\_\_\_\_\_  
Municipal Clerk  
City and Borough of Sitka



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 20-28    Version: 1    Name:  
Type: Ordinance    Status: AGENDA READY  
File created: 5/20/2020    In control: City and Borough Assembly  
On agenda: 6/9/2020    Final action:  
Title: Establishing the CARES Act Utilities Subsidization Program  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Motion Ord 2020-28](#)  
[Memo Ord 2020-28](#)  
[Ord 2020-28](#)

Date	Ver.	Action By	Action	Result
5/26/2020	1	City and Borough Assembly		

Sponsors: Christianson / Mosher

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2020-28 on second and final reading establishing the CARES Act Utilities Subsidization Program.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
**From:** John Leach, Municipal Administrator   
**Date:** May 21, 2020  
**Subject:** Timing and of CARES Act funding and Associated Milestones

---

### **Issue:**

The City and Borough of Sitka is poised to receive in excess of \$14 million dollars in ACRES Act pass-thru grant from the State of Alaska. Accordingly, ordinances are being proposed to establish subsidization programs to be funded by CARES Act grant funds.

The purpose of this memo is to articulate the timeline and steps necessary for receiving CARES Act grant funds and for the disbursement of such funds if the accompanying subsidization program ordinances are approved. It is important to specifically point out that, even if subsidization programs are created through the passage of ordinances, that no actual subsidization payments will be made until grant funding is received and receipt of such funding can only occur after certain milestones are accomplished.

### **Analysis:**

#### **Timeline and Steps Required to Actually Receive CARES Act grant funding**

The State of Alaska has advised that two sequential steps must be completed for Sitka to receive CARES Act funding, once the State begins actual disbursement of CARES Act grant funds (which has not yet commenced). Those two sequential steps are:

- (1) A Municipality must pass a Resolution for acceptance of Coronavirus Relief Funds. A proposed Resolution accompanies this memorandum for Assembly consideration and action.
- (2) Once a Resolution has been passed, a Municipality will be required to enter into a formal grant agreement with the State of Alaska, Department of Commerce and Economic Development (DCCED). DCCED has forwarded a

draft agreement to Sitka, but it is unclear whether Sitka, upon passage of the required Resolution, can simply fill in the blanks in the draft agreement and submit it. It is highly likely that DCCED, upon receipt of a valid resolution, will subsequently prepare a formal grant agreement itself, with all required information, and send that to Sitka for execution. The reason this nuance is important is that no funds will be disbursed until a formal grant agreement is entered and the administrative steps DCCED must take may delay actual receipt of funds by several weeks.

### **Development of Disbursement Program Administrative Policies to Simultaneously Coincide**

Staff intends to rapidly commence immediately with the development of administrative policies and procedures for the proposed disbursement programs outlined in the accompanying ordinances.

It is possible that ordinances are passed, and administrative policies are fully developed and approved before the process of receiving and executing a grant agreement with DCCED is completed. This may especially be the case if the preparation of grant agreements by DCCED is delayed for some administrative or legal reason.

### **Recommendation**

Staff recommends that the Assembly approve the accompanying Resolution for Acceptance of Coronavirus Relief Fund and approve the ordinances establishing subsidization programs to be funded with grant funds. All parties must understand, however, that until the CBS actually receives a grant agreement from DCCED and signs and returns it, no funds will be received, and no subsidization payments will be made.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-28

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA ESTABLISHING THE CARES ACT UTILITIES COSTS SUBSIDIZATION PROGRAM

1. CLASSIFICATION. This ordinance is NOT of a permanent nature and is NOT intended to become a part of the Sitka General Code (“SGC”).

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

3. PURPOSE. The purpose of this ordinance is to establish a grant program which uses CARES Act funds received by the City and Borough of Sitka to subsidize utilities costs for residents and businesses experiencing economic hardship due to the COVID-19 health care emergency. The Assembly makes legislative findings as follows.

a. The Assembly recognizes that an emergency exists due to the COVID-19 pandemic that affects the life, health, welfare or property of the residents and businesses in the City and Borough of Sitka.

b. The Assembly further recognizes that the COVID-19 pandemic has caused great economic hardship to many of the residents and businesses in the City and Borough of Sitka.

c. On March 27,2020, the federal Coronavirus Aid, Relief, and Economic Security Act (HR 748) (“CARES Act”) was signed into law. The CARES Act contains numerous provisions aimed at providing relief from the COVID-19 pandemic, including the creation of funds to provide direct relief to states and municipalities to alleviate economic hardship.

d. The State of Alaska has received CARES Act funds, some of which it expects to disburse to municipalities, the amount of which is currently unknown but expected to be several million dollars.

e. If and upon receipt of the CARES Act funds, the Assembly desires to disburse all or a portion of those funds to residents and businesses who qualify, for the purpose of alleviating economic hardship caused by the COVID-19 pandemic.

f. To that end, in light of the economic hardship imposed on residents and businesses in the City and Borough of Sitka, by enactment of this ordinance the Assembly initiates the following temporary utilities subsidization program.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka (“CBS”) that there shall be a temporary utilities costs subsidization program as follows:

Section 1. Title. This program may be referred to as the “CARES Act Utilities Costs Subsidization Program.”

Section 2. Implementation. This program shall only be implemented if funds sufficient to fund the entire program are received by the CBS from the U.S. Treasury Department CARES Act and those funds are deemed to be eligible to be used in this program.

Section 3. Policy and procedure.

57 A. It shall be the policy of the CBS that applicants meeting certain criteria shall be eligible for  
58 subsidization of municipal utilities costs from CARES Act funds paid to the CBS due to the COVID-19  
59 public health emergency.

60  
61 B. Subsidization shall be in the form of general governmental subsidy payments to municipal utilities  
62 accounts for the benefit of eligible applicants. Under no circumstances may subsidization be in the  
63 form of reduced utility rates or the provision of free utilities services.

64  
65 C. A supplemental appropriation providing funding for the program shall be established by a special  
66 appropriation of the Assembly. All CARES Act funding shall reside in a special revenue fund and a  
67 separate account within that fund will be established and separately budgeted for the utilities costs  
68 subsidization.

69  
70 D. Applications for subsidization shall be submitted to the Finance Department on forms provided by  
71 the Finance Department. Only one application per household and/ or per business is allowed.  
72 Applications must be submitted by July 31, 2020. If the application is denied, the applicant may  
73 appeal to the Municipal Administrator. If an appeal to the Municipal Administrator is denied, the  
74 applicant may appeal to the Assembly. The Assembly's decision is the final action of the CBS.

75  
76 E. Any incomplete or duplicate application will be rejected. For those complete and eligible  
77 applications, upon acceptance the Finance Department will disburse the subsidy to the accounts of  
78 those applicants accepted. All subsidy payments will be applied to accounts by August 31, 2020.

79  
80 F. The utilities cost subsidy for each eligible residential applicant is a one-time credit on account in the  
81 amount of One Thousand Dollars (\$1,000).

82  
83 G. The utilities cost subsidy for each eligible business applicant is a one-time credit on account in the  
84 amount of Three Thousand Dollars (\$3,000).

85  
86 H. The Finance Director shall have the responsibility of developing administrative procedures, which  
87 shall be approved by the Municipal Administrator, necessary for implementation of this program.

88  
89 **Section 4. Eligibility and subsidization.**

90 A. An applicant must be a customer receiving and responsible for paying for utilities from the CBS for  
91 (1) a residential dwelling in which the applicant or a household member has resided in continuously  
92 since March 15, 2020, and currently still occupies; and/ or (2) a non-residential business location  
93 which the applicant has operated in since March 15, 2020, and currently still operates.

94  
95 B. An applicant shall be eligible for subsidization if the applicant certifies in his or her application as  
96 follows:

97  
98 (1) the applicant is and has been a utilities account holder since at least March 15, 2020;

99  
100 (2) a residential applicant, the applicant or a household member is currently a resident of Sitka  
101 and has been a resident of Sitka since at least March 15, 2020;

102  
103 (3) if a business applicant, the applicant has operated it's business continuously since March  
104 15, 2020, and currently still operates;

105  
106 (4) the applicant has incurred economic hardship due to the COVID-19 public health  
107 emergency;

109 (5) the subsidy payment would be to an account affected by the economic hardship caused by  
110 the COVID-19 public health emergency; and

111  
112 (6) at the time of the certification, the applicant continues to face economic hardship due to the  
113 COVID-19 public health emergency.

114  
115 C. An applicant is eligible for a subsidy even if the applicant has overdue charges owed to the CBS. A  
116 subsidy applied to an account with overdue charges will be first applied to those overdue charges.  
117 Any portion of a subsidy not applied to costs on account shall be returned to the CBS by debit to that  
118 account.

119  
120 **Section 5. Definitions.**

121 A. "Business" means those customers receiving electric services under SGC 15.01.020.C-D.

122  
123 B. "Economic hardship" means, as a result of the COVID-19 public health emergency, business or  
124 personal or household disposable income has decreased and/or normal business or personal or  
125 household expenses have increased, such that it has become impossible or difficult to make ends  
126 meet and/or any money reserves of the applicant have been and/or are being significantly depleted.

127  
128 C. A "household" consists of all the people who occupy a "housing unit" A house, an apartment or  
129 other group of rooms, or a single room, is regarded as a housing unit when it is occupied or intended  
130 for occupancy as separate living quarters; that is, when the occupants do not live with any other  
131 persons in the structure and there is direct access from the outside or through a common hall. A  
132 previously designated live aboard vessel in the city and borough harbor system is also regarded as a  
133 housing unit. A household includes the related family members and all unrelated people, if any, such  
134 as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in  
135 a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is  
136 also counted as a household.

137  
138 D. "Subsidization" refers to "utilities costs subsidization."

139  
140 **5. EFFECTIVE DATE.** This ordinance shall become effective the day after the date of its  
141 passage and is temporary in nature to be implemented only if CARES Act funds in a sufficient amount  
142 are received by the City and Borough of Sitka.

143  
144 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka,  
145 Alaska this 9<sup>th</sup> day of June, 2020.

146  
147  
148 \_\_\_\_\_  
Gary L. Paxton, Mayor

149 **ATTEST:**  
150  
151  
152 \_\_\_\_\_

153 Sara Peterson, MMC  
154 Municipal Clerk

155  
156 1<sup>st</sup> reading 5/26/2020  
157 2<sup>nd</sup> and final reading 6/9/2020

158  
159 Sponsors: Christianson and Mosher



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 20-29    Version: 1    Name:  
Type: Ordinance    Status: AGENDA READY  
File created: 5/20/2020    In control: City and Borough Assembly  
On agenda: 6/9/2020    Final action:  
Title: Establishing the CARES Act Moorage Costs Subsidization Program  
Sponsors:  
Indexes:  
Code sections:  
Attachments: [Motion Ord 2020-29](#)  
[Memo Ord 2020-29](#)  
[Ord 2020-29](#)

Date	Ver.	Action By	Action	Result
5/26/2020	1	City and Borough Assembly		

Sponsors: Christianson / Mosher

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2020-29 on second and final reading establishing the CARES Act Moorage Costs Subsidization Program.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
**From:** John Leach, Municipal Administrator   
**Date:** May 21, 2020  
**Subject:** Timing and of CARES Act funding and Associated Milestones

---

### **Issue:**

The City and Borough of Sitka is poised to receive in excess of \$14 million dollars in ACRES Act pass-thru grant from the State of Alaska. Accordingly, ordinances are being proposed to establish subsidization programs to be funded by CARES Act grant funds.

The purpose of this memo is to articulate the timeline and steps necessary for receiving CARES Act grant funds and for the disbursement of such funds if the accompanying subsidization program ordinances are approved. It is important to specifically point out that, even if subsidization programs are created through the passage of ordinances, that no actual subsidization payments will be made until grant funding is received and receipt of such funding can only occur after certain milestones are accomplished.

### **Analysis:**

#### **Timeline and Steps Required to Actually Receive CARES Act grant funding**

The State of Alaska has advised that two sequential steps must be completed for Sitka to receive CARES Act funding, once the State begins actual disbursement of CARES Act grant funds (which has not yet commenced). Those two sequential steps are:

- (1) A Municipality must pass a Resolution for acceptance of Coronavirus Relief Funds. A proposed Resolution accompanies this memorandum for Assembly consideration and action.
- (2) Once a Resolution has been passed, a Municipality will be required to enter into a formal grant agreement with the State of Alaska, Department of Commerce and Economic Development (DCCED). DCCED has forwarded a

draft agreement to Sitka, but it is unclear whether Sitka, upon passage of the required Resolution, can simply fill in the blanks in the draft agreement and submit it. It is highly likely that DCCED, upon receipt of a valid resolution, will subsequently prepare a formal grant agreement itself, with all required information, and send that to Sitka for execution. The reason this nuance is important is that no funds will be disbursed until a formal grant agreement is entered and the administrative steps DCCED must take may delay actual receipt of funds by several weeks.

### **Development of Disbursement Program Administrative Policies to Simultaneously Coincide**

Staff intends to rapidly commence immediately with the development of administrative policies and procedures for the proposed disbursement programs outlined in the accompanying ordinances.

It is possible that ordinances are passed, and administrative policies are fully developed and approved before the process of receiving and executing a grant agreement with DCCED is completed. This may especially be the case if the preparation of grant agreements by DCCED is delayed for some administrative or legal reason.

### **Recommendation**

Staff recommends that the Assembly approve the accompanying Resolution for Acceptance of Coronavirus Relief Fund and approve the ordinances establishing subsidization programs to be funded with grant funds. All parties must understand, however, that until the CBS actually receives a grant agreement from DCCED and signs and returns it, no funds will be received, and no subsidization payments will be made.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-29

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA ESTABLISHING THE CARES ACT MOORAGE COSTS SUBSIDIZATION PROGRAM

1. CLASSIFICATION. This ordinance is NOT of a permanent nature and is NOT intended to become a part of the Sitka General Code (“SGC”).

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

3. PURPOSE. The purpose of this ordinance is to establish a grant program which uses CARES Act funds received by the City and Borough of Sitka to subsidize moorage costs for vessel owners experiencing economic hardship due to the COVID-19 health care emergency. The Assembly makes legislative findings as follows.

a. The Assembly recognizes that an emergency exists due to the COVID-19 pandemic that affects the life, health, welfare or property of vessel owners in the City and Borough of Sitka.

b. The Assembly further recognizes that the COVID-19 pandemic has caused great economic hardship to many of the vessel owners in the City and Borough of Sitka.

c. On March 27,2020, the federal Coronavirus Aid, Relief, and Economic Security Act (HR 748) (“CARES Act”) was signed into law. The CARES Act contains numerous provisions aimed at providing relief from the COVID-19 pandemic, including the creation of funds to provide direct relief to states and municipalities to alleviate economic hardship.

d. The State of Alaska has received CARES Act funds, some of which it expects to disburse to municipalities, the amount of which is currently unknown but expected to be several million dollars.

e. If and upon receipt of the CARES Act funds, the Assembly desires to disburse all or a portion of those funds to vessel owners who qualify for the purpose of alleviating economic hardship caused by COVID-19 pandemic.

f. To that end, in light of the economic hardship imposed on vessel owners in the City and Borough of Sitka, by enactment of this ordinance the Assembly initiates the following temporary moorage costs subsidization program.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka (“CBS”) that there shall be a temporary moorage costs subsidization program as follows:

Section 1. Title. This program may be referred to as the “CARES Act Moorage Costs Subsidization Program.”

Section 2. Implementation. This program shall only be implemented if funds sufficient to fund the entire program are received by the CBS from the U.S. Treasury Department CARES Act and those funds are deemed to be eligible to be used in this program.

57 **Section 3. Policy and procedure.**

58 A. It shall be the policy of the CBS that applicants meeting certain criteria shall be eligible for  
59 subsidization of municipal moorage costs from CARES Act funds paid to the CBS due to the  
60 COVID-19 public health emergency.

61  
62 B. Subsidization shall be in the form of general governmental subsidy payments to municipal  
63 moorage accounts for the benefit of eligible applicants. Under no circumstances may  
64 subsidization be in the form of reduced moorage rates or the provision of free moorage  
65 services.

66  
67 C. A supplemental appropriation providing funding for the moorage costs subsidization fund  
68 program shall be established by a special appropriation of the Assembly. All CARES Act funding  
69 will reside in a special revenue fund and a separate account within that fund will be established  
70 and separately budgeted for the moorage subsidization.

71  
72 D. Applications for subsidization shall be submitted to the Finance Department on forms  
73 provided by the Finance Department. Only one applicant per moorage account is allowed.  
74 Applications must be submitted by July 31, 2020. If the application is denied, the applicant may  
75 appeal to the Municipal Administrator. If an appeal to the Municipal Administrator is denied, the  
76 applicant may appeal to the Assembly. The Municipal Assembly's decision is the final action of  
77 the CBS.

78  
79 E. Any incomplete or duplicate application will be rejected. For those complete and eligible  
80 applications, upon acceptance the Finance Department will disburse the subsidy to the  
81 accounts of those applicants accepted. All subsidy payments will be applied to accounts by  
82 August 31, 2020.

83  
84 F. The moorage subsidy for each eligible applicant is a one-time payment to the applicant's  
85 account. The subsidy for each eligible applicant shall be the maximum of moorage costs billed  
86 for one quarter of the calendar year.

87  
88 G. The Finance Director shall have the responsibility of developing administrative procedures,  
89 which shall be approved by the Municipal Administrator, necessary for implementation of this  
90 program.

91  
92 **Section 4. Eligibility and subsidization.**

93 A. An applicant must be a customer receiving and responsible for paying moorage costs from  
94 the CBS for a vessel moored in the CBS harbor system continuously since at least March 15,  
95 2020.

96  
97 B. An applicant shall be eligible for subsidization if the applicant certifies in his or her application  
98 as follows:

99  
100 (1) the applicant is and has moored a vessel in the CBS harbor system under an existing  
101 moorage agreement;

102  
103 (2) the applicant has a vessel moored in the CBS harbor system continuously since at  
104 least March 15, 2020;

105  
106 (3) the applicant has incurred economic hardship due to the COVID-19 public health  
107 emergency;

108

109 (4) the subsidy payment would be to an account affected by the economic hardship  
110 caused by the COVID-19 public health emergency; and

111  
112 (5) at the time of the certification, the applicant continues to face economic hardship due  
113 to the COVID-19 public health emergency.

114  
115 C. An applicant is eligible for a subsidy even if the applicant has overdue charges owed to the  
116 CBS. A subsidy applied to an account with overdue charges will be first applied to those  
117 overdue charges. Any portion of a subsidy not applied to costs on account shall be returned to  
118 the CBS by debit to that account.

119  
120 **Section 5. Definitions.**

121 A. "Economic hardship" means, as a result of the COVID-19 public health emergency, business  
122 or personal or household disposable income has decreased and/or normal business or personal  
123 or household expenses have increased, such that it has become impossible or difficult to make  
124 ends meet and/or any money reserves of the applicant have been and/or are being significantly  
125 depleted.

126  
127 B. "Subsidization" refers to "moorage costs subsidization."

128  
129 C. "Vessel" means any ship, boat, skiff, barge, dredge and craft of every kind or description,  
130 whether used for commercial or pleasure purposes, which is on the water and is capable of  
131 being used as a means of transportation on or through the water, excluding seaplanes.

132  
133 **5. EFFECTIVE DATE.** This ordinance shall become effective the day after the date  
134 of its passage and is temporary in nature to be implemented only if CARES Act funds in a sufficient  
135 amount are received by the City and Borough of Sitka.

136  
137 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of  
138 Sitka, Alaska this 9<sup>th</sup> day of June, 2020.

139  
140  
141

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

142  
143 **ATTEST:**

144  
145  
146  
147 \_\_\_\_\_  
148 Sara Peterson, MMC  
149 Municipal Clerk

150 1<sup>st</sup> reading 5/26/2020  
151 2<sup>nd</sup> and final reading 6/9/2020

152  
153 Sponsors: Christianson and Mosher



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 20-31    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 5/21/2020    In control: City and Borough Assembly

On agenda: 6/9/2020    Final action:

Title: Making supplemental appropriations for Fiscal Year 2021 (CARES Act Funding - Utilities and Moorage Accounts)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2020-31](#)  
[Memo Ord 2020-31](#)  
[Ord 2020-31](#)

Date	Ver.	Action By	Action	Result
5/26/2020	1	City and Borough Assembly		

Sponsors: Christianson / Mosher

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2020-31 on second and final reading making supplemental appropriations for Fiscal Year 2021 (CARES Act Funding - Utilities and Moorage Accounts).



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
**From:** John Leach, Municipal Administrator   
**Date:** May 21, 2020  
**Subject:** Timing and of CARES Act funding and Associated Milestones

---

### **Issue:**

The City and Borough of Sitka is poised to receive in excess of \$14 million dollars in ACRES Act pass-thru grant from the State of Alaska. Accordingly, ordinances are being proposed to establish subsidization programs to be funded by CARES Act grant funds.

The purpose of this memo is to articulate the timeline and steps necessary for receiving CARES Act grant funds and for the disbursement of such funds if the accompanying subsidization program ordinances are approved. It is important to specifically point out that, even if subsidization programs are created through the passage of ordinances, that no actual subsidization payments will be made until grant funding is received and receipt of such funding can only occur after certain milestones are accomplished.

### **Analysis:**

#### **Timeline and Steps Required to Actually Receive CARES Act grant funding**

The State of Alaska has advised that two sequential steps must be completed for Sitka to receive CARES Act funding, once the State begins actual disbursement of CARES Act grant funds (which has not yet commenced). Those two sequential steps are:

- (1) A Municipality must pass a Resolution for acceptance of Coronavirus Relief Funds. A proposed Resolution accompanies this memorandum for Assembly consideration and action.
- (2) Once a Resolution has been passed, a Municipality will be required to enter into a formal grant agreement with the State of Alaska, Department of Commerce and Economic Development (DCCED). DCCED has forwarded a

draft agreement to Sitka, but it is unclear whether Sitka, upon passage of the required Resolution, can simply fill in the blanks in the draft agreement and submit it. It is highly likely that DCCED, upon receipt of a valid resolution, will subsequently prepare a formal grant agreement itself, with all required information, and send that to Sitka for execution. The reason this nuance is important is that no funds will be disbursed until a formal grant agreement is entered and the administrative steps DCCED must take may delay actual receipt of funds by several weeks.

### **Development of Disbursement Program Administrative Policies to Simultaneously Coincide**

Staff intends to rapidly commence immediately with the development of administrative policies and procedures for the proposed disbursement programs outlined in the accompanying ordinances.

It is possible that ordinances are passed, and administrative policies are fully developed and approved before the process of receiving and executing a grant agreement with DCCED is completed. This may especially be the case if the preparation of grant agreements by DCCED is delayed for some administrative or legal reason.

### **Recommendation**

Staff recommends that the Assembly approve the accompanying Resolution for Acceptance of Coronavirus Relief Fund and approve the ordinances establishing subsidization programs to be funded with grant funds. All parties must understand, however, that until the CBS actually receives a grant agreement from DCCED and signs and returns it, no funds will be received, and no subsidization payments will be made.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-31

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2021

(CARES Act Funding Utilities and Moorage Accounts)

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

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

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

3. PURPOSE. The purpose of this ordinance is to make a supplemental operating appropriations for FY2021.

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 appropriation for the budget period beginning July 1, 2020 and ending June 30, 2021.

<b>FISCAL YEAR 2021 EXPENDITURE BUDGETS</b>
<b>SPECIAL REVENUE FUND</b>
<b>Fund 180 – CARES Act 2020 – Operations: Increase appropriations in the amount of \$4,500,000 to support COVID-19 economic relief payments to eligible utilities and moorage accounts.</b>

EXPLANATION

The City and Borough of Sitka anticipates receiving a total of \$14,057,653.37 in three disbursements. This appropriation would come from the first round of funding, expected to be disbursed in the amount of \$6,819,089.87.

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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 9<sup>th</sup> Day of June, 2020.

ATTEST:

Gary L. Paxton, Mayor

Sara Peterson, MMC  
Municipal Clerk

1<sup>st</sup> reading 5/26/2020  
2<sup>nd</sup> and final reading 6/9/2020

Sponsor: Administrator



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 20-32    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 6/3/2020    In control: City and Borough Assembly

On agenda: 6/9/2020    Final action:

Title: Making supplemental appropriations for Fiscal Year 2020 (Secure Rural Schools Support)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2020-32](#)  
[Ord 2020-32](#)  
[Sitka School District Request](#)  
[Memo from Municipal Administrator](#)

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

**I MOVE TO** approve Ordinance 2020-32 on first reading making supplemental appropriations for Fiscal Year 2020 (*Secure Rural Schools Support*).

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-32
AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL
APPROPRIATIONS FOR FISCAL YEAR 2020
(Secure Rural Schools Support)

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

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

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

3. PURPOSE. The purpose of this ordinance is to make a supplemental operating appropriations for FY2020.

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 appropriation for the budget period beginning July 1, 2019 and ending June 30, 2020.

Table with 2 columns: FISCAL YEAR 2020 EXPENDITURE BUDGETS, GENERAL FUND. Content: Other - School Support - Operations: Increase appropriations in the amount of \$229,035 from Secure Rural Schools for the Sitka School District.

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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 23rd Day of June, 2020.

ATTEST:

Gary L. Paxton, Mayor

Melissa Henshaw, CMC
Acting Municipal Clerk

1st reading 6/9/2020
2nd and final reading 6/23/2020

Sponsor: Administrator



May 28, 2020

City Administrator John Leach  
City and Borough of Sitka  
john.leach@cityofsitka.org

Dear Mr. Leach,

On behalf of the School Board, I am writing to request that half of the FY20 Secure Rural Schools funding be shared with the Sitka School District. The willingness of the City to share equally in the Secure Rural Schools funding over the years has been a key factor in allowing us to provide the best possible education we can every year to our students, families, and the community of Sitka. We don't normally make a request for Secure Rural Schools funding, and we are happy to do so if it would be helpful given the timing of the receipt of the funds.

Previously, we understood that half of the FY20 Secure Rural Schools funding would be used to support the City in funding the school district to the maximum amount allowable for instructional support in FY21. We have since learned that only half of the FY21 Secure Rural Schools funding was used to support the City's FY21 local contribution to the school district. Thus there are still FY20 Secure Rural School funds that might be available to be shared with the school district. Historically Secure Rural Schools funding is shared with the district in addition to the local contribution for instructional purposes, which has a maximum limit.

This year we engaged students, families, staff, and the community in a *Leave Your Print* challenge to gather input on the strategic direction that the school district should focus on for the next 3-5 years, and we garnered quite a bit of input in the process. Specifically, 319 voices were involved in our process and 186 ideas were submitted that were rated 3,673 times. During the voting phase of our challenge there were 10,297 votes cast to select the most important idea to move forward as our strategic plan. The top idea centered on providing more mental health support for our students and specifically to ensure that we had a full-time Counselor/Social Worker in every school. Since this time, we have been impacted by the COVID-19 pandemic that makes the need for mental health support for our students even more urgent.

During our FY21 Budget deliberations, every School Board Member expressed interest in funding two positions that surfaced as the highest unmet needs in the district, as they would fulfil the need to have a full-time Counselor/Social Worker in every school. I cannot speak for the School Board, but I can share that each member expressed concern for our students because we were not able to fund these two positions. If the Assembly decided to share half of the FY20 Secure Rural Schools funding with the district, the available funding would cover the cost for the district to fulfil a need that we see and is also supported by the community members who engaged in our *Leave Your Print* challenge. Thank you for your consideration of this request.

Respectfully submitted,

Dr. Mary Wegner  
Superintendent



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members

**From:** John Leach, Municipal Administrator

**Date:** June 4, 2020

**Subject:** FY20 Secure Rural Schools Funding

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### **Issue:**

The City and Borough of Sitka (CBS) has received \$458,071.35 in FY20 Secure Rural Schools (SRS) funding. The Sitka School District has requested that half of the funding received be distributed to the District.

### **Analysis:**

The CBS did not anticipate or plan for any Federal SRS funding in FY20, so the CBS FY20 budget neither contains estimated revenue from SRS nor any appropriation to distribute any of the SRS funding to the SSD.

Per Federal law, SRS funding must be used either for public education or transportation (roads) (*Secure Rural Schools and Community Self-Determination Act of 2000, Public Law No: 106-393.*). SRS regulations do not require expenditure of SRS funds after receipt, but rather, within the fiscal year received. Applications for SRS require the CBS to specify what SRS funding received in the prior year was used for; four categories are listed (operation, maintenance, repair, construction). The FY20 application is attached.

In the process of approving the CBS FY2020 budget, the Assembly and staff discussed SRS funding and reviewed the process by which the Assembly must designate the amount of local funds to be made available for local education purposes. In compliance with AS 14.14.060 (c), the Assembly notified the Sitka School Board and SSD in writing of the amount of money to be made available from local sources for education, which did not include SSD (attached). The notification letter included this statement regarding SSD: "At this point we do not anticipate receiving Secure Rural Schools (SRS) funding in FY20. Should SRS be received by the Municipality, the Assembly will determine how the funds will be split.

In its Assembly meeting on April 28, 2020, the Assembly discussed the pending receipt of FY20 SRS funding but did not pass any motions directing action.

On May 29, 2020, correspondence was received from the SSD Superintendent formally requesting that half of the FY20 funding received, or \$229,035.67, be distributed to the SSD.

If the Assembly votes to approve the SSD request for a distribution of FY20 SRS funds, then it needs to also pass a supplemental budget ordinance as no appropriation currently exists in FY20 for such a distribution. Staff has prepared an ordinance for this contingency, which follows this agenda item. If the Assembly does not approve the SSD request, then the best way deal with the accompanying ordinance is to not have any Assembly members move or second the ordinance, and it will die.

### **Recommendation**

Staff recommends that the Assembly consider all pertinent guidelines, historical documents, and prior decisions to make a decision regarding distribution of SRS funds which is in the best interest of the Community. If the Assembly votes to approve the SSD request, staff strongly recommends that the Assembly pass the accompanying supplemental budget ordinance.



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 20-33    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 6/3/2020    In control: City and Borough Assembly

On agenda: 6/9/2020    Final action:

Title: Amending Title 4 "Revenue and Finance" of the Sitka General Code by revising Chapter 4.09 "Sales Tax" relating to exemption certificate

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2020-33](#)  
[Ord 2020-33](#)

Date	Ver.	Action By	Action	Result
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Sponsors: Mosher / Nelson

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2020-33 on first reading amending Title 4 "Revenue and Finance" of the Sitka General Code by revising Chapter 4.09 "Sales Tax" relating to exemption certificate.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-33

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING TITLE 4 "REVENUE AND FINANCE" OF THE SITKA GENERAL CODE BY REVISING CHAPTER 4.09 "SALES TAX" RELATING TO EXEMPTION CERTIFICATE

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

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

3. PURPOSE. The purpose of this ordinance is to clarify the process for obtaining and the implementation of a resale exemption certificate. In addition, the purpose of this ordinance is to eliminate the fee for obtaining an exemption certificate or a replacement certificate. The Assembly's intent is to promote understanding and compliance with the code and to be business friendly by reducing the cost of doing business in Sitka.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Sitka General Code Title 4, entitled "Revenue and Finance", be amended at Chapter 4.09, entitled "Sales Tax", at section 4.09.220 entitled "Exemption certificate - Form" and section 4.09.230 entitled "Exemption certificate - Requirements" to read as follows (deleted language stricken, new language underlined):

Title 4
REVENUE AND FINANCE

Chapters:

\*\*\*

4.09 Sales Tax

\*\*\*

Chapter 4.09
SALES TAX

Sections:

\*\*\*

- 4.09.220 Exemption certificate—Form.
4.09.230 Exemption certificate—Requirements.

\*\*\*

4.09.220 Exemption certificate—Form.
A. A purchaser seeking an exemption from sales tax must apply for and be issued an exemption certificate from the city and borough of Sitka. The city and borough of Sitka The finance department shall provide an application for an exemption certificate. Upon approval of the application and issuance of the certificate, a purchaser shall present or provide the valid

54 authorized exemption number of the certificate when purchasing goods or services for resale,  
55 for purchases by a government, approved government supported nonprofit agency, or by an  
56 authorized senior citizen.

57

58 B. The certificate must include:

59

60 1. For resale:

61 a. General character of property or service sold by the purchaser in the regular  
62 course of business intended for resale;

63

64 b. Name and address of the purchaser;

65

66 c. Signature or electronic signature of the purchaser;

67

68 d. Expiration date; and

69

70 e. City and borough of Sitka's authorized exemption number.

71

72 2. For senior citizen:

73

74 a. Name and address of the purchaser or purchaser's designee;

75

76 b. Signature or electronic signature of the purchaser or purchaser's designee;

77

78 c. Expiration date as appropriate for the authorized exemption; and

79

80 d. City and borough of Sitka's authorized exemption number.

81

82 3. For all others:

83

84 a. Name and address of the purchaser;

85

86 b. Expiration date as appropriate for the authorized exemption; and

87

88 c. City and borough of Sitka's authorized exemption number.

89

90 **4.09.230 Exemption certificate—Requirements.**

91 A. An exemption certificate issued by the city and borough of Sitka and executed by a  
92 purchaser or lessee must either (1) be in the possession of and presented by the purchaser or  
93 lessee or (2) the valid authorized exemption number provided to the seller or lessor by the  
94 purchaser or lessee, at the time that an exempt transaction occurs.

95

96 B. An exemption certificate must contain the information and be in a format prescribed by the  
97 city and borough of Sitka.

98

99 C. If the seller or lessor accepts an exemption certificate or a valid authorized exemption

100 number and believes in good faith that the purchaser or lessee will employ the property or

101 service transferred in an exempt manner, the properly executed exemption certificate or valid

102 authorized exemption number is considered conclusive evidence, as to the seller or lessor, that  
103 the sale is exempt.

104  
105 D. Resale exemption certificates ~~may~~shall be issued annually to businesses that are  
106 approved upon application and ~~who~~ are current in filing and remitting sales tax, valid for the  
107 balance of the ~~one~~ calendar year upon issuance.

108  
109 E. Senior citizen exemption certificate is valid for life.

110  
111 F. ~~The fee of~~ There is no fee for an exemption certificate ~~is twenty-five dollars, and five dollars~~  
112 ~~for~~ or a replacement certificate.

113  
114 G. The exemption certificate shall be surrendered and is void when the holder no longer  
115 qualifies for the exemption.

116 \* \* \*

117  
118  
119 **5. EFFECTIVE DATE.** This ordinance shall become effective the day after the date  
120 of its passage.

121  
122 **PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of  
123 Sitka, Alaska, this 23<sup>rd</sup> day of June, 2020.

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

127 ATTEST:

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129  
130 \_\_\_\_\_  
131 Melissa Henshaw, CMC  
132 Acting Municipal Clerk

133  
134 1<sup>st</sup> reading 6/9/2020

135 2<sup>nd</sup> and final reading 6/23/2020

136  
137 Sponsor: Administrator



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 20-116      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 6/3/2020      In control: City and Borough Assembly

On agenda: 6/9/2020      Final action:

Title: Consideration and award of the request for proposals submitted for the available funds in the Fisheries Enhancement Fund

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Fisheries Enhancement Fund](#)  
[Memo and supporting materials](#)  
[Sitka Sound Science Center Application](#)  
[Alaska Longliner Fishermens Association\\_Redacted](#)  
[Alaska Trollers Association\\_Redacted](#)

Date	Ver.	Action By	Action	Result
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## Step 1

Mayor Paxton announces there is an opportunity for applicants to speak to their proposals.

\*5 minute time limit per applicant\*

## Step 2

Assembly discussion on potential award amounts.

- \$38,000 is available for disbursement from the Fisheries Enhancement Fund. A total of \$53,000 has been requested.
  - Sitka Sound Science Center request \$38,000
  - Alaska Longline Fisherman's Association request \$10,000
  - Alaska Trollers Association \$5,000

## Step 3

### POSSIBLE MOTION

Public comment will be taken after a motion is made.

**I MOVE TO** award \$\_\_\_\_\_ to the Sitka Sound Science Center, award \$\_\_\_\_\_ to the Alaska Longline Fisherman's Association, and award \$\_\_\_\_\_ to the Alaska Trollers Association.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members  
**Thru:** John Leach, Municipal Administrator   
**From:** Renee Wheat, Administrative Coordinator  
**Date:** May 29, 2020  
**Subject:** FY20 Fisheries Enhancement Fund Proposals

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The Fisheries Enhancement Fund was established by Ordinance 2006-38 and approved by voters in 2006.

Applications were received via electronic mail only due to concerns regarding COVID-19. Please see the email date and time stamp for verification that the applications were received before the deadline of May 22, 2020 at 2:00pm.

The amount available for disbursement from the FY2020 budget is \$38,000. Our office received three timely proposals from:

- Alaska Longline Fishermen's Association
- Alaska Trollers Association
- Sitka Sound Science Center

By the terms of the advertisement, Sitka Sound Science Center's proposal meets the requirements.

The Alaska Longline Fishermen's Association and the Alaska Trollers Association proposals do not include the required pro forma financials. By the terms of the advertisement, the proposals do not meet the requirements.



To: Susan McFadden  
From: Renee Wheat  
Publish: April 24, May 1, 8, 15 & 20

**Request for Proposals  
By the City and Borough of Sitka, Alaska  
Fisheries Enhancement Fund**

Request for Proposals for the disbursement of the available \$38,000 in the Fisheries Enhancement Fund, established by Ordinance 2006-38 and approved by voters in the regular election held October 3, 2006, will be received via email at [renee.wheat@cityofsitka.org](mailto:renee.wheat@cityofsitka.org) until Friday, May 22, 2020, 2:00 pm. Proposals received after the time fixed for receipt will not be considered.

The proposal should contain the following information:

- History of the organization
- Current balance sheet
- Pro forma financial statements
- Dollars requested from funds
- Statement of what will be achieved with the funding
- Explanation of how this will enhance the fisheries within the City and Borough of Sitka

Questions may be directed to Renee Wheat, Administrative Coordinator, [renee.wheat@cityofsitka.org](mailto:renee.wheat@cityofsitka.org) or call 747-1812.

## FY20 Fisheries Enhancement Grant Requests

Applicant	FY 2020 Requested	To be Used For	Amount Recommended
Sitka Sound Science Center	\$38,000.00	Continue its hatchery production and enhancement operations.	
Alaska Longline Fishermen's Association	\$10,000.00	1) Monitor COVID-19 Relief Programs, state and local mandates and disposition of emergency disaster and stimulus funds; 2) Build capacity in their crew apprentice program; 3) mentor young fishermen through Sitka-based education and training programs; 4) provide entry level quota share loans to Sitka residents; and 5) build connections between Alaska fishermen and consumers.	
Alaska Trollers Association	\$5,000.00	Financial assistance to fight National Marine Fisheries Service's lawsuit staying the NMFS authorizations of commercial Chinook Salmon Fisheries in federal waters off the coast of Southeast Alaska, set to commence July 1, to protect imperiled Southern Resident Killer Whales.	
<b>TOTAL</b>	<b>\$53,000.00</b>		<b>\$0.00</b>

Note: \$38,000 is available for disbursement from the Fisheries Enhancement Fund

**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2006-38**

**-AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING SITKA GENERAL CODE SECTION 4.09.010 ENTITLED "LEVY OF SALES TAX" TO IMPOSE A FLAT SALES TAX RATE TO BE PAID BY FISHING CHARTER CUSTOMERS ON THE VALUE OF PACKAGED FISH AND/OR SEAFOOD CAUGHT OR TAKEN BY FISHING CHARTER CUSTOMERS.**

1. **CLASIFICATION.** This ordinance is of a permanent nature and is intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska upon election certification.

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.** Sitka General Code Section 4.09.030, entitled "Presumption of taxability—sales price and purchase price," recognizes that "in a sale which the amount of money paid does not represent the value of the property or service purchased, the sales tax must be imposed on the value of property or service purchased." Under the current Sitka General Code sales tax provisions, the value of the packaged fish and/or seafood obtained by fish charter customers as part of a charter has not been taxed. Fish charter customers are charged the same charter fee regardless if they obtain fish and/or seafood as part of a charter, and is then packaged for the customer. The purpose of this ordinance is to impose a sales tax on the value of the packaged fish and/or seafood caught or taken and retained by fish charter customers as a result of their charter.

The proposed amendment to Sitka General Code Section 4.09.010 would impose a flat rate charge of \$10 per fish box as a reasonable sales tax levy rate for the value of the packaged fish and/or seafood of fishing charter customers. This flat rate levy and the amount of the tax takes into consideration that each fish box may contain a varied amount, type, and size of fish and/or seafood which makes it difficult to precisely calculate its value. Additionally, since the fish and/or seafood has been caught and/or taken by the charter customer, the value of the packaged fish and/or seafood cannot be directly correlated with retail sales prices of fish and/or seafood. Thus, the City and Borough of Sitka, Alaska finds that the flat rate charge of \$10 per fish box is a reasonable sales tax rate.

Additionally, the sales tax collected from this levy on fish boxes shall be deposited by the finance director in the following funds and in the following rations:

- a. 20% in the harbor fund;
- b. 30% in the Sitka Permanent Fund;
- c. 20% in a fisheries enhancement fund, available to be used for any fisheries enhancement proposal upon approval of the proposal by the Assembly;  
and
- d. 30% in the general fund.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED By the City and Borough of Sitka that Sitka General Code Section 4.09.010, entitled "Levy of Sales Tax," is amended by adding a new subsection to read as follows (new language underlined, deleted language stricken):

**4.09.010 Levy of sales tax.**

- A. There is levied a consumer's sales tax on sales, rents, and leases made in the City and Borough of Sitka. This tax applies to sales, rentals, and leases of tangible personal property; sales of services sold within the City and Borough of Sitka; sales of services performed wholly or partially within the City and Borough of Sitka when the provisions of such services originates or terminates within the City and Borough of Sitka; and rentals and leases of real property located with the City and Borough of Sitka. Notwithstanding any provision of law, air or sea charter services, provided a person or entity in the business of providing such charter services, are exempt from sales tax by the City and Borough of Sitka if the charter does not commence and end within the City and Borough of Sitka.
- B. The rate of levy of the sales tax levied under subsection A of this section is five percent on sales made during the months of October, November, December, January, February, and March. Effective April 1, 2004, the rate of levy of the sales tax levied under subsection A of this section is six percent on sales made during the months of April, May, June, July, August, and September. The rate of levy of the sales tax shall become five percent all year around three days after the Administrator certifies in writing to the Assembly that either (a) any and all bonds issued pursuant to the ratification by the voters on March 18, 2003, of propositions set out in Ordinances Nos. 02-1707 and 02-1712 are entirely paid off or (b) the seasonal sales tax increase of one percentage point on sales made during the months of April, May, June, July, August, and September described in the previous sentence has generated (or-based on historical projections-will generate in the next succeeding quarter) sufficient revenues to pay off any and all bonds issued pursuant to the ratification by the voters on March 18, 2003, of propositions set out in Ordinances Nos. 02-1707 and 02-1712, whether or not such bonds have been paid off.

- C. A flat rate of \$10 per fish box shall be levied on the packaged fish and/or seafood caught or taken and retained by fish charter customers as part of the fish charter. This tax shall be paid by the fish charter customer,
- D. collected by whoever packages the fish and/or seafood caught or taken by the fish charter customer, and is in addition to any sales tax paid based on the cost of the charter. This tax is effective January 1, 2007. For purposes of this subsection, a fish box means any packaging by a fish charter operator or processor, of fish and/or seafood caught or taken as part of the charter by a fish charter customer. The sales tax collected from this levy on fish boxes shall be deposited by the finance director in the following funds in the following ratios:
1. 20% in the harbor fund;
  2. 30% in the Sitka Permanent Fund;
  3. 20% in a fisheries enhancement fund, available to be used for any fisheries enhancement proposal upon approval of the proposal by the Assembly; and
  4. 30% in the general fund.
- E. Except as provided in subsection C above, all moneys accumulated under the terms of this chapter shall be deposited by the Finance Director in the general fund of the City and Borough of Sitka and shall be used for the general operating expenses of the City and Borough of Sitka in such a proportion as deemed advisable from time to time by the Assembly.

5. **EFFECTIVE DATE.** This ordinance shall become effective immediately on certification of the election results that show a majority of qualified voters approved the enactment.

**PASSED BY A MAJORITY VOTE OF THE ELECTORATE AT A REGULAR MUNICIPAL ELECTION HELD OCTOBER 3, 2006.**

**Results: YES = 2,011  
NO = 1,000**

  
\_\_\_\_\_  
Marko Dapceвич, Mayor

ATTEST:

  
Colleen Pellett, MMC  
Municipal Clerk

## Renee Wheat

---

**From:** Lisa Busch <lbusch@sitkascience.org>  
**Sent:** Friday, May 15, 2020 10:30 AM  
**To:** Renee Wheat  
**Cc:** Sara Peterson  
**Subject:** Sitka Sound Science Center proposal  
**Attachments:** SSSC Fish Box Tax Proposal 2020.pdf

Attached is the Sitka Sound Science Center Fish Box Tax proposal.

Thank you for the opportunity to submit and might you please send me a confirmation that it has been received.

Hope you are well,

Lisa Busch

Executive Director  
Sitka Sound Science Center  
[www.sitkascience.org](http://www.sitkascience.org)  
907 747 8878 ext 5  
Sitka, Alaska 99835

# SITKA SOUND SCIENCE CENTER

834 Lincoln Street, Suite 200  
Sitka, Alaska 99835  
Admin Phone: 907.747.8878  
Email: [info@sitkasoundsciencecenter.org](mailto:info@sitkasoundsciencecenter.org)



May 14, 2020

Dear Assembly Members,

Thank you for the opportunity to submit an application to the Fisheries Enhancement Fund. Sitka Sound Science Center, a 501c3 nonprofit, is grateful for the support we have received from this fund in the past. Over the last ten years, with support from the Fish Box tax, Sitka Sound Science Center has created a stronger hatchery program, strengthened our infrastructure, promoted Alaska aquaculture to visitors, expanded our fisheries enhancement educational opportunities to our Sitka students, added significantly to the common property fishery benefitting commercial and sport fishermen and created a food source. *The funds you provide to Sitka Sound Science Center will benefit all of the community not just one special interest or advocacy group.* We respectfully request \$38,000.

Under COVID19 Salmon hatcheries have been deemed essential services by the Governor of Alaska as we are providing food. Our hatchery staff has doubled down on protective gear in order to go to work each day to feed the fish. Our earned income is severely slashed because of a loss from the visitor industry. Next year fish box tax funds will be significantly lower and so this years funding is even more critical. We implore you to consider our financial circumstances when making your decisions about the dispersal of the fish tax funds this year.

We believe our hatchery program is exactly what the voters intended when they approved this Fisheries Enhancement Fund with the fish box tax benefiting fisheries enhancement. The State of Alaska defines “fisheries enhancement” as salmon aquaculture.

The fisheries enhancement facility we operate was started in 1972 by the students of Sheldon Jackson College and it was the first permitted hatchery in the State. This hatchery contributes directly to the local fishery to the benefit of a wide breadth of the community: children and elders can fish from Sage Beach, while subsistence, guided sport, sport and commercial gear groups land SJ Hatchery- originated salmon from around Sitka Sound.

Importantly, the large regional fishery enhancement facilities around the state, receive the proceeds from the enhancement tax that commercial fishermen pay when they sell their fish. *Sitka Sound Science Center does not receive those funds.* Nor do we collect funds directly from the guided sport sector for fishery enhancement. **The fish box tax revenue is meant to be guided sports contribution to fishery enhancement.**

Sitka Sound Science Center is adding to Sitka’s economy in many ways. We have created 18 full-time year-round positions and in a normal summer we hire another 12 to 15 seasonals. Our educational programs are helping to launch a new generation of STEM (Science Technology Engineering and Math)- educated workforce for Sitka. Our aquarium and hatchery are also tourist attraction that brings visitors to shore, and we have attracted researchers from around the nation to help us better understand our natural world.

Thank you for your careful consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Lisa Busch". The signature is fluid and cursive, with the first name "Lisa" and the last name "Busch" clearly distinguishable.

**Lisa Busch**  
Executive Director, Sitka Sound Science Center

## **Application City and Borough of Sitka Fisheries Enhancement Fund**

### **Sitka Sound Science Center**

**2020**

**The Sitka Sound Science Center (SSSC) respectfully requests the City and Borough of Sitka consider providing the Sheldon Jackson Salmon Hatchery \$38,000 from the Fisheries Enhancement Fund. The SJ salmon hatchery work aligns perfectly with the purpose of the Fisheries Enhancement Fund and our work serves the entire community. Our facility is permitted for 12 million chum, 3 million pink and 250,000 coho salmon eggs. The Sitka Sound Science Center produces these fish for the charter, commercial, sport and subsistence harvest in Sitka Sound and Deep Inlet. We have a partnership with the Northern Southeast Regional Aquaculture, for whom we provide 9 million chum eggs, returning \$8.3 million total value to the commercial fishing fleets of Sitka over the past ten years and millions to the guided sport industry. The salmon SSSC release in front of our facility are valued at another \$400,000 just for the commercial catch. In 2019, SSSC contributed \$1.4 million to the commercial salmon fleet, and (though undocumented) enhanced the guided sport fishery. Our hatchery fish are also caught by recreational and subsistence fishermen in Sitka Sound and surrounding waters. Our return site adjacent to the Sage Beach provides a unique opportunity for anglers of all ages to catch salmon.**

#### **History of the Organization: Sitka Sound Science Center**

The Sitka Sound Science Center (SSSC) is a **non-profit 501c3** organization formed in 2007. The Sitka Sound Science Center is dedicated to increasing understanding and awareness of terrestrial and aquatic ecosystems of Alaska through education and research. Our vision is to build on Sitka's legacy and potential as an educational and scientific community. We have 19 year-round staff members and 14 additional summer employees. We own the 1929-era Sage building that at one time housed the Sheldon Jackson College science classrooms and laboratories. Today we operate the Molly O Ahlgren Aquarium and the Sheldon Jackson Salmon Hatchery. Our hatchery contributes to the guided sport and recreational fisheries, Sitka Sound common property fishery, the Deep Inlet chum fishery. The hatchery is also an educational tool that provides training to people in the UAS Fisheries Technology Training Program as well as in the Sitka School District and Mt. Edgecumbe High School. Students in these programs are the future of salmon enhancement and fisheries management. We provide an aquaculture class with hands-on, experiential learning to Pacific High School, Mt. Edgecumbe and Sitka High School students as well as facilitated mentorships for fisheries enhancement.

The Sheldon Jackson Salmon Hatchery was the first hatchery permitted in the State of Alaska. The hatchery was a production facility and a training location where students learned fisheries biology, natural resource management, and fisheries enhancement techniques. Graduates from the fisheries program at Sheldon Jackson College from 1975 to 2007 are now professionals and leaders in fisheries enhancement, management, and policy around the State of Alaska. When the Science Center took over operation of the hatchery in 2007, our board remained committed to contributing to the common property fishery and the continuation of the unique training program our location and facility affords.

Today, SSSC delivers high quality science education programs and conducts collaborative research with several research institutions from around the nation. SSSC works to conduct research that reflects Sitka's locally relevant scientific questions and in close partnership with fishing interests such as DIPAC, Northern Southeast Aquaculture Association, Alaska Department of Fish and Game, National Oceanic and Atmospheric Administration, and Silver Bay Seafoods.

### **Our programs:**

**What's new?** We are a release site for chinook salmon reared by the Northern Southeast Aquaculture Association. These high value fish will be a large draw for the entire community. We are about the finish the rehabilitation of the Sitka Sawmill which is a National Historic Landmark and a key structure for supporting the hatchery. The project was completed with major donations from the National Science Foundation, the Rasmuson Foundation, The Karsh Foundation, the M.J Murdock Trust and several grants from the State Historic Commission that the City of Sitka helped facilitate. We have a newly endowed job for Pacific High School students to work in the hatchery and learn maintenance skills. We added a **facilitated mentorship in fisheries enhancement** for Sitka High and Mt. Edgecumbe High School students. In this mentorship students get hands on experience conducting authentic scientific research. We expanded our **aquaculture classes for high school students:** in which students receive exposure to fisheries enhancement issues, visit aquaculture facilities and do hands on activities with SSSC hatchery and education department staff to Sitka High School, Pacific High School and Mt. Edgecumbe High School Our dive programs have also grown as the state and the nation become more interested in ocean acidification (OA) and mariculture. University of California Santa Cruz conducts dive research on kelp and OA educational programs and they also hold a winter dive field course for undergraduates in February.

We continued our strong partnerships with the University of Alaska Southeast Fish Tech program, NSRAA, Sitka School District, Mt. Edgecumbe High School, National Institute of Health, University of Alaska Fairbanks, Stanford University, University of San Francisco, U.S. Coast Guard Academy, Mote Marine Laboratory, RAND Corporation, University of Oregon, NOAA, US Geologic Survey, National Park Service, U.S. Forest Service, and the Alaska Department of Fish and Game.

We provide salmon culture workshops for students in the University of Alaska Fisheries Technology Program. Our after school, and summer camps have become enormously popular and our Scientists in the Schools program, integrated into the K-12 curriculum for the Sitka School District and Mt. Edgecumbe High School, has been credited for raising science test scores and closing the academic achievement gap in science between Alaska Natives and non-Natives. Our other education programs include our Sprouts program for 3-5 years olds, a natural history seminar series, and Sitka WhaleFest. We institute community research and education programs with Sitka Tribe of Alaska, US Forest Service, and Sitka Conservation Society.

### *Enhancement*

Sitka Sound Science Center is part of the almost \$1 billion fisheries enhancement industry in Alaska. Southeast Alaska hatcheries contribute millions of pounds of fish to commercial, charter, sport, personal use and subsistence fisheries, resulting in the injection of millions of dollars into the Sitka economy. The McDowell study (May 2017) demonstrates how important hatcheries are to our community and regional

economy. Hatcheries create 2,000 jobs in Southeast Alaska and produce \$90 million in labor income. The SJ Hatchery facility is permitted by the State for 12 million Chums, 3 million Pinks, and 250,000 Coho, providing important local sport, commercial, and charter fishing opportunities near town. Sitka has 81 guided sport businesses and employs more than 160 people (with Sitka residencies). While we don't know the exact numbers of fish taken by nonresident guided anglers, we know hatcheries contribute to their catch. In addition, visitors target our fish when fishing near the Sea Walk and Sage Beach (adjacent to our facility). Our nonprofit organization provides 9 million chum eggs for the Deep Inlet remote release site. **In 2019, the value of the chum salmon originating from SSSC's SJ Hatchery was valued at nearly \$400,000 to the commercial fleet, and the chum salmon released at Deep Inlet was valued at \$1 million.** Because of our location, SSSC-reared salmon are easily accessible to commercial fishermen, recreational and guided sport fishermen including land-based sport fishing. The return site adjacent to Sage Beach provides a unique opportunity for anglers to catch salmon from the shore, an opportunity used by children, families and elders during the salmon return. We also provide salmon carcasses for locals to use for dog food and gardening. In addition, SSSC is training people to work in fisheries enhancement. We have a formal Memorandum of Understanding with the University of Alaska Southeast to provide hands on training to people in the University of Alaska Fisheries Technology Program. **We are the only working training facility hatchery in the State of Alaska, and one of only two in the Pacific Northwest.**

We are part of the State of Alaska \$20 million long term study on the interaction between wild and hatchery chum salmon overseeing the Southeast field crews conducting the research. SSSC continues to conduct controlled research experiments for the hatchery feed company Skretting in which we are testing alternative fish food ingredients.

Our facility received approximately 18,000 visitors annually last year, including many charter clients in town for fishing as well as cruise ship passengers, students and scientists. As part of the visitor experience, we provide them with a history of salmon enhancement and commercial, sport and subsistence fishing in Alaska. We teach visitors about the salmon life cycle, how our community depends on fishing for an economic base and the importance of culture in our relationship with the natural world.

### *Community Support*

Sitka Sound Science Center has a wide breadth of community support as represented by our donation and in-kind support from fish processors such as Silver Bay Seafoods, and Sitka Sound Seafoods; private foundations including the Sitka Permanent Charitable Trust, Rasmuson Foundation, individual members, and a breadth of individual donations. We are also supported by Douglas Island Pink and Chum (DIPAC) and the Northern Southeast Regional Aquaculture Association (NSRAA). Our Board of Directors represents a cross section of Sitka. Our board members are: ); Steve Clayton (building contractor; Trish White (owner, White's Pharmacy); Kitty LaBounty (secretary, UAS); Justin Penny (Wells Fargo), Linda Waller (retired Sitka Sound Seafoods); Rob Allen (chair); Alana Peterson (treasurer, restaurant owner) Jacqui Foss (USFS soil scientist)

**Dollars Requested:** Sitka Sound Science Center respectfully requests the balance of the fisheries enhancement fund \$38,000.

**Statement of what will be achieved with the funding:** Fisheries Enhancement funding will enable Sitka Sound Science Center to maintain its hatchery production and enhancement operations. The monies from the Fisheries Enhancement Fund will go directly into supporting hatchery operations and staffing the hatchery. These positions are responsible for overseeing fish health, spawning, daily fish culture, tagging fish, water quality monitoring, research operations, facility issues and other essential hatchery tasks that support strong, healthy fish releases. Because of the small size of our facility, cost recovery fishing does not pay all the bills for our operations. We consider the fish box tax funds we are recouping from some of the users who benefit from the Sitka Sound Science Center hatchery. **The funds provided by the fish box tax are vital for our organization, particularly this year with diminished federal and state opportunities for grants and contracts, serious questions about the fish processing industry and an expected decrease in philanthropic dollars.**

**Explanation of how this will enhance the fisheries within the City and Borough of Sitka:** Sitka Sound Science Center provides fisheries enhancement in many ways. We directly contribute to salmon fishing opportunities for **all users** in Sitka by:

- Enhance the quantity of fish stocks returning to Sitka Sound by releasing 250,000 Coho, 3 million Chum and 3 million Pink salmon that return to Crescent Bay.
- Enhance and contribute to the Deep Inlet terminal fishery in partnership with NSRAA to release 9 million Chum salmon.
- Provide a release and terminal area for king salmon released by NSRAA.

Additionally, we ensure fisheries enhancement into the future by:

- Training adults and students to become competent aquaculture technicians for work at NSRAA or other hatcheries/salmon enhancement projects through on-the-job training
- Introduce **every Sitka K-12 student** to fisheries enhancement, science and other marine related disciplines as options for their future careers by providing hands-on laboratories and supporting science curriculum at all Sitka Schools.
- Educate visitors (including charter clients) about hatcheries and how salmon enhancement works in conjunction with wild salmon management and conservation in Southeast Alaska and the important role of commercial, sport and subsistence fishing to Sitka's economy, lifestyle and culture.
- Provide internship opportunities for college students studying science and to work in science education and hatchery operations during the summer.
- Provide summer employment opportunities for Sitka High School students to work in science education and hatchery operations.

**ATTACHED:**

**Support Letters**

**Hatchery Pro Forma (and narrative)**

**SSSC recent Balance Sheet**

**NORTHERN**



**SOUTHEAST REGIONAL AQUACULTURE ASSOCIATION, INC.**

(907) 747-6850

FAX (907) 747-1470

EMAIL [scott\\_wagner@nsraa.org](mailto:scott_wagner@nsraa.org)

1308 Sawmill Creek Road Sitka, Alaska 99835

May 1, 2020

**RE: Support for Sitka Sound Science Center 2020 Fish Box Tax Request**

Dear Mayor Paxton & Sitka Assembly,

The Sitka Sound Science Center through its operation of the Sheldon Jackson Hatchery fully meets the criteria for receiving the 2020 Fish Box Tax funds in the category for salmon enhancement. SSSC conducts and is committed to salmon enhancement programs that benefit common property fisheries in Sitka. No other entity in Sitka, applying for the funds, fulfills that mission. In addition, SSSC provides several functions that support enhancement programs in important and fundamental ways, including kindergarten to college science education and aquaculture research, as well as providing student/employee salmon hatchery training.

Commercial fishermen have benefited directly from the 12 million chum eggs (increased from 10 million in 2013) associated with the Sheldon Jackson Hatchery permit. If it were not for SSSC operating the hatchery there would be 125,000 fewer adult chum salmon on average to catch in Sitka Sound each year. The total value of the SJ hatchery chum caught in Deep Inlet by the commercial fleet from 2007 to 2019 is \$8,863,000. These dollars flow through Sitka's economy. While the ex-vessel value accrues to fishermen and the community, it doesn't pay for the SJ hatchery program which is why the box tax is significant and important to SSSC.

NSRAA is a private non-profit fisheries enhancement organization based in Sitka. We have several large salmon production facilities that benefit commercial, sport, subsistence, and personal use fishermen in the region. The NSRAA board is comprised of 15 commercial fishermen representing the three salmon gear groups, one crew seat, and 9 non-commercial seats including subsistence, conservation, municipality, Native organization, and sport fishermen. NSRAA has a strong partnership with Sitka Sound Science Center that began at its inception. NSRAA believes SSSC is ideally suited for receipt of the fish box tax, and wholly deserves the funds.

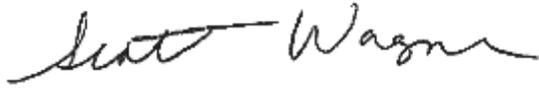
The SJ hatchery was one of the very first permitted enhancement facilities in the State of Alaska. It has been producing salmon for common property fisheries in Sitka Sound since 1975. Importantly, SSSC has improved the hatchery infrastructure, staff, and programs. Fishermen depend on SSSC's 12 million permitted chum eggs.

A final comment regarding the origin of the 'box tax' that you may find relevant. The sponsors of the 'box tax' specifically wanted a tax levied on entities that were benefiting from enhanced salmon, particularly coho and chinook, but not paying or contributing to salmon enhancement costs. Commercial fishermen via NSRAA were and are footing the local production costs for chinook, silver brites (chum) and coho through the 3% SET tax. In discussions with the 'box tax' sponsors, they expected the tax money to flow to NSRAA as a way to offset some of the costs. Subsequent to the 'box tax' implementation the NSRAA board established a policy prohibiting acceptance of sport charter derived money in order to maintain clean accounting of commercial

fishermen paying for 100% of the production costs. Therefore, it is logical that the only other producer of enhanced salmon in the Sitka area, SSSC should receive the 'box tax' funds for its intended purpose.

Please support this important enhancement operation in Sitka.

Sincerely,

A handwritten signature in black ink that reads "Scott Wagner". The signature is written in a cursive style with a long horizontal stroke at the end.

Scott Wagner, General Manager

Northern Southeast Regional Aquaculture Association



April 30, 2020

Mayor Gary Paxton and  
Members of the Assembly  
City and Borough of Sitka  
100 Lincoln St.  
Sitka, AK 99835

Dear Mayor Paxton and Members of the Assembly,

On behalf of Silver Bay Seafoods, I join the Sitka community in strongly endorsing the Sitka Sound Science Center (SSSC) to receive the fish box tax money from the City of Sitka. Silver Bay Seafoods believes in the work of the Science Center – both in its mission of scientific research and science education and as a salmon production facility.

Silver Bay is supportive of the contributions that the Science Center makes to the common property fishery in Sitka Sound, enhancing commercial, sport and subsistence fishing. In 2015, Silver Bay made a long-term commitment to donate 1 cent to SSSC for every marketable can of salmon produced by SBS in the Sitka facility – all in support of SSSC's commitment to science, research and education as it pertains to the fisheries. Last year that commitment resulted in a donation of \$82,000 from Silver Bay to the SSSC.

More than ever, the City needs the Science Center to help restart our local economy even as we continue to work together in preventing the spread of COVID-19 in our community. SSSC is doing its part as a research institution by conducting a survey on the factors that influence a community's response and perception during a pandemic. Such a study will certainly help not only the Sitka municipal government but other communities as well in formulating policies and support services to help minimize the impact of the pandemic.

We are grateful that the hatchery was stabilized by Sitka Sound Science Center after Sheldon Jackson College shut down in 2007. The developing non-profit is showing great promise for helping our local economy in a number of ways and we believe it well deserves to receive the City and Borough of Sitka Fish Box tax money this year.

Thank you for joining us with your support of the SSSC.

Sincerely,

  
Richard A. Riggs  
Managing Partner

## Sitka Sound Science Center

## Balance Sheet

04/30/20

As of March 31, 2020

Accrual Basis

	<u>Mar 31, 20</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	1,292,921.88
Accounts Receivable	71,311.97
<b>Other Current Assets</b>	
12000 · Undeposited Funds	18,379.62
13000 · Prepaid Insurance	13,541.60
<b>Total Other Current Assets</b>	<u>31,921.22</u>
<b>Total Current Assets</b>	1,396,155.07
<b>Fixed Assets</b>	
15000 · Sage Building	1,839,550.83
15002 · Lincoln Street Land	377,000.00
15003 · Hatchery Improvements	252,009.00
15500 · Equipment Capitalized	191,295.92
15555 · Accumulated Depreciation	-254,779.00
15560 · Construction in Progress	110,756.94
<b>Total Fixed Assets</b>	<u>2,515,833.69</u>
<b>TOTAL ASSETS</b>	<b><u><u>3,911,988.76</u></u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	3,514.19
Credit Cards	-392.16
<b>Other Current Liabilities</b>	
22000 · Payroll Tax Liabilities	8,803.93
23000 · Sales/Bed Tax Payable	1,613.17
23500 · Rental Deposits	300.00
<b>Total Other Current Liabilities</b>	<u>10,717.10</u>
<b>Total Current Liabilities</b>	13,839.13
<b>Long Term Liabilities</b>	
25600 · State of Alaska FELP #2	412,634.27
25700 · State of Aaska FELP #3	392,072.00
<b>Total Long Term Liabilities</b>	<u>804,706.27</u>
<b>Total Liabilities</b>	818,545.40
<b>Equity</b>	
32000 · Retained Earnings	2,622,121.02
32500 · Board Designated Reserves	544,576.48
Net Income	-73,254.14
<b>Total Equity</b>	<u>3,093,443.36</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>3,911,988.76</u></u></b>

Sheldon Jackson Hatchery (SSSC) Proforma - Revenue  
Return Projections & Revenue Updated 11-May-20 WHC

SSSC Estimated Commerical contribution 2020-2028			
PINK	CHUM	COHO	TOTAL
1,018,309	349,389	34,751	
3,665,912.69	2,760,171.49	260,632.9688	
\$ 733,182.54	1,380,085.75	\$ 228,053.85	\$ 2,341,322.13

Fish  
Pounds  
Value

Pinks																																																																																																																								
Brood Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026																																																																																																												
Permitted Eggs		3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000																																																																																																												
Associated Release	1,155,000	1,083,000	1,016,500	1,079,000	985,000	2,303,969	2,700,000	2,700,000	2,700,000	2,700,000	2,700,000	2,700,000																																																																																																												
Recovery	<table border="1"> <thead> <tr> <th>Return Year</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>2024</th> <th>2025</th> <th>2026</th> <th>2027</th> <th>2028</th> </tr> </thead> <tbody> <tr> <td>Assumptions</td> <td colspan="11"></td> </tr> <tr> <td>2 yr olds</td> <td>206,183</td> <td>191,826</td> <td>163,582</td> <td>191,700</td> <td>191,700</td> <td>191,700</td> <td>191,700</td> <td>191,700</td> <td>191,700</td> <td>191,700</td> <td>191,700</td> </tr> <tr> <td>Brood stock</td> <td>5,000</td> <td>5,812</td> <td>5,001</td> <td>5,002</td> <td>5,003</td> <td>5,004</td> <td>5,005</td> <td>5,006</td> <td>5,007</td> <td>5,008</td> <td>5,009</td> </tr> <tr> <td>Commercial catch</td> <td>123,710</td> <td>115,096</td> <td>98,149</td> <td>115,020</td> <td>115,020</td> <td>115,020</td> <td>115,020</td> <td>115,020</td> <td>115,020</td> <td>115,020</td> <td>115,020</td> </tr> <tr> <td>Cost Recovery (CR) Fish</td> <td>122,717</td> <td>113,259</td> <td>60,432</td> <td>71,678</td> <td>71,677</td> <td>71,676</td> <td>71,675</td> <td>71,674</td> <td>71,673</td> <td>71,672</td> <td>71,671</td> </tr> <tr> <td>CR price \$/lb</td> <td>0.18</td> <td>0.18</td> <td>0.18</td> <td>0.18</td> <td>0.19</td> <td>0.19</td> <td>0.20</td> <td>0.20</td> <td>0.21</td> <td>0.21</td> <td>0.22</td> </tr> <tr> <td>CR Pounds</td> <td>515,410</td> <td>390,421</td> <td>217,554</td> <td>258,041</td> <td>258,037</td> <td>258,034</td> <td>258,030</td> <td>258,026</td> <td>258,023</td> <td>258,019</td> <td>258,016</td> </tr> <tr> <td>Revenue</td> <td>\$ 142,142.00</td> <td>\$ 68,599.71</td> <td>\$ 39,159.75</td> <td>\$ 47,608.53</td> <td>\$ 48,798.06</td> <td>\$ 50,017.31</td> <td>\$ 51,267.03</td> <td>\$ 52,547.97</td> <td>\$ 53,860.92</td> <td>\$ 55,206.67</td> <td>\$ 56,586.05</td> </tr> </tbody> </table>												Return Year	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Assumptions												2 yr olds	206,183	191,826	163,582	191,700	191,700	191,700	191,700	191,700	191,700	191,700	191,700	Brood stock	5,000	5,812	5,001	5,002	5,003	5,004	5,005	5,006	5,007	5,008	5,009	Commercial catch	123,710	115,096	98,149	115,020	115,020	115,020	115,020	115,020	115,020	115,020	115,020	Cost Recovery (CR) Fish	122,717	113,259	60,432	71,678	71,677	71,676	71,675	71,674	71,673	71,672	71,671	CR price \$/lb	0.18	0.18	0.18	0.18	0.19	0.19	0.20	0.20	0.21	0.21	0.22	CR Pounds	515,410	390,421	217,554	258,041	258,037	258,034	258,030	258,026	258,023	258,019	258,016	Revenue	\$ 142,142.00	\$ 68,599.71	\$ 39,159.75	\$ 47,608.53	\$ 48,798.06	\$ 50,017.31	\$ 51,267.03	\$ 52,547.97	\$ 53,860.92	\$ 55,206.67	\$ 56,586.05
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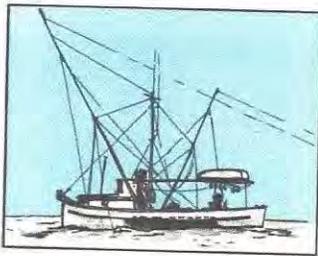
Assumptions	price	inflation
marine survival	7.1%	
commercial harvest %	60%	
comm. price per pound	\$ 0.20	2.5%
average weight	3.60 lbs	

Chum																																																																																																																																																																								
Brood Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026																																																																																																																																																												
Permitted Eggs	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000																																																																																																																																																												
Associated Release	2,333,519	2,795,979	2,293,105	2,760,000	2,760,000	2,760,000	2,760,000	2,760,000	2,760,000	2,760,000	2,760,000	2,760,000																																																																																																																																																												
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Assumptions	price	inflation
marine survival	2.2%	
3 yr	12%	
4 yr	66%	
5 yr	21%	
6 yr	1%	
commercial harvest	65%	
comm. price per pound	\$ 0.60	1.5%
average weight	7.90 lbs	

Coho																																																																																																																								
Brood Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025																																																																																																												
Permitted Eggs	170,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000																																																																																																												
Associated Release	157,554	212,500	225,775	235,000	225,000	217,500	217,500	217,500	217,500	217,500	217,500	217,500																																																																																																												
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Assumptions	price	inflation
marine survival	3.5%	
commercial harvest %	50%	
comm. price per pound	\$ 0.68	2.5%
average weight	7.50 lbs	



## Alaska Trollers Association

130 Seward #205  
Juneau, AK 99801  
(907) 586-9400  
alaskatrollers@gmail.com

May 8, 2020

Dear Sitka City and Borough Assembly,

This is a letter of support for the Sitka Sound Science Center's application for the Fish Box tax funding.

The Alaska Troller Association (ATA) advocates for salmon trollers. Trolling is a unique, environmentally responsible fishery that has been one of the primary components of the Southeast Alaska economy for well over 100 years.

We appreciate that the Sitka Sound Science Center's hatchery program has benefitted our gear group in recent years, particularly with their contribution to the chum fishery. In the last ten years, Sheldon Jackson Hatchery fish have been responsible for almost \$1 million in troll caught chum. We are also very enthusiastic about the chinook NSRAA is permitted to release from the SSSC hatchery.

We understand that the fish box tax money is intended to enhance Sitka's fisheries and we support the Sitka Sound Science Center receiving funding from the FEF.

Sincerely,

A handwritten signature in blue ink, appearing to read "Amy Daugherty". The signature is fluid and cursive.

Amy Daugherty  
Executive Director

## Renee Wheat

---

**From:** Willow Moore <asft.director@gmail.com>  
**Sent:** Thursday, May 21, 2020 7:46 PM  
**To:** Renee Wheat  
**Subject:** Fisheries Enhancement Fund (FEF)  
**Attachments:** ALFA IRS Non Profit Status Letter.pdf; ALFA FINANCIALS 12-31-18.pdf; ALFA Income Statement This Fiscal Year to April 30th 2020.pdf; Balance Sheet ALFA This fiscal year to April 30th 2020.pdf; ALFA 990.pdf; FEF ALFA 2020.pdf

Hello,  
Please see attached an application for the FEF from the Alaska Longline Fishermen's Association. Please let me know if you have any questions for me.

Best and thanks!  
Willow

--

Willow Moore  
Alaska Sustainable Fisheries Trust  
Alaska Longline Fishermen's Association  
[www.thealaskatrust.org](http://www.thealaskatrust.org)  
[www.alfafish.org](http://www.alfafish.org)  
P 907-747-3400

**[Read our ASFT SeaBank Annual Report](#)**

**[Read our 2018 ALFA Annual Report](#)**



Application to Fisheries Enhancement Fund  
City and Borough of Sitka

<b>Organization Name:</b>	Alaska Longline Fishermen's Association		
Street 1:	304 Baranof Street		
City:	Sitka	State:	AK
Country:	USA	Zip Code:	99835
Telephone No.:	907 747 3400	Extension:	
Mobile:	907 738 3615	Fax:	
Email:	alfafishak@gmail.com; <a href="mailto:alfastaff@gmail.com">alfastaff@gmail.com</a>		
Website:	<a href="http://www.alfafish.org">www.alfafish.org</a>		

Summary of ALFA mission:

The Alaska Longline Fishermen's Association (ALFA) is a non-profit association of independent vessel owners and crewmembers who promote sustainable harvest of marine fisheries, thriving coastal communities, and healthy marine ecosystems. ALFA represents fishermen in local, state and national marine management forums and actively engages fishermen in marine research, conservation and management to strengthen marine stewardship and improve the economic viability of small scale fisheries.

## **Fisheries Enhancement Fund: Overview of Proposal**

Respectfully submitted by: Alaska Longline Fishermen's Association

### **Summary**

The Sitka-based Alaska Longline Fishermen's Association (ALFA) is an alliance of small scale commercial fishermen committed to sustainable fisheries and thriving coastal communities. Our members support science-based fisheries management through collaborative research, policy advocacy and innovation. We work to safeguard ocean health and improve the economic viability of small boat fishing.

This grant application is divided into the following sections:

- History of our organization (pages 2-3)
- What we achieved with last year's Sitka Fisheries Enhancement Funds (4-8)
- What we will achieve with 2020 funding (pages 4-8)
- How the project will enhance Sitka's fisheries (pages 9)
- Timeline and evaluation of project (pages 10-11)
- Project staff (page 11-12)
- Budget (page 13)
- Enclosures (page 13)

### **The History of our Organization:**

ALFA Timeline:

- ALFA was launched in 1978 by fishermen dedicated to protecting fish stocks from foreign fishing and directing the economic benefits of commercial fishing to Alaska fishermen and coastal communities.
- ALFA led a successful campaign to rebuild Alaska sablefish and rockfish stocks in the early 1980s, foregoing harvest until stocks were rebuilt.
- When U.S.-based factory boats replaced the foreign fleet, ALFA again worked to protect the local fishing fleet and the communities that depend on it.
- In 1991, when the current ALFA executive director was hired, ALFA launched what became a six-year battle to eliminate trawling from the southeast Alaska fishing grounds that support the local fishing fleet.
- During development of the Alaska halibut/sablefish catch share program, ALFA successfully championed measures designed to promote sustained participation by Alaska's small boat fleet.
- At the local level, ALFA actively participated in creating and championing the Sitka Local Area Management Plan, which prioritizes access for Sitka's non-commercial fishing residents to local halibut stocks.
- In response to COVID-19, ALFA has maintained an up-to-date webpage for fishermen on CARES Act requirements and relief programs, as well Alaska State and City Mandates. ALFA has also shared regular email updates with members and network partners to support fishermen through the pandemic.
- Also in response to COVID 19--ALFA/ASFT launched a Seafood Donation program that is providing free seafood to families in need. Since April we have distributed 650 pounds of donated seafood directly to 60 local families. We also

*Application to FEF*

- provide bulk amounts of seafood on a weekly basis to many local organizations including Sitka Tribe of Alaska, the Salvation Army, and the Sitkans Against Families Violence shelter..
- At the national level, ALFA has actively advocated for resource and community provisions during the last two and current reauthorizations of the Magnuson-Stevens Act.
  - ALFA is engaged in multiple national networks and willingly shares lessons learned regarding effective policy advocacy with community-based fishing groups from around the nation through the Fishing Communities Coalition and the Marine Fish Conservation Network (MFCN).
  - In 2009, ALFA launched a Fishery Conservation Network that engages scientists and fishermen in collaborative research to improve best fishing practices and the economic viability of small-scale fisheries.
  - Since 2009, ALFA has received over \$2 million in federal and private foundation grants in support of our marine conservation and fishery enhancement initiatives.
  - In 2009 and 2011 Linda Behnken and Dan Falvey, respectively, received National Fisherman Highliner awards for their work promoting sustainable fisheries
  - In 2016, Linda Behnken received a White House Champion for Change of Sustainable Seafood award.
  - In 2017, Linda and ALFA were awarded an Alaska legislative honorarium.
  - In 2019 ALFA was awarded the Lowell Thomas Jr award from the Alaska Conservation Foundation for “outstanding achievements for a conservation organization.”

**Organizational Capacity:** ALFA operated with a single staff member supported by fishermen and processor membership dues from 1978 until the late 1990s. In the ‘90s, ALFA began to build a stronger statewide presence and ALFA staff engaged in national policy development. After deliberative strategic planning in the early 2000s, ALFA expanded staff capacity, formed collaborative partnerships, secured additional grant support, and engaged fishing members in marine research and conservation initiatives. This collaborative research, which was formalized into the Fishery Conservation Network (FCN) in 2009, now attracts grant invitations from scientists and fishing organizations that recognize the skills and expertise that the organization brings to the table. Core ALFA operations are supported by fishing industry memberships, local and marine businesses, and an annual seafood raffle/fundraiser. Between 2018 and spring 2020, ALFA staff were invited to participate as plenary speakers or panel members at two international forums and four national forums.

**Staffing:** ALFA currently has four staff members, 3 FTE, 1 part-time. This year we will also host two to four interns.

**Standing:** ALFA does not hold any debt and is well recognized as a force for sustainable community-based fisheries at both the state and national level.

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**For the past three years,** the City of Sitka has supported ALFA's young fishermen initiatives, and each year we have leveraged funding from the City of Sitka to enhance Sitka fisheries with a focus on supporting entry level opportunity. Because the pandemic has overshadowed all other challenges this spring, we ask that along with supporting our young fishermen work in 2020, the City support ALFA's active efforts to assist fishermen with accessing COVID relief funding, complying with State and local health mandates, and securing stimulus support for Sitka's working waterfront. We are not asking for more funding than was granted last year, simply identifying a broader focus for the use of the funds in 2020. With your support, we will again leverage Sitka's FEFs to secure non-local funding for ALFA's COVID 19 and young fishermen work.

**COVID 19 Response-** To date, ALFA has taken an active role in the COVID 19 response at the local, state and national level. We immediately created a COVID 19 page on our website that we update multiple times per week with fishermen specific information. We are also working with fishing organizations from around the country to identify and support stimulus initiatives that promote working waterfronts and sustainable fisheries. The fishing industry has been hard hit by the pandemic, with fish prices down 50-60% from last season and concerns that COVID outbreaks will close processors as the fishing season brings more people to Alaska. ALFA is looking for ways to support fishermen through these impacts and also to identify opportunities that allow Sitka's fisheries to emerge from COVID-19 stronger than ever.

**Supporting Sitka's Young Fishermen:** ALFA is deeply engaged in supporting the next generation of fishermen. Thirty years ago, a young person who wanted to fish commercially needed a boat, some fishing gear, and a sense of adventure to get started in the business. Today young fishermen face staggering entry level costs, high operating costs, and a level of risk that is equivalent to buying a starter hotel, instead of a starter house, as a first step in home-ownership. As a result, the average age of Alaska's fishermen is increasing and the number of young people entering the fisheries is decreasing. ALFA's Young Fishermen's Initiative addresses that trend through integrated programming to support the success of "generation next" fishermen.

Central to ALFA's mission is the belief that successful community-based fishermen are crucial to sustainable fisheries and sustainable fisheries are essential to thriving coastal economies. ALFA's Young Fishermen's Initiative supports the next generation of Alaska fishermen through education/training, mentorship and entry-level loans to purchase fishery access. Our goal is to ensure the next generation of coastal Alaskans has the same access to thriving coastal fisheries as the last. We are committed to helping young fishermen overcome obstacles to entry, and to ensuring that Sitka continues to have a strong economic base in commercial fisheries.

**What we achieved with funding from the Sitka FEF in 2019**

In 2019, ALFA's Young Fishermen's goals include: 1) building capacity in our crew apprentice program; 2) mentoring young fishermen through Sitka-based education/training programs and our Fishery Conservation Network; 3) providing entry level quota share loans to Sitka fishermen; and, 4) Expanding ALFA's value-added marketing

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program, Alaskans Own, which shares local fish and the story behind the fish with seafood lovers across the State and lower 48.

In the body of this grant request, we have provided an update on progress made toward each of the identified 2019 objectives, but by way of overview: in 2019 over 100 applicants applied to our deckhand apprentice program. 140 fishermen participated in ALFA's Sitka-based Fisheries EXPO trainings and workshops, 130 fishermen contributed to ALFA's sustainable fisheries and research initiatives, 27 skippers were trained and 8 skippers hosted 12 young people in our deckhand apprentice program. We had 6 fisheries management interns participating in internships from 3 weeks to 3 months. We trained 30 young people in fisheries management forums. ALFA leveraged member contributions to secure over \$606,402 in grants and contracts. These projects enhanced Sitka's fisheries both ecologically and economically, and we respectfully request that the City continue to support ALFA's work.

**What we will achieve with funding from the Sitka FEF in 2020**

ALFA is requesting \$10,000 from the FEF to: 1) Enhance recovery of Sitka's fisheries and working waterfront from the pandemic; and 2) enhance Sitka's fisheries through our Young Fishermen's Initiative. As you will recognize through the report below, local support is critical to unlocking outside investment in these programs.

ALFA's pandemic response goals are to: 1) assist fishermen in accessing relief programs; 2) ensure local fishermen are well informed of City and State mandates to minimize COVID 19 risk; and 3) proactively engage in efforts to strengthen Sitka's working waterfront as the country emerges from the pandemic.

ALFA's 2020 Young Fishermen's goals include: 1) building capacity in our crew apprentice program; 2) mentoring young fishermen through Sitka-based education/training programs and our Fishery Conservation Network; 3) supporting entry level quota share loans to Sitka fishermen; and, 4) Expanding ALFA's value-added marketing program, Alaskans Own, which shares local fish and the story behind the fish with seafood lovers across the State and lower 48.

**GOAL 1: COVID 19 response**—Over the next year, ALFA will dedicate staff to staying up to date on COVID19 relief programs, state and local mandates, and disposition of emergency disaster and stimulus funds. We will continue to maintain a COVID-19 page on our website that is updated weekly, and regularly share updates with our members and the Alaska fishing industry more generally via email, through local processors and posters at the harbor. Initial relief programs were not well designed to address impacts to fishermen, which highlighted the need for organizations such as ALFA to be directly involved in informing future policy. With restaurants closed, the fishing industry has lost market opportunity and watched ex-vessel prices plummet; we are working with fishing organizations from across the country, private funders, and our delegations staff to create new market opportunity, direct infrastructure funds to important working waterfront projects such as the Sitka haulout/boatyard, and restore once-productive fish habitat. If

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provided, ALFA will use FEF funds to leverage additional funding to support Sitka's fishing industry through the pandemic and economic recovery.

**Goal 2: Objective 1- Build capacity in ALFA crew apprentice program:** Three years ago, we shared with the Assembly our objective of launching a crew apprentice program that built on Eric Jordan's highly successful experiential crew initiative to introduce young people to commercial fishing. In Fall 2017, ALFA leveraged the Sitka FEF funds to secure a two-year \$70,000 grant from the National Fish and Wildlife Foundation (\$140,000 with required matching funds). Supported by these funds, ALFA worked with Eric to develop materials for "green" deckhands, prepare host skippers to provide apprentices with a safe introduction to fishing, and quickly grew the program to include 8 host vessels. In 2018, over 100 young people applied to the crew apprentice program; in 2019 we received 110 applications. In an effort to meet demand, ALFA trained an additional six host skippers in 2019 and place 18 young crew on boats. Working with Eric and our other host skippers, to date ALFA's program has introduced 66 young people (more than half of them women) to commercial fishing. Some of these young people have continued in the fishing business; others have found work in related fields and all have built skills, confidence and an appreciation for the work behind sustainably harvested high quality seafood. The crew apprentice program also provides Sitka vessel owners with a larger pool of moderate to fully experienced local crew, and ALFA continues to help connect skippers in need of crew to young people looking for crew positions through events and direct connections.

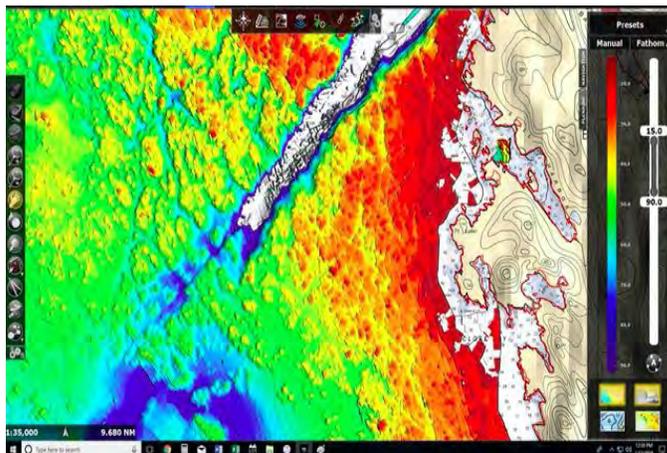
In February 2020, the Alaska Community Foundation granted \$32,400 to the crew apprentice program as part of their vocation training initiative. In March, ALFA and project partners at the Alaska Sustainable Fisheries Trust opened the application process and received 30 applications before state travel restrictions caused us to prematurely close the process. At this point, we are working to connect local young people interested in crew apprentice positions with host skippers, but we have provided all applicants with crew apprentice materials and intend to keep in touch with our applicants for placement as pandemic concerns allow. While numbers will be lower this year, we know interest in the program is strong and we look forward to meeting that interest once it is again safe to do so.

**Objective 2: Mentor young fishermen through Sitka-based education and training programs:** In 2019, over 100 fishermen participated in ALFA's education and training workshops. Workshops included training in seafloor mapping technology, electrical systems for boats, fishing vessel hydraulic systems, and fisheries stock assessment. In February, ALFA was awarded funding from the National Fish and Wildlife Foundation to expand these fishermen-focused workshops and increase innovation uptake. Again, the programming planned for spring 2020 was postponed due to COVID-19, but we have a fall workshop planned that will be delivered on-line if social distancing requirements are still in place. These ALFA workshops are free of charge, and ALFA engages both local and outside expertise to teach in the classroom and provide on board problem-solving. In the past, workshops have included a reception or happy hour when young fishermen and

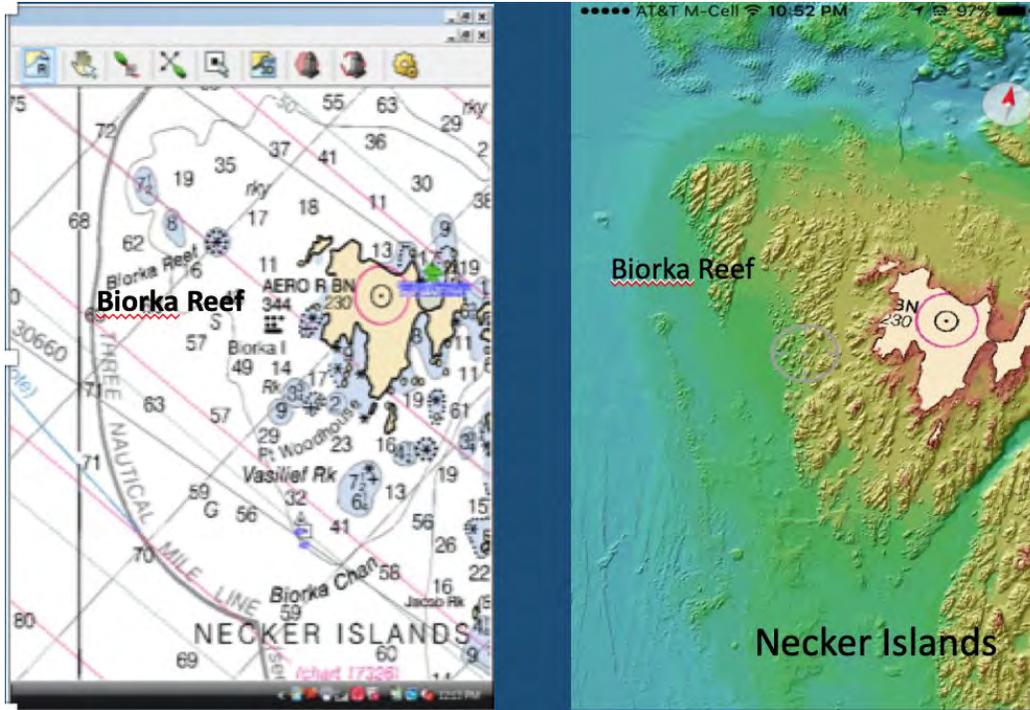
*Application to FEF*

deckhands have a chance to build connections with more experienced or established vessel owners. With support from the City, ALFA will again offer Sitka Fishermen Expos this fall and next spring (either in person or on-line) on topics identified by fishermen, managers or ALFA staff.

ALFA also mentors young fishermen through our Fishery Conservation Network (FCN). The network engages fishermen in research projects that generate collaboration between fishermen or between fishermen and scientists. By sharing data and information, young fishermen learn from more experienced fishermen, fishermen inform scientists, and all work together to improve best fishing practices and the viability of local fisheries. By way of example: in 2019, 120 fishermen contributed bathymetric data to ALFA's FCN seafloor mapping initiative. ALFA integrates the data from fishermen with NOAA and ADFG sonar data to create detailed seafloor maps that are then shared back with contributing fishermen. The maps assist FCN fishermen in successfully and efficiently harvesting target species while controlling bycatch of non-target species--and provide that assistance with technology that is compatible with and affordable to our fleet. This spring ALFA worked with Nobeltec to create an online data download system to provide fishermen with up to date bathymetric maps while still respecting social distancing and safeguarding confidential information. On May 18, 2020 ALFA hosted a bathymetric webinar with TimeZero that was "attended" by 22 fishermen. We will continue to build participation in this FCN project and to provide training to young fishermen interested in learning the software. Below is a screen shot of the bathymetry off Whale Bay, which is 30 miles south of Sitka on Baranof Island, and a comparison of a NOAA and an ALFA bathy chart for the Biorka Island area.



## Application to FEF



NOAA chart- Biorka Island Area

ALFA FCN Seafloor Map-Biorka Island

Other FCN projects include fleet fuel efficiency, electronic monitoring as an alternative to on board observers, and marine mammal avoidance strategies. Along with improving resource stewardship and the viability of local fisheries, the FCN provides young fishermen with data that experienced fishermen have taken a lifetime to gather, and at times allows young fishermen to assist older fishermen with new technology. That shared mentorship has always been part of the fishing industry, but ALFA's FCN builds on and amplifies the benefits.

**Objective 3: Provide entry-level quota share loans to Sitka residents:** Ten years ago, ALFA helped launch the Alaska Sustainable Fisheries Trust to support inter-generational transfer of quota between Alaska's coastal residents. The complexity and high cost of quota created challenges that have slowly but steadily been resolved. This year, through collaboration with The Nature Conservancy, Craft3, Catch Together and the Rasmuson Foundation, ASFT launched Local Fish Fund LLC, which is an innovative financing program to recapture fishery access in Sitka and other Alaska communities. In December 2018, Catch Together, the Rasmuson Foundation and The Nature Conservancy collectively committed \$1.5 million in Program Related Investment funding to Local Fish Fund. Local Fish Fund offers low cost/low risk loans to Alaskans to support entry into the halibut/sablefish quota share fisheries. Borrowers are incentivized to participate in resource stewardship or leadership projects through loan interest rate adjustments. **Between January 2019 and May 2020, LFF has lent or has in the final lending pipeline the full \$1.5 million PRI.** We are now engaged in strategic planning with project partners to design next steps for Local Fish Fund and to identify appropriate impact investment capital. Fishery Enhancement Funds will support Local Fish Fund

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outreach in Sitka, assistance to loan applicants, and mentoring of young fishermen. Sitka FEF will also be leveraged as match in grant applications to non-local foundations.

**Objective 4: Build connections between Alaska fishermen and consumers**

Alaskans Own (AO) is a Sitka-based Community Supported Fishery (CSF) program that forges stronger consumer-producer relationships by sharing with customers the story behind the seafood they purchase. By forward-funding a season of seafood, consumers invest in sustainable harvest and the local fishermen who catch their fish. The Alaskans publication "Docklines" has a strong focus on our young fishermen and ALFA's work to support the next generation of community-based fishermen. In 2017, ALFA leveraged the FEF contribution to secure a three-year \$99,000 USDA grant to promote fresh frozen, high quality seafood. Again, local support for Alaskans Own was key to unlocking non-local funding. To offset the impacts of restaurant closures on fish prices, ALFA has already secured one outreach grant that requires matching funds to unlock and we anticipate and invite to apply for additional grant support from a different funder for direct to consumer delivery. Support from the City will allow us to access matching funds and secure additional outreach/delivery funds to offset COVID 19 impacts to markets and allow us to expand the Alaskans Own customer base in 2020.

**How the project will enhance Sitka fisheries:**

Funding ALFA's COVID 19 outreach will enhance Sitka's fisheries in recovering from the pandemic by ensuring Sitka fishermen have ready access to information on COVID 19 relief programs, are well aware of and compliant with local and State COVID 19 mandates, and that decision makers understand Sitka's working waterfront and sustainable fisheries needs as fishery emergency and stimulus funds are advanced.

Funding ALFA's Young Fishermen's Initiative will benefit Sitka's fisheries by ensuring Sitka fishermen continue to have access to adjacent fisheries and that fishing jobs and revenue remain a cornerstone of Sitka's economy. Providing entry-level opportunities, expanded fishery access, and adequate training will strengthen Sitka's stake in the future of fisheries which will, in turn, strengthen Sitka's economic base.

With funding from the FEF, in 2020/21 ALFA will leverage outside funding to: 1) support a COVID 19 navigator position and outreach work; 2) actively engage in state and national decisions relative to emergency and stimulus funding for fisheries; 3) support placement of local crew apprentice on Sitka boats and, if travel restrictions are lifted, place at least 6 non-local young fishermen on host boats; 4) provide training, education and mentorship to 150 Sitka fishermen with a focus on young/beginning fishermen, either in person or via an online platform; 5) complete deployment of \$1.5 million in entry-level loans, mentor young borrowers, and explore expanded impact investment opportunities; 6) expand Alaskans Own markets to offset COVID 19 impacts on markets and build connections between Alaskans who care about sustainable fisheries and the young fishermen making that future possible.

Application to FEF

**In closing:**

Commercial fishing continues to be the largest private sector employer in Alaska and the cornerstone of Sitka's economy. Over 540 commercial fishing permit holders reside in Sitka, another 500 work as crew on commercial fishing boats, and approximately 1000 people work in Sitka's seafood processing sector. Virtually every business in Sitka benefits from commercial fishing dollars. In sum, an investment in helping Sitka fisheries recover from COVID 19 and support from Sitka young fishermen is an investment in Sitka's future.

ALFA's mission is to promote sustainable fisheries and thriving fishing communities through advocacy, collaboration and innovation. We support policy scaled to meet the needs of local fishermen and work to create market forces that support the economic success and political leverage of community-based fishermen. We consider ALFA's Young Fishermen Initiative to be crucial to achieving our mission. We invite the City of Sitka to invest in Sitka's future by supporting ALFA's Young Fishermen Initiatives.

**Project Timeline and Evaluation (green denotes quarter when activity will be carried out/achieved)**

**TIMELINE:**

TIMELINE: July 2020-June 2021	2020		2021	
	Q3	Q4	Q1	Q2
<b>Objective 1) Expand apprentice or entry-level deckhand opportunities on commercial fishing boats</b>				
Task 1: Assist local crew apprentices with finding deckhand positions; place non-local crew if travel ban is lifted.	yes	yes	yes	yes
Task 2: mentor apprentices and collect feedback from all program participants		yes		yes
Task 3: Evaluate program and course correct as indicated				
Task 4: Spring 2021: Release call for applicants and host skippers				
Task 5: Spring 2021 Train additional host skippers and select 20-30 individuals for apprentice opportunity				
<b>Activity 2) Facilitate inter-generational transfer of permits and quota to Sitka residents</b>				
Task 1: Complete deployment of \$1.5 million in PRI capital to entry level fishermen				
Task 2: Mentor LFF borrowers and support stewardship engagement				
Task 3. Work with project partners to identify LFF phase 3 and impact investment opportunities.				

<b>Activity 3) Mentor new fishermen through Sitka-based education and training programs</b>				
Task 1: Identify topics for future training/education	■			
Task 2: Select and invite educators, industry sponsors (via webinar if necessary)		■	■	■
Task 3: Engage young and established fishermen to enhance training/mentorship		■	■	
Task 4: Host Expo events in person or through online platform		■		■

<b>Project Timeline</b>	<b>Q2</b>	<b>Q3</b>	<b>Q1</b>	<b>Q2</b>
<b>Activity 4) Expand exports of local fish regionally and statewide through enhanced marketing of Alaskan’s Own program.</b>				
Task 1: Increase consumer awareness, access, and consumption of sustainably harvested local seafood through enhanced marketing plans in Seattle, Fairbanks, Anchorage and Juneau	■	■	■	■
Task 2: Improve customer understanding of Sitka fishermen’s commitment to family, community and healthy oceans	■	■	■	■
Task 3: Provide Alaskans Own customers with opportunities to engage in policy to support sustainable fisheries.	■	■	■	■

Overall progress will be monitored relative to achieving the metrics and expected results/outcomes identified above.

**ALFA Management Team**

Linda Behnken, ALFA	Ms. Behnken is the Executive Director of ALFA and has served in this capacity since 1991. Ms. Behnken has a BA from Dartmouth College and a Masters in Environmental Science from Yale University. Ms. Behnken served on the North Pacific Fishery Management Council (NPFMC) and the International Pacific Halibut Commission. Ms. Behnken received an honorarium from the Alaska State Legislature in 2017, was recognized as a White House Champion of Change for Sustainable Seafood in 2016, and awarded the National Fisherman Highliner award in 2009 for her work promoting sustainable fisheries
---------------------	---

	<p>and thriving coastal communities. In 2019, ALFA was awarded the Lowell Thomas Jr award from the Alaska Conservation Foundation for outstanding contribution to conservation. Ms. Behnken has been a Sitka resident since 1985 and fished commercially since 1982. Ms. Behnken will be responsible for project oversight and reporting.</p>
<p>Daniel Falvey, ALFA</p>	<p>Mr. Falvey has a BA in resource management and policy from Western Washington University and training in Geographic Information Systems analysis from Penn State World Campus. He has owned/operated commercial fishing vessels in Alaska since 1984. Mr. Falvey served on the Advisory Panel to the NPFMC from 1991-2004, and currently serves as a member of the Council's electronic monitoring workgroup and Observer Advisory Committee. Mr. Falvey is a member of the International Pacific Halibut Commission's Management Strategy Advisory Board and served on the Advisory Panel of the North Pacific Research Board from 2010-2017. In 2011, Mr. Falvey was awarded the National Fisherman Highliner. Mr. Falvey has worked with ALFA in a number of capacities since 1993 and has successfully coordinated multiple cooperative research projects. Mr. Falvey will serve as the project's financial manager.</p>
<p>Willow Moore, ALFA</p>	<p>Ms. Moore is the Deputy Director of ALFA. Ms. Moore joined the dynamic ALFA team in 2016. Ms. Moore holds a degree in nursing, an undergraduate BLA degree and a Masters of Public Administration in Natural Resource Management degree, all from University of Alaska. In 2013 Ms. Moore was the recipient of the Rasmuson educational award for Emerging Leaders and in 2014 was a Rasmuson Foundation Sabbatical award winner. Ms. Moore is currently working on her doctorate degree in fisheries ecology and oceanography. Throughout her 20 years of work in the nonprofit sector, Ms. Moore has specialized in executive management and program development and sustainability, working to build and support business strategies and objectives through effective marketing plans, increased partnerships, developing performance-measurement systems, and improved integration of quality, operational, and financial information. Ms. Moore has lived in Sitka since 2001 and is deeply committed to locally and sustainably harvested seafood. Ms. Moore and her family were among the program's first subscribers when the Alaskan's Own program was founded.</p>
<p>Hahlen Behnken- Barkhau</p>	<p>Hahlen Behnken- Barkhau Hahlen is born and raised in Sitka and has "worked" on a commercial fishing boat since he was six months old. Hahlen graduated from Sitka High School in May and will attend Whitman College in Fall, 2020. Hahlen is coordinating ALFA's Seafood Donation Program, which is providing 100 pounds of seafood per week to Sitka families in need, assisting with Alaskans Own, ALFA's community supported fishery program, and with ALFA's young fishermen program throughout the summer.</p>

**Budget**

**Staff Time (for all 4 objectives)**

Description	# of Units	Per Unit Cost	Total
Alfa Staff Time	250	\$40.00	\$10,000.00

**Total Staff Time**

**\$10,000.00**

ALFA staff time to coordinate outreach to target populations, workshops, program execution, stakeholder engagement/support and grant management/reporting requirements. Duties will be assigned to ALFA staff members as appropriate.

For all objectives outlined in this proposal, ALFA will provide project updates on the ALFA, ASFT and AO websites as well as through ALFA newsletters. We will continue to inform fishermen of COVID-19 relief and mandates while educating decision makers on initiatives to assist the recovery of Sitka's fisheries and working waterfront. ALFA will continue to build a communication network between deckhand apprentices and other young fishermen, tracking and supporting their ongoing engagement in fisheries or fisheries related fields. ALFA/AO will communicate at least monthly with subscribers and businesses carrying AO product via email and printed material to strengthen connections and build awareness of fisheries related issues.

**Enclosed:**

ALFA contracts with a third-party bookkeeper and at this time does not have pro forma financial statements. ALFA is audited yearly and if appropriate, ALFA would like to submit extra financial documentation to provide the necessary documentation for the project. Please see enclosed the following attachments, we are happy to provide any necessary further information:

- IRS Non-Profit Status
  - ALFA 990 2018- 2019 is slated to be completed in June.
  - ALFA Balance Sheet as of April 2020
  - ALFA Income Statement as of April 2020
  - Latest available ALFA Audited financials 2018-- 2019 is being completed now but is not done yet (we are also very happy to provide the last
- five years of audited financial statements if appropriate.)



# SEAFOOD PRODUCERS COOPERATIVE

PRODUCERS, PROCESSORS & MARKETERS OF PREMIUM QUALITY SEAFOODS

Dear Members of Sitka's City Assembly,

I am writing to support the Alaska Longline Fishermen's Association (ALFA) request for funding from the Sitka Fisheries Enhancement Fund.

ALFA has a strong track record of designing and implementing programs that enhance sustainable fisheries and improve the bottom line of small boat fishermen. ALFA's young fishermen programs are a natural extension of that commitment and address the widely recognized challenges young people currently face when seeking entry into Alaska's fisheries—the first steps are difficult, risky and generally expensive. ALFA has worked to address these challenges through programs that provide entry level opportunity and mentorship while reducing both costs and risks. Our members participate in ALFA programs and benefit from ALFA's work.

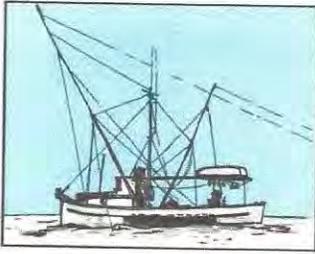
ALFA has also been an industry leader in assisting fishermen with understanding both COVID health mandates and relief opportunities available through the CARES Act. ALFA and SPC have worked together over the past month to understand CARES Act opportunities for fishermen and to provide up to date information through emails; ALFA has also maintained an up to date COVID 19 webpage to assist fishermen in applying to CARES Act relief programs and complying with State COVID safe protocols. We recognize that preventing the spread of COVID 19 in Sitka is essential to Sitka's health and economic recovery, and we applaud ALFA's effort to enhance the fishing industry's contribution to that recovery.

In closing, we recognize the Fisheries Enhancement Fund is designed to support work that is enhancing Sitka fisheries for the present and future and find ALFA's proposal well qualified for that support.

*Joseph Morelli*

CEO

Seafood Producers Cooperative



## **Alaska Trollers Association**

130 Seward #205

Juneau, AK 99801

(907) 586-9400

alaskatrollers@gmail.com

May 8, 2020

Dear Sitka City and Borough Assembly,

This is a letter of support for Alaska Longline Fishermen's Association (ALFA) application for the Fish Box tax funding.

ALFA has worked hard for over 40 years to enhance Alaska fisheries in general and Sitka's fisheries in particular. ALFA's active engagement in fisheries policy, research and education has at its core a firm commitment to enhancing fisheries for the future. ALFA's young fishermen programs are a natural extension of that commitment and address the widely recognized challenges young people currently face when seeking entry into Alaska's fisheries. ALFA has worked to address these challenges through programs that provide entry level opportunity and mentorship. Our members benefit from ALFA's work.

ALFA has also been an industry leader in assisting fishermen with understanding both COVID health mandates and relief opportunities available through the CARES Act. Over the past month, ALFA's website has provided up-to-date information for fishermen on applying to CARES Act relief programs and complying with State COVID safe protocols. Again, this information has helped ALFA members, ATA members and the industry as a whole as we struggle through this pandemic.

In closing, we recognize the Fisheries Enhancement Fund is designed to support work that enhances Sitka fisheries both present and future, and find ALFA's proposal well qualified for that support.

Sincerely,

A blue ink handwritten signature that appears to read "Amy Daugherty".

Amy Daugherty  
Executive Director



Dear Members of Sitka's City Assembly,

I am writing to support the Alaska Longline Fishermen's Association (ALFA) request for funding from the Sitka Fisheries Enhancement Fund.

ALFA and the Alaska Marine Conservation Council have a long history of collaborating on policy and conservation initiatives to support sustainable fisheries and thriving fishing communities. We share a recognition of the need to enhance opportunities for Alaska's next generation of fishermen, as they have a unique capacity for responsible innovation and forward-looking management of our renewable food resources. We agree that investing in young fishermen is essential in ensuring the continued health of our oceans and ocean-dependent communities. ALFA's Sitka-based work in this arena is an integral facet of a global movement that needs support.

The COVID-19 pandemic has created a new set of challenges for young fishermen, established fishermen and coastal communities. It is essential that fishing businesses remain viable in order to protect the cascading benefits to local economies and ensure ongoing stewardship of the systems that root multiple generations in an inherently rich and productive place. ALFA has been at the forefront of representing fishermen's concerns to decision-makers while also helping fishermen understand what opportunities are available to them for relief, a careful balance of grassroots and grassroots advocacy that comes from decades of specialization. ALFA's leadership is unique and irreplaceable. We look forward to ongoing work with ALFA to highlight the role of Alaska's community-based fishermen as an essential part of the solution to enhanced local, state and national food security.

In closing, we recognize the Fisheries Enhancement Fund is designed to support work that is enhancing Sitka fisheries for the present and future, and enthusiastically endorse ALFA's proposal.

Respectfully,

A handwritten signature in black ink that reads "Marissa Wilson" with a stylized flourish at the end.

Marissa Wilson  
Executive Director

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **APR 09 2010**

ALASKA LONGLINE FISHERMEN'S  
ASSOCIATION  
PO BOX 1229  
SITKA, AK 99835

Employer Identification Number:

DLN:

Contact Person:

DENISE L. TAMAYO

ID#

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Form 990 Required:

Yes

Effective Date of Exemption:

January 6, 2009

Contribution Deductibility:

No

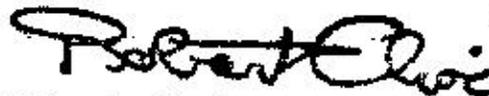
Dear Applicant:

We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(6) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Please see enclosed Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), for some helpful information about your responsibilities as an exempt organization.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

Sincerely,



Robert Choi  
Director, Exempt Organizations  
Rulings and Agreements

Enclosure: Publication 4221-NC

Letter 948 (DO/CG)

ALFA  
**Balance Sheet**  
As of April 30, 2020

Apr 30, 20

**ASSETS**

**Current Assets**

**Checking/Savings**

First Bank Checking 8480	32,088.55
First Bank Savings	1,408.51
Gaming Account	12,500.13
PayPal	116.35

**Total Checking/Savings** 46,113.54

**Accounts Receivable**

11000 - Accounts Receivable	4,399.03
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**Total Accounts Receivable** 4,399.03

**Other Current Assets**

1210 - Inventory Asset	30,188.78
1220 - Loan to ASFT	10,000.00
1400 - Grant Receivable	89,813.77

**Total Other Current Assets** 130,002.55

**Total Current Assets** 180,515.12

**Fixed Assets**

15000 - Furniture and Equipment	-24,524.65
---------------------------------	------------

**Total Fixed Assets** -24,524.65

**Other Assets**

A Quota Shares	84,920.00
18700 - Rent Deposit	50.00

**Total Other Assets** 84,970.00

**TOTAL ASSETS** 240,960.47

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

20000 - Accounts Payable	-1,185.58
--------------------------	-----------

**Total Accounts Payable** -1,185.58

**Other Current Liabilities**

Payroll Tax Liability	3,984.80
2500 - Unearned Income	52,305.91

**Total Other Current Liabilities** 56,290.71

**Total Current Liabilities** 55,105.13

**Total Liabilities** 55,105.13

**Equity**

32000 - Retained Earnings	165,393.38
---------------------------	------------

**Net Income** 20,461.96

**Total Equity** 185,855.34

**TOTAL LIABILITIES & EQUITY** 240,960.47

**ALFA**  
**Income Statement**  
January through April 2020

Jan - Apr 20

Ordinary Income/Expense

Income

4000 - Grant Income	73,912.89
4005 - Contract Income	500.00
4010 - Individual Membership Dues	5,006.00
4030 - Donation Income	100.00
4040 - Fundraising Income	100.00
4050 - Retail Sales	443.17
4060 - Alaskans Own Fish Sales	12,311.59

Total Income	92,373.65
--------------	-----------

Cost of Goods Sold

5002 - Credit Card Merchant Fees	508.41
5010 - Fish Purchases	850.84
5020 - Shipping Supplies/Packaging	211.06
5030 - Freight/Shipping/Air Cargo	471.54

Total COGS	2,041.85
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Gross Profit	90,331.80
--------------	-----------

Expense

100 - Personnel Services Expense	
110 - Payroll Tax Expense	5,494.31
120 - Director Salary	15,000.00
130 - Salary & Wages	48,518.00
Total 100 - Personnel Services Expense	69,012.31

200 - Direct Supp to Target Pop	
250 - Dues, Subscript. & Memberships	558.98
200 - Direct Supp to Target Pop - Other	204.16
Total 200 - Direct Supp to Target Pop	763.14

300 - Consultants & Contracted	
330 - Accounting	1,137.15
360 - Professional Services	7,010.00
380 - Outreach	2,583.88
Total 300 - Consultants & Contracted	10,731.03

400 - Travel & Conferences	
410 - NPFMC	2,779.06
420 - IPHC	878.50
430 - Outreach Travel	356.69
440 - Marketing	-5.00
460 - Other Travel	23.20
400 - Travel & Conferences - Other	-19,250.50
Total 400 - Travel & Conferences	-15,218.05

500 - Program & Capital Expenditure	
580 - Equipment Purchase & Rental	20.15
607 - Program	496.73
608 - ASFT/AO Direct Support	368.15
609 - Promotion/Outreach Costs	567.16

**ALFA**  
**Income Statement**  
January through April 2020

	<u>Jan - Apr 20</u>
Total 500 · Program & Capital Expenditure	1,452.19
600 · Other Direct Costs	
601 · Postage, Shipping, PO Rental	2.20
602 · Rent	1,500.00
603 · Telephone/Internet	720.62
605 · Office	-93.92
606 · Software/Computer Supplies	125.95
610 · Advertising/Printing	250.00
630 · Insurance	1,292.50
650 · Grant Expense	5.59
680 · Meeting Expense	460.34
695 · Taxes, Licenses & Permit	26.25
699 · Bank Charges	235.92
Total 600 · Other Direct Costs	<u>4,525.45</u>
66001 · *Payroll Expenses	33.25
Total Expense	<u>71,299.32</u>
Net Ordinary Income	<u>19,032.48</u>
Other Income/Expense	
Other Income	
720 · Interest/Div Income	16.63
Total Other Income	<u>16.63</u>
Other Expense	
899 · Unknown Transactions	-1,412.85
Total Other Expense	<u>-1,412.85</u>
Net Other Income	<u>1,429.48</u>
Net Income	<u><u>20,461.96</u></u>

**ALASKA LONGLINE FISHERMEN'S ASSOCIATION**

**FINANCIAL STATEMENTS**

**December 31, 2018**

ALASKA LONGLINE FISHERMEN'S ASSOCIATION

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# CHRISTINE E. HARRINGTON

Certified Public Accountant, LLC

329 Harbor Drive, Suite 210, P.O. Box 1328 Sitka, Alaska 99835 (907) 747-5500

## Independent Auditor's Report

Board of Directors  
Alaska Longline Fishermen's Association  
Sitka, Alaska

I have audited the accompanying financial statements of the Alaska Longline Fishermen's Association (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

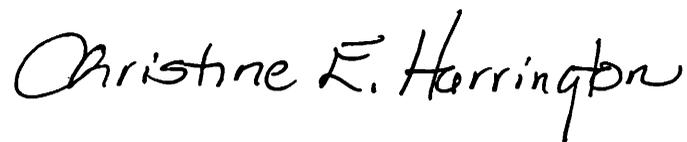
My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Alaska Longline Fishermen's Association as of December 31, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Sitka, Alaska  
November 15, 2019

## ALASKA LONGLINE FISHERMAN'S ASSOCIATION

## STATEMENTS OF FINANCIAL POSITION

December 31, 2018 and 2017

Assets	<u>2018</u>	<u>2017</u>
Current assets:		
Cash and cash equivalents	\$ 150,347	\$ 142,786
Grants receivable	89,814	80,596
Other receivables	14,399	9,824
Retail inventory	5,664	30,189
Prepays and deposits	<u>450</u>	<u>350</u>
Total current assets	260,674	263,745
Other assets		
Fishing permits held for lease	<u>84,920</u>	<u>-</u>
	<u>\$ 345,594</u>	<u>\$ 263,745</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 69,574	\$ 5,312
Accrued liabilities	4,685	3,441
Deferred revenue	<u>52,306</u>	<u>74,810</u>
Total current liabilities	126,565	83,563
Net assets:		
Without donor restriction	<u>219,029</u>	<u>180,182</u>
Total net assets	<u>219,029</u>	<u>180,182</u>
	<u>\$ 345,594</u>	<u>\$ 263,745</u>

## ALASKA LONGLINE FISHERMAN'S ASSOCIATION

## STATEMENTS OF ACTIVITIES

For the Year Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Public support and revenue		
Grant revenue	\$ 515,178	\$ 359,452
Contract revenue	62,791	157,324
Product sales	94,944	86,432
Membership dues	44,846	44,850
Interest	337	332
Fundraising	7,792	6,273
Donations	802	7,535
	<u>726,690</u>	<u>662,198</u>
Expenses		
Program services;		
Marine conservation and protection	502,404	433,760
Information outreach to public policy forums	16,995	17,894
Young fishermen's initiative	22,239	-
Direct support to consumers	90,372	97,930
	<u>632,010</u>	<u>549,584</u>
General and administrative	55,833	50,413
	<u>687,843</u>	<u>599,997</u>
Change in net assets	38,847	62,201
Net assets, beginning of year	<u>180,182</u>	<u>117,981</u>
Net assets, end of year	<u>\$ 219,029</u>	<u>\$ 180,182</u>

See notes to financial statements.

ALASKA LONGLINE FISHERMEN'S ASSOCIATION

STATEMENTS OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2018 and 2017

Year ended December 31, 2018

	Programs				Total	General and Administrative	Total
	Marine Conservation and Protection	Information Outreach to Public Policy Forums	Young Fishermen's Initiative	Direct Support to Consumers			
Expenses:							
Personal services	\$ 112,787	\$ -	\$ 19,566	\$ 26,285	\$ 158,638	\$ 30,043	\$ 188,681
Direct support to target population	500	3,155	900	173	4,728	-	4,728
Professional services	101,617	-	1,000	273	102,890	7,391	110,281
Travel and conferences	13,610	13,840	-	-	27,450	53	27,503
Program supplies	264,632	-	23	-	264,655	157	264,812
Other direct costs	9,258	-	750	63,641	73,649	18,189	91,838
	<u>\$ 502,404</u>	<u>\$ 16,995</u>	<u>\$ 22,239</u>	<u>\$ 90,372</u>	<u>\$ 632,010</u>	<u>\$ 55,833</u>	<u>\$ 687,843</u>

Year ended December 31, 2017

Expenses:							
Personal services	\$ 142,767	\$ 13,962	\$ -	\$ 22,041	\$ 178,770	\$ 23,968	\$ 202,738
Direct support to target population	12,953	3,100	-	15	16,068	-	16,068
Professional services	231,155	-	-	1,177	232,332	9,817	242,149
Travel and conferences	12,336	832	-	1,062	14,230	-	14,230
Small equipment	1,587	-	-	756	2,343	50	2,393
Other direct costs	32,962	-	-	72,879	105,841	16,578	122,419
	<u>\$ 433,760</u>	<u>\$ 17,894</u>	<u>\$ -</u>	<u>\$ 97,930</u>	<u>\$ 549,584</u>	<u>\$ 50,413</u>	<u>\$ 599,997</u>

## ALASKA LONGLINE FISHERMEN'S ASSOCIATION

## STATEMENTS OF CASH FLOWS

For the Year Ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Cash received from granting and contracting agencies	\$ 541,848	\$ 429,918
Cash received from members and contributors	53,440	58,658
Cash received from product sales	94,944	86,432
Interest received	337	332
Cash paid to suppliers	(410,651)	(417,097)
Cash paid to employees	(187,437)	(202,896)
Net cash provided (used) by operating activities	<u>92,481</u>	<u>(44,653)</u>
Cash flows from investing activities		
Purchase of fishing permits for lease	(84,920)	-
Net cash used by investing activities	<u>(84,920)</u>	<u>-</u>
Net change in cash and cash equivalents	7,561	(44,653)
Cash and cash equivalents, beginning of year	142,786	187,439
Cash and cash equivalents, end of year	<u>\$ 150,347</u>	<u>\$ 142,786</u>
Reconciliation of change in net assets to net cash used by operating activities:		
Change in net assets	\$ 38,847	\$ 62,201
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Changes in assets and liabilities		
(Increase) in grants receivable	(9,218)	(41,986)
(Increase) decrease in inventory	24,525	(23,895)
(Increase) in prepaids and deposits	(100)	-
(Increase) decrease in other receivables	(4,575)	1,493
Increase in accounts payable	64,262	2,564
Increase (decrease) in payroll taxes payable	1,244	(158)
(Decrease) in deferred revenue	(22,504)	(44,872)
Total adjustments	<u>53,634</u>	<u>(106,854)</u>
Net cash provided (used) by operating activities	<u>\$ 92,481</u>	<u>\$ (44,653)</u>

# ALASKA LONGLINE FISHERMEN'S ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

December 31, 2018

### **Note 1. Organization**

Alaska Longline Fishermen's Association ("ALFA") is a non-profit association of independent commercial longline vessel owners and crewmembers who are committed to continuing the sustainable harvest of sablefish, halibut, and groundfish, while supporting healthy marine ecosystems and strong coastal communities through resource stewardship and participation in federal, state, and local forums.

ALFA 's income includes membership dues, donations, and grant and contract revenue. During 2018, ALFA administered the following grants and contracts:

A core capacity grant from the Oak Foundation to support the ongoing work of ALFA including sustainable fisheries policy development at the state, federal and national level; stewardship innovation through support of ALFA's Fishery Conservation Network, and maintenance of local access to fisheries through the development of the Alaska Sustainable Fisheries Trust.

A grant from the National Fish and Wildlife Foundation related to at-sea electronic monitoring ("EM") of the Alaskan halibut and sablefish individual fishing quota ("IFQ") fisheries. This grant supported ALFA's continued engagement of stakeholders in the process of transitioning at-sea monitoring of the Alaskan halibut and sablefish IFQ fisheries from the pilot program stage to an operational program, and to support EM hardware and field service requirements during the 2016 and 2017 pre-implementation period.

A grant from the National Fish and Wildlife Foundation to develop a young fishermen's apprentice program. This work entails screening and training potential apprentice candidates and skipper/mentors. The program will also develop curricula that can facilitate similar programs in other fishing communities.

A grant from the National Fish & Wildlife Foundation related to at-sea electronic monitoring of the Alaskan halibut and sablefish individual fishing quota IFQ fisheries. This grant supported supplies and contract services necessary to increase the scale of the existing program to meet management targets. This grant also supports stakeholder outreach and engagement in developing at-sea monitoring solutions for this fleet.

A grant from the United States Department of Agriculture to improve the acceptance of flash frozen seafood by consumers in order to allow rural fishermen to more effectively market their catch. This project will apply innovative technology to quantify the freshness of flash-frozen seafood; conduct fresh versus frozen taste-tests and; create and widely distribute a multi-media Sustainable Seafood outreach kit.

A grant from the National Oceanic and Atmospheric Administration to continue development and testing of active and passive deterrent strategies for sperm and killer whales. This grant supports the development and testing of software and hardware solutions for a towed array hydrophone system that can be shared between vessels in support of a sperm whale detection and avoidance network.

# ALASKA LONGLINE FISHERMEN'S ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

### **Note 1 - continued**

A contract with the Alaska Fisheries Development Foundation to coordinate field work related to collecting base line fuel efficiency data on small Alaskan commercial fishing vessels and developing outreach materials to engage fishery stakeholders on fuel saving techniques.

A contract with the Marine Fisheries Conservation Network to engage young fishermen with fisheries management policy issues at the national level.

A contract with the City of Sitka to develop a young fishermen's apprentice program.

A contract with the Alaska Sustainable Fisheries Trust to develop innovative financing and conservation programs for new entrants in the Alaskan sablefish and halibut fisheries.

### **Note 2. Summary of Significant Accounting Policies**

#### **Basis of Presentation**

The Organization prepares its financial statements in accordance with generally accepted accounting principles in the United States of America for not-for-profit organizations. The significant accounting and reporting policies used by the Organization are described below.

#### **Basis of Accounting**

The accounting records of ALFA are maintained on an accrual basis of accounting under which revenues are recognized when earned and liabilities and expenses when incurred.

#### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **Net Assets**

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use placed by contributors and granting agencies, as follows:

##### **Net Assets Without Donor Restrictions**

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate

# ALASKA LONGLINE FISHERMEN'S ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

### **Note 2. - continued**

documents and its initial application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others entered into in the course of its operations.

#### **Net Assets With Donor Restrictions**

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature, the Organization must continue to use the resources in accordance with the donor's instructions.

#### **Classification of Transactions**

All revenue and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the donor specified the use of the related resources for a particular purpose or in a future period. All expenses and losses are reported as decreases in net assets without donor restrictions.

Grants are either recorded as contributions or exchange transactions based on the criteria contained in the grant award.

Grant awards that are exchange transactions – Grants that qualify as exchange transactions are recorded as invoiced to the funding sources. Revenue is recognized in the accounting period when the related allowable expenses are incurred. Amounts received in excess of expenses are reflected as deferred revenue.

Grant awards that are contributions – Grants that qualify as contributions are reported at fair value and are unconditional transfers. Revenue is recognized in the period the funding is received or receivable.

Grant awards that are conditional contributions – Grants awards that include a donor-imposed condition which is considered a barrier and a right of return/right of release are recognized as revenue when the barrier/condition is met. Such award receipts are reflected as deferred revenue until the donor-imposed condition is met.

Program income is recognized at the time the services are provided by ALFA and represents income for specific charges related to program activities.

#### **Cash and Cash Equivalents**

For the Statement of Cash Flows, ALFA includes cash on deposit; cash on hand, money market accounts, certificates of deposits, (if any) and short-term investments with original maturities less than three months, (if any) to be cash equivalents.

ALASKA LONGLINE FISHERMEN'S ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

**Note 2. - continued**

**Other Receivables**

Other receivables include a short-term advance to the Alaska Sustainable Fisheries Trust (ASFT), a nonprofit organization, to provide operating cash. The advance will be repaid with amounts due to ASFT under the terms of a grant.

**Retail Inventory**

Retail inventory includes logo clothing and other items and frozen fish and other seafood products. Inventory is value at cost, using the first-in, first-out method.

**Property and Equipment**

The Organization's only property and equipment is used office furniture and computer equipment. None of these items meet the criteria for capitalization and have been recognized as an expense when purchased

**Public Support and Revenue**

Contributions are recognized when received. All contributions are reported as increases to net assets without donor restriction unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions

**Expense Recognition and Allocation**

The cost of providing the ALFA's programs and other activities is summarized on a functional basis in the statement of activities and the statement of functional expenses. Expenses that can be identified with a specific program or support service are charged directly to that program or support service. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied.

Management and general expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the organization.

**Advertising Costs**

Advertising costs are expensed as incurred.

## ALASKA LONGLINE FISHERMEN'S ASSOCIATION

### NOTES TO FINANCIAL STATEMENTS

#### **Note 2. - continued**

##### **Adoption of New Accounting Standard**

The Organization adopted the provisions of the Financial Accounting Standards Board's Accounting Standards Update ("ASU") 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*, in the current year, applying the changes retrospectively. The new standard changed the following aspects of the financial statements.

- The unrestricted net asset class has been renamed net assets without donor restriction;
- The financial statements include a disclosure about liquidity and availability of resources.

##### **Income Tax**

ALFA is exempt from federal income taxes under Section 501c(3) of the Internal Revenue Code. It is the organization's practice to include penalties and interest (if any) associated with income taxes in income tax expense. The ALFA's federal income tax returns (Form 990) are subject to possible examination by the Internal Revenue Service until the expiration of the related statute of limitations on these tax returns, which, in general, have a three-year limitation.

##### **Subsequent Events**

ALFA has evaluated subsequent events through the date of the Independent Auditor's Report, which is commensurate with the date the financial statements were available to be issued.

#### **Note 3. Liquidity and Availability**

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year are cash and cash equivalents and investments at fair value. Those amounts totaled \$98,041 and \$67,976 at December 31, 2018 and 2017, respectively. These are the amounts that cash and cash equivalents exceed the amounts of deferred revenue.

#### **Note 4. Grants Receivable**

At December 31, 2018 grants receivable included amounts due from the National Fish and Wildlife Foundation, U.S. Department of Agriculture, and National Oceanic and Atmospheric Administration. Grants receivable at December 31, 2017 included amounts due from the National Fish and Wildlife Foundation. All receivables in both years were for allowable expenses under the terms of grants. Management considers grants receivable to be fully collectible at both year-ends. Accordingly, no allowance for doubtful accounts has been recorded.

#### **Note 5. Deferred Revenue**

Deferred revenue includes both advances from granting agencies which were not spent or otherwise obligated at the end of the year and advances on contracts with third parties. ALFA recognizes contract income based on the estimated percent of completion at year end.

ALASKA LONGLINE FISHERMEN'S ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

**Note 6. Contingencies**

Amounts received or receivable from granting agencies are subject to audit and adjustment. Any disallowed claims, including amounts already collected would become a liability of the ALFA. The amount, (if any) of expenses which may be disallowed by granting agencies cannot be determined, although ALFA expects such amounts, (if any) to be immaterial.

ALFA has concentrated its credit risk for cash by maintaining deposits in financial institutions, which may at times exceed the amounts covered by insurance provided by the United States Federal Deposit Insurance Corporation (FDIC). ALFA has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk to cash.

Christine E Harrington CPA, LLC  
PO Box 1328  
Sitka, AK 99835

**ALASKA LONGLINE FISHERMENS  
ASSOCIATION  
PO BOX 1229  
SITKA, AK 99835  
|||**

**Christine E Harrington CPA, LLC**  
**PO Box 1328**  
**Sitka, AK 99835**  
**907-747-5500**

November 10, 2019

**CONFIDENTIAL**

ALASKA LONGLINE FISHERMENS  
ASSOCIATION  
PO BOX 1229  
SITKA, AK 99835

Dear Ms. Behnken:

We have prepared the following returns from information provided by you without verification or audit.

Return of Organization Exempt From Income Tax (Form 990)

We suggest that you examine these returns carefully to fully acquaint yourself with all items contained therein to ensure that there are no omissions or misstatements. Attached are instructions for signing and filing each return. Please follow those instructions carefully.

Enclosed is any material you furnished for use in preparing the returns. If the returns are examined, requests may be made for supporting documentation. Therefore, we recommend that you retain all pertinent records for at least seven years.

In order that we may properly advise you of tax considerations, please keep us informed of any significant changes in your financial affairs or of any correspondence received from taxing authorities.

If you have any questions, or if we can be of assistance in any way, please call.

Sincerely,

Christine E Harrington CPA, LLC

## Filing Instructions

### ALASKA LONGLINE FISHERMENS ASSOCIATION

#### Exempt Organization Tax Return

Taxable Year Ended December 31, 2018

**Date Due:** November 15, 2019

**Remittance:** None is required. Your Form 990 for the tax year ended 12/31/18 shows no balance due.

**Signature:** You are using a Personal Identification Number (PIN) for signing your return electronically. Form 8879-EO, IRS *e-file* Signature Authorization for an Exempt Organization should be signed and dated by an authorized officer of the organization and returned to:

Christine E Harrington CPA, LLC  
PO Box 1328  
Sitka, AK 99835

***Important:*** Your return will not be filed with the IRS until the signed Form 8879-EO has been received by this office.

**Other:** Your return is being filed electronically with the IRS and is not required to be mailed. If you Mail a paper copy of your return to the IRS it will delay the processing of your return.

Form **8879-EO****IRS e-file Signature Authorization  
for an Exempt Organization**

OMB No. 1545-1878

For calendar year 2018, or fiscal year beginning \_\_\_\_\_, 2018, and ending \_\_\_\_\_, 20\_\_\_\_\_

▶ Do not send to the IRS. Keep for your records.  
▶ Go to [www.irs.gov/Form8879EO](http://www.irs.gov/Form8879EO) for the latest information.**2018**Department of the Treasury  
Internal Revenue Service

Name of exempt organization

**ALASKA LONGLINE FISHERMENS  
ASSOCIATION**

Employer identification number

Name and title of officer

**DICK CURRAN  
PRESIDENT****Part I Type of Return and Return Information (Whole Dollars Only)**

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a, below, and the amount on that line for the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. Do not complete more than one line in Part I.

1a	Form 990 check here	▶	<input checked="" type="checkbox"/>	b	Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b	<u>662,948</u>
2a	Form 990-EZ check here	▶	<input type="checkbox"/>	b	Total revenue, if any (Form 990-EZ, line 9)	2b	_____
3a	Form 1120-POL check here	▶	<input type="checkbox"/>	b	Total tax (Form 1120-POL, line 22)	3b	_____
4a	Form 990-PF check here	▶	<input type="checkbox"/>	b	Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	_____
5a	Form 8868 check here	▶	<input type="checkbox"/>	b	Balance Due (Form 8868, line 3c)	5b	_____

**Part II Declaration and Signature Authorization of Officer**

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2018 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize Christine E Harrington CPA, LLC to enter my PIN \_\_\_\_\_ as my signature  
ERO firm name Enter five numbers, but do not enter all zeros

on the organization's tax year 2018 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2018 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶

Date ▶ **11/10/19****Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

\*\*\*\*\*

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2018 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶

Date ▶ **11/10/19****ERO Must Retain This Form — See Instructions****Do Not Submit This Form to the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see back of form.

Form **8879-EO** (2018)

Form **990**

Department of the Treasury  
Internal Revenue Service

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**  
**Open to Public Inspection**

**A For the 2018 calendar year, or tax year beginning** \_\_\_\_\_ **and ending** \_\_\_\_\_

**B** Check if applicable:  
 Address change \_\_\_\_\_  
 Name change \_\_\_\_\_  
 Initial return \_\_\_\_\_  
 Final return/terminated \_\_\_\_\_  
 Amended return \_\_\_\_\_  
 Application pending \_\_\_\_\_

**C Name of organization** **ALASKA LONGLINE FISHERMENS ASSOCIATION**

Doing business as \_\_\_\_\_

Number and street (or P.O. box if mail is not delivered to street address) **PO BOX 1229** Room/suite \_\_\_\_\_

City or town, state or province, country, and ZIP or foreign postal code **SITKA AK 99835**

**D Employer identification number** \_\_\_\_\_

**E Telephone number** **907-747-3400**

**F Name and address of principal officer:**  
**DICK CURRAN**

**G Gross receipts \$** **726,689**

**H(a) Is this a group return for subordinates?** Yes  No

**H(b) Are all subordinates included?** Yes  No   
If "No," attach a list. (see instructions)

**I Tax-exempt status:** 501(c)(3)  501(c) ( **6** ) ◀ (insert no.) 4947(a)(1) or 527

**J Website:** ▶ **ALFAFISH.ORG**

**K Form of organization:**  Corporation  Trust  Association  Other ▶

**L Year of formation:** **1978** **M State of legal domicile:** **AK**

**H(c) Group exemption number:** ▶ \_\_\_\_\_

**Part I Summary**

<b>Activities &amp; Governance</b>	1 Briefly describe the organization's mission or most significant activities: <b>See Schedule O</b>			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
	3	Number of voting members of the governing body (Part VI, line 1a)	<b>9</b>	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	<b>9</b>	
	5	Total number of individuals employed in calendar year 2018 (Part V, line 2a)	<b>10</b>	
	6	Total number of volunteers (estimate if necessary)	<b>0</b>	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	<b>0</b>	
	7b	Net unrelated business taxable income from Form 990-T, line 38	<b>0</b>	
<b>Revenue</b>	8	Contributions and grants (Part VIII, line 1h)	<b>411,838</b>	<b>560,825</b>
	9	Program service revenue (Part VIII, line 2g)	<b>157,324</b>	<b>62,791</b>
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>332</b>	<b>337</b>
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>16,469</b>	<b>38,995</b>
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>585,963</b>	<b>662,948</b>
<b>Expenses</b>	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)		<b>0</b>
	14	Benefits paid to or for members (Part IX, column (A), line 4)		<b>0</b>
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<b>200,322</b>	<b>186,884</b>
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		<b>0</b>
	16b	Total fundraising expenses (Part IX, column (D), line 25) ▶	<b>0</b>	
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	<b>323,438</b>	<b>437,219</b>
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<b>523,760</b>	<b>624,103</b>	
19	Revenue less expenses. Subtract line 18 from line 12	<b>62,203</b>	<b>38,845</b>	
<b>Net Assets or Fund Balances</b>	20	Total assets (Part X, line 16)	<b>263,745</b>	<b>345,593</b>
	21	Total liabilities (Part X, line 26)	<b>83,560</b>	<b>126,563</b>
	22	Net assets or fund balances. Subtract line 21 from line 20	<b>180,185</b>	<b>219,030</b>

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature of officer: \_\_\_\_\_ Date: \_\_\_\_\_  
**DICK CURRAN** **PRESIDENT**  
 Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name: **CHRISTINE E HARRINGTON** Preparer's signature: \_\_\_\_\_ Date: **11/10/19** Check  if self-employed PTIN: \_\_\_\_\_

Firm's name: ▶ **Christine E Harrington CPA, LLC** Firm's EIN: \_\_\_\_\_  
 Firm's address: ▶ **Sitka, AK 99835** Phone no.: **907-747-5500**

May the IRS discuss this return with the preparer shown above? (see instructions)

Yes  No

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response or note to any line in this Part III

**X**

**1** Briefly describe the organization's mission:

**See Schedule O**

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes  No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes  No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses \$ **624,103** including grants of \$ ) (Revenue \$ **62,791** )

**CONDUCT MARINE RESEARCH ASSOCIATED WITH THE LONGLINE FISHERIES AND ADVOCATE FOR INDUSTRY WITH GOVERNMENT REGULATORY AGENCIES**

**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**N/A**

**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**N/A**

**4d** Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses **624,103**

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		<b>X</b>
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	<b>X</b>	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		<b>X</b>
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	<b>X</b>	
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		<b>X</b>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		<b>X</b>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		<b>X</b>
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		<b>X</b>
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V		<b>X</b>
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI		<b>X</b>
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		<b>X</b>
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		<b>X</b>
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	<b>X</b>	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		<b>X</b>
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		<b>X</b>
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	<b>X</b>	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional		<b>X</b>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		<b>X</b>
14a Did the organization maintain an office, employees, or agents outside of the United States?		<b>X</b>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		<b>X</b>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV		<b>X</b>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV		<b>X</b>
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		<b>X</b>
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		<b>X</b>
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		<b>X</b>
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		<b>X</b>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II		<b>X</b>

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I		
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	X	
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2		
36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O.	X	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		

1a	8
1b	0

**Part V** Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
	<b>2a</b> 10		
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<b>X</b>	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year?		<b>X</b>
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O		
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		<b>X</b>
<b>b</b>	If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		<b>X</b>
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		<b>X</b>
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		<b>X</b>
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year		
	<b>7d</b>		
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the sponsoring organization make any taxable distributions under section 4966?		
<b>b</b>	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>a</b>	Gross income from members or shareholders	<b>11a</b>	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>	
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	<b>13a</b>	
<b>b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>	
<b>c</b>	Enter the amount of reserves on hand	<b>13c</b>	
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>	<b>X</b>
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	<b>14b</b>	
<b>15</b>	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	<b>15</b>	<b>X</b>
<b>16</b>	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	<b>16</b>	<b>X</b>



**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) <b>DICK CURRAN</b>	1.00									
<b>PRESIDENT</b>	0.00	X		X				0	0	
(2) <b>JEFF FARVOUR</b>	1.00									
<b>VICE PRESIDENT</b>	0.00	X		X				0	0	
(3) <b>TERRY PERENSOVICH</b>	1.00									
<b>SECRETARY</b>	0.00	X		X				0	0	
(4) <b>CARINA NICHOLS</b>	1.00									
<b>TREASURER</b>	0.00	X		X				0	0	
(5) <b>FRANK BALOVICH</b>	1.00									
<b>BOARDMEMBER</b>	0.00	X						0	0	
(6) <b>RICHIE DAVIS</b>	1.00									
<b>BOARDMEMBER</b>	0.00	X						0	0	
(7) <b>STEVE FISH</b>	1.00									
<b>BOARDMEMBER</b>	0.00	X						0	0	
(8) <b>NORM PILLEN</b>	1.00									
<b>BOARDMEMBER</b>	0.00	X						0	0	
(9) <b>PHIL WYMAN</b>	1.00									
<b>BOARDMEMBER</b>	0.00	X						0	0	
(10)										
(11)										



**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns	<b>1a</b>					
	<b>b</b> Membership dues	<b>1b</b>	44,846				
	<b>c</b> Fundraising events	<b>1c</b>					
	<b>d</b> Related organizations	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>	410,985				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	104,994				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$						
	<b>h Total.</b> Add lines 1a-1f		560,825				
	<b>Program Service Revenue</b>	<b>2a</b> Program Service Revenue	Busn. Code 541700	62,791	62,791		
<b>b</b>							
<b>c</b>							
<b>d</b>							
<b>e</b>							
<b>f</b> All other program service revenue							
<b>g Total.</b> Add lines 2a-2f			62,791				
<b>Other Revenue</b>		<b>3</b> Investment income (including dividends, interest, and other similar amounts)		337			337
	<b>4</b> Income from investment of tax-exempt bond proceeds						
	<b>5</b> Royalties						
	<b>6a</b> Gross rents	(i) Real	(ii) Personal				
	<b>b</b> Less: rental exps.						
	<b>c</b> Rental inc. or (loss)						
	<b>d</b> Net rental income or (loss)						
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	<b>b</b> Less: cost or other basis & sales exps.						
	<b>c</b> Gain or (loss)						
	<b>d</b> Net gain or (loss)						
	<b>8a</b> Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	<b>a</b>		7,792			
		<b>b</b> Less: direct expenses	<b>b</b>	1,863			
<b>c</b> Net income or (loss) from fundraising events			5,929				
<b>9a</b> Gross income from gaming activities. See Part IV, line 19	<b>a</b>						
	<b>b</b> Less: direct expenses	<b>b</b>					
	<b>c</b> Net income or (loss) from gaming activities						
<b>10a</b> Gross sales of inventory, less returns and allowances	<b>a</b>		94,944				
	<b>b</b> Less: cost of goods sold	<b>b</b>	61,878				
	<b>c</b> Net income or (loss) from sales of inventory		33,066	33,066			
<b>Miscellaneous Revenue</b>	<b>11a</b>	Busn. Code					
	<b>b</b>						
	<b>c</b>						
	<b>d</b> All other revenue						
	<b>e Total.</b> Add lines 11a-11d						
	<b>12 Total revenue.</b> See instructions.			662,948	95,857	0	337

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

**X**

**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	172,056			
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	14,828			
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	14,055			
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	96,226			
12 Advertising and promotion	1,715			
13 Office expenses	4,275			
14 Information technology				
15 Royalties				
16 Occupancy	11,355			
17 Travel	27,503			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	4,074			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <b>PROGRAM SUPPLIES</b>	268,288			
b <b>VOLUNTEER STIPENDS</b>	5,000			
c <b>RESEARCH COSTS</b>	4,728			
d				
e All other expenses				
25 <b>Total functional expenses.</b> Add lines 1 through 24e	624,103	0	0	0
26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year	
<b>Assets</b>	1	Cash—non-interest bearing	76,509	1	148,940
	2	Savings and temporary cash investments	66,277	2	1,406
	3	Pledges and grants receivable, net	80,596	3	89,814
	4	Accounts receivable, net	9,824	4	14,399
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	30,189	8	5,664
	9	Prepaid expenses and deferred charges	350	9	450
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b	Less: accumulated depreciation	10b	10c	
	11	Investments—publicly traded securities		11	
	12	Investments—other securities. See Part IV, line 11		12	
	13	Investments—program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11		15	84,920
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	263,745	16	345,593	
<b>Liabilities</b>	17	Accounts payable and accrued expenses	8,750	17	74,257
	18	Grants payable		18	
	19	Deferred revenue	74,810	19	52,306
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	<b>Total liabilities.</b> Add lines 17 through 25	83,560	26	126,563
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	180,185	27	219,030
	28	Temporarily restricted net assets		28	
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	<b>Total net assets or fund balances</b>	180,185	33	219,030	
34	<b>Total liabilities and net assets/fund balances</b>	263,745	34	345,593	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	662,948
2	Total expenses (must equal Part IX, column (A), line 25)	2	624,103
3	Revenue less expenses. Subtract line 2 from line 1	3	38,845
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	180,185
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	219,030

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: Cash <input type="checkbox"/> Accrual <input checked="" type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		<input checked="" type="checkbox"/>
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	<input checked="" type="checkbox"/>	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	<input checked="" type="checkbox"/>	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		<input checked="" type="checkbox"/>
3b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

**Schedule B**(Form 990, 990-EZ,  
or 990-PF)Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

OMB No. 1545-0047

**2018**

- ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

Name of the organization

**ALASKA LONGLINE FISHERMENS  
ASSOCIATION**

Employer identification number

[REDACTED]

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

 501(c)( **6** ) (enter number) organization4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33<sup>1</sup>/<sub>3</sub>% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000; or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year

▶ \$

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2018)

Name of organization

**ALASKA LONGLINE FISHERMENS**

Employer identification number

**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	N/A	\$ 353,943	Person <input checked="" type="checkbox"/> Payroll Noncash (Complete Part II for noncash contributions.)
2	N/A	\$ 93,340	Person <input checked="" type="checkbox"/> Payroll Noncash (Complete Part II for noncash contributions.)
3	N/A	\$ 10,852	Person <input checked="" type="checkbox"/> Payroll Noncash (Complete Part II for noncash contributions.)
4	N/A	\$ 5,852	Person <input checked="" type="checkbox"/> Payroll Noncash (Complete Part II for noncash contributions.)
5	N/A	\$ 26,165	Person <input checked="" type="checkbox"/> Payroll Noncash (Complete Part II for noncash contributions.)
6	N/A	\$ 25,025	Person <input checked="" type="checkbox"/> Payroll Noncash (Complete Part II for noncash contributions.)

**SCHEDULE C**  
**(Form 990 or 990-EZ)**

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

For Organizations Exempt From Income Tax Under section 501(c) and section 527

**2018**

Department of the Treasury  
Internal Revenue Service

- ▶ Complete if the organization is described below.
- ▶ Attach to Form 990 or Form 990-EZ.
- ▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

**Open to Public Inspection**

If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization **ALASKA LONGLINE FISHERMENS ASSOCIATION** Employer identification number **[REDACTED]**

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV. (see instructions for definition of "political campaign activities")
- 2 Political campaign activity expenditures (see instructions) ▶ \$
- 3 Volunteer hours for political campaign activities (see instructions)

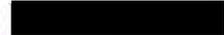
**Part I-B Complete if the organization is exempt under section 501(c)(3).**

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? Yes No
- 4a Was a correction made? Yes No
- b If "Yes," describe in Part IV.

**Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file Form 1120-POL for this year? Yes No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				



**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

- A** Check  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check  if the filing organization checked box A and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying)			
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)			
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)			
<b>d</b> Other exempt purpose expenditures			
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)			
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.			
<b>If the amount on line 1e, column (a) or (b) is:</b>	<b>The lobbying nontaxable amount is:</b>		
Not over \$500,000	20% of the amount on line 1e.		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.		
Over \$17,000,000	\$1,000,000.		
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)			
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0-			
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0-			
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		Yes	No

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the separate instructions for lines 2a through 2f.)

**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in)	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column (e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					





**SCHEDULE D  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**

Open to Public Inspection

Name of the organization

**ALASKA LONGLINE FISHERMENS ASSOCIATION**

Employer identification number

[REDACTED]

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		Yes No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		Yes No

**Part II Conservation Easements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply). Preservation of land for public use (e.g., recreation or education) Protection of natural habitat Preservation of open space Preservation of a historically important land area Preservation of a certified historic structure	
2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.	<b>Held at the End of the Tax Year</b>
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d
3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶	
4 Number of states where property subject to conservation easement is located ▶	
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?	Yes No
6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶	
7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$	
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?	Yes No
9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.	

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.	
b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:	
(i) Revenue included on Form 990, Part VIII, line 1	▶ \$
(ii) Assets included in Form 990, Part X	▶ \$
2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:	
a Revenue included on Form 990, Part VIII, line 1	▶ \$
b Assets included in Form 990, Part X	▶ \$

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a** Public exhibition
  - b** Scholarly research
  - c** Preservation for future generations
  - d** Loan or exchange programs
  - e** Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- |  | Amount    |
|--|-----------|
| <b>c</b> Beginning balance             | <b>1c</b> |
| <b>d</b> Additions during the year     | <b>1d</b> |
| <b>e</b> Distributions during the year | <b>1e</b> |
| <b>f</b> Ending balance                | <b>1f</b> |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

**Part V Endowment Funds.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance					
<b>b</b> Contributions					
<b>c</b> Net investment earnings, gains, and losses					
<b>d</b> Grants or scholarships					
<b>e</b> Other expenditures for facilities and programs					
<b>f</b> Administrative expenses					
<b>g</b> End of year balance					

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment %
- b** Permanent endowment %
- c** Temporarily restricted endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i)** unrelated organizations
- (ii)** related organizations

	Yes	No
<b>3a(i)</b>		
<b>3a(ii)</b>		
<b>3b</b>		

**b** If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R?

**4** Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land				
<b>b</b> Buildings				
<b>c</b> Leasehold improvements				
<b>d</b> Equipment				
<b>e</b> Other				

**Total.** Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) ▶

**Part VII Investments—Other Securities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments—Program Related.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) <b>QUOTA SHARE HELD FOR LEASE</b>	<b>84,920</b>
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	<b>84,920</b>

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶		

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements		<b>1</b>	<b>662,948</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
<b>a</b>	Net unrealized gains (losses) on investments	<b>2a</b>		
<b>b</b>	Donated services and use of facilities	<b>2b</b>		
<b>c</b>	Recoveries of prior year grants	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>		
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>		<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>		<b>3</b>	<b>662,948</b>
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>		
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>		<b>4c</b>	
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.)		<b>5</b>	<b>662,948</b>

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements		<b>1</b>	<b>624,103</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
<b>a</b>	Donated services and use of facilities	<b>2a</b>		
<b>b</b>	Prior year adjustments	<b>2b</b>		
<b>c</b>	Other losses	<b>2c</b>		
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>		
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>		<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>		<b>3</b>	<b>624,103</b>
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>		
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>		
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>		<b>4c</b>	
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.)		<b>5</b>	<b>624,103</b>

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.



**SCHEDULE L**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Transactions With Interested Persons**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2018**

Open To Public  
Inspection

Name of the organization

ALASKA LONGLINE FISHERMENS  
ASSOCIATION

Employer identification number

[REDACTED]

**Part I Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$ \_\_\_\_\_

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

1	(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the org.?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
				To	From			Yes	No	Yes	No	Yes	No
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													

Total ▶ \$ \_\_\_\_\_

**Part III Grants or Assistance Benefiting Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

1	(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					



**SCHEDULE O**  
(Form 990 or 990-EZ)Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ**Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2018****Open to Public  
Inspection**

Name of the organization

**ALASKA LONGLINE FISHERMENS  
ASSOCIATION**

Employer identification number

**Form 990 - Organization's Mission**

ALFA IS AN ASSOCIATION OF INDEPENDENT LONGLINE FISHERMEN WHO ARE COMMITTED TO CONTINUING THE SUSTAINABLE HARVEST OF SABLEFISH, HALIBUT, AND GROUND FISH, WHILE SUPPORTING HEALTHY MARINE ECOSYSTEMS AND STRONG COASTAL COMMUNITIES.

**Form 990, Part VI, Line 6 - Classes of Members or Stockholders**

MEMBERSHIP IN THE ORGANIZATION IS AVAILABLE TO ANY INDIVIDUAL WITH AN INTEREST IN LONGLINE FISHERIES. MEMBERSHIP REQUIRES ONLY THE PAYMENT OF ANNUAL DUES.

**Form 990, Part VI, Line 11b - Organization's Process to Review Form 990**  
BOARD MEMBERS CAN REVIEW AN ELECTRONIC COPY OF FORM 990 PRIOR TO IT BEING FILED.

**Form 990, Part VI, Line 19 - Governing Documents Disclosure Explanation**  
DOCUMENTS ARE AVAILABLE FOR REVIEW DURING REGULAR BUSINESS HOURS AT ORGANIZATION OFFICES.

**Form 990, Part IX, Line 11g - Other Fees for Services****Description**

Tot/Prog Service

Mgt &amp; General

Fundraising

**Other Fees**

\$ 96,226

\$ 0

\$ 0

**Federal Statements**

FYE: 12/31/2018

**Taxable Interest on Investments**

<u>Description</u>	<u>Amount</u>	<u>Unrelated Business</u>	<u>Exclusion Code</u>	<u>Postal Code</u>	<u>Acquired after 6/30/75</u>	<u>US Obs (\$ or %)</u>
	\$ <u>337</u>			14		
Total	\$ <u><u>337</u></u>					

### Federal Statements

FYE: 12/31/2018

#### Form 990, Part IX, Line 11g - Other Fees for Service (Non-employee)

<u>Description</u>	<u>Total Expenses</u>	<u>Program Service</u>	<u>Management &amp; General</u>	<u>Fund Raising</u>
Other Fees	\$ 96,226	\$ 96,226	\$	\$
Total	<u>\$ 96,226</u>	<u>\$ 96,226</u>	<u>\$ 0</u>	<u>\$ 0</u>

## Renee Wheat

---

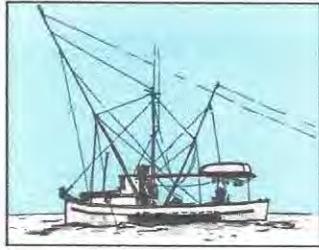
**From:** Alaska Trollers <alaskatrollers@gmail.com>  
**Sent:** Wednesday, May 20, 2020 3:12 PM  
**To:** Renee Wheat  
**Subject:** Alaska Trollers Association fef grant proposal  
**Attachments:** ATA FEF Grant Packet.pdf

Hi Renee,

Please find the ATA fef grant proposal packet attached to this email.

Thank you,

*Amy Daugherty*  
*Executive Director*  
*Alaska Trollers Association*  
*130 Seward Street #205*  
*Juneau, AK 99801*  
*(907) 957-8004*



## Alaska Trollers Association

130 Seward #205  
Juneau, AK 99801  
(907) 586-9400  
alaskatrollers@gmail.com

March 20, 2020

Dear Mayor Paxton and Members of the Assembly of the City and Borough of Sitka,

The Alaska Trollers Association is requesting consideration of a grant of \$5,000 from the Fisheries Enhancement Fund.

### *How will successful use of the FEF grant enhance Sitka's present and future salmon fisheries?*

The funds will help fight back against new, serious and threatening lawsuit. The case is against the National Marine Fisheries Service's decision to issue an Endangered Species Act Incidental Take Permit that would allow for harvest of threatened species taken in the Troll Fishery under the terms of the Treaty, and other aspects of the NMFS biological opinion. Because it will take time to address the issues raised in the lawsuit WFC is asking that Trolling in Federal waters be prohibited until all aspects of the case are decided. If the injunction is upheld the EEZ will be closed July 1 and fishing prohibitions may extend into other seasons and areas if the biological opinion is reopened for revision.

The NMFS biological opinion made the finding that:

*the proposed action is not likely to jeopardize the continued existence of... (threatened)  
Chinook Salmon, and the Southern Resident Killer Whale...*

For the complete citation see the attachment, "[More about the lawsuit.](#)"

Wild Fish Conservancy is challenging that finding, and other aspects of the biological opinion. See attachment, "[More about the lawsuit.](#)"

If granted, the injunction will have an economically costly and seriously disruptive consequence to Sitka's commercial troll, recreational and charter fisheries.

If Trolling is closed outside of three miles for the duration of the summer, access to traditional fishing areas will be lost, and the opportunity to harvest coho salmon will be forgone as well. Please see the attached figure, Exhibit 8 - Coho, illustrating typical Chinook and Coho catch composition of the summer troll fishery in the EEZ. Millions of dollars of Coho will not be landed and processed in Sitka this year.

Also, imagine the impact of having the entire Troll fleet fishing Chinook right on top of residents and charters fishing close to town. It will be a complete mess. It is likely that it will take more time than the usual summer troll opening to harvest the Troll Chinook quota with the offshore areas closed. This will only prolong stress between our fishermen as they struggle to survive the low quota and low bag limits that this season will bring. We cannot afford to allow outside interests to cause this kind of disruption to our fisheries.

ATA had no choice but to fight to protect the fishery from disruption this summer. Especially when we learned that the State of Alaska would not be intervening to fight the injunction. Whether or not the State will intervene at some future date on the overall lawsuit is an unanswered question.

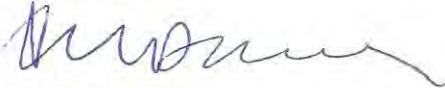
The ATA Board has vowed to remain dedicated and engaged and has been hard at work fundraising. Our recent telethon appeal to members generated over \$10,000 in donations to the ATA Legal fund. The City of Craig just donated \$2,500.

ATA is appealing to you, the members of the Assembly, to act in the interests of the community by making a contribution from the Fisheries Enhancement Fund to help fight to protect Sitka's fishing economy.

Thank you for consideration of this request.

Although I will not be able to travel to Sitka to present this request personally, Sitka members of the ATA Board of Directors will speak to the request when it is scheduled on the Assembly Agenda.

Yours Truly,



Amy Daugherty  
Executive Director Alaska Trollers Association

Attachments:

"More about the lawsuit"

History of ATA

Exhibit 8 - Coho and Chinook harvested in the EEZ

Financial Statements

Board of Directors

## More About The Lawsuit...and the WFC

NMFS made the finding that:

*“After reviewing and analyzing the current status of the listed species and critical habitat, the environmental baseline within the action area, the effects of the proposed action, any effects of interrelated and interdependent activities, and cumulative effects, it is NMFS biological opinion that the proposed action is not likely to jeopardize the continued existence of the Lower Columbia River Chinook Salmon, the upper Willamette River Chinook Salmon, the Snake River fall-run Chinook Salmon, and Puget Sound Chinook Salmon ESU’s, and the Southern Resident Killer Whale distinct population segment,...or destroy or adversely modify their designated critical habitats.”*

on Page 325, Section 2.8, Conclusion. NMFS Biological opinion WCR-2018-10660

This is the wording of the injunction:

*“Plaintiff Wild Fish Conservancy (“Conservancy”) hereby moves under Rule 65(a) for a preliminary injunction and respectfully requests the Court enter an order staying the National Marine Fisheries Service’s (“NMFS”) authorizations of commercial Chinook salmon fisheries in federal waters off the coast of Southeast Alaska, set to commence on July 1, to protect imperiled Southern Resident Killer Whales while this matter is pending and while NMFS complies with the Endangered Species Act (“ESA”) and the National Environmental Policy Act (“NEPA”).*

Simply put, there are three main areas of the lawsuit questioning the conclusions of the NMFS Biological opinion,

- Too many fish are being caught in Alaska that should go to Orcas instead, and
- NMFS should have done NEPA, and
- NMFS is proposing a hatchery program to make up for the loss of fish that are being taken in Alaska, and
  - the hatchery program could threaten wild stocks, and
  - the hatchery program is relying on Congressional funding that is not guaranteed to be appropriated.

The overall lawsuit is part of a strategy begun by The Wild Fish Conservancy in January of this year, when the original “Notice of Intent to Sue” was filed. WFC strategy is to exaggerate and sensationalize the impacts of the Alaska fisheries on Southern Resident Killer Whales. The crisis of starving baby killer whales caused by an over harvest of Chinook in Alaska is the rationale of a fundraising drive that casts WFC as the “true champions “ of fisheries accountability and activism to protect SRKW.

WFC challenges the deferral of the North Pacific Fisheries Management Council fisheries’ management in the EEZ to the State of Alaska. This deferral has never before been challenged and has been annually approved in a Council management plan between NMFS and the State since 1985.

Ironically, the WFC is actively promoting a come-back for Fish Traps as a harvesting tool. Their twist is to use Fish Traps in terminal areas and in the Columbia River to harvest fish surplus to escapement. They have publicly stated agenda of eliminating the harvest of ocean bright Chinook salmon because the harvest occurs in mixed stock ocean areas. Their website castigates the Alaskan fisheries for their commercial harvest being 97% of non-Alaskan origin. They ignore the fact that the harvest composition has been known for many years, which is why the State signed the Pacific Salmon Treaty in 1985...to cooperate in management and production of a shared resource.

The lawsuit ignores Pacific Salmon Treaty harvest reductions made since 1985 that have passed 7,310,000 Chinook salmon to Canada, Washington and Oregon State. In the meantime, Puget Sound does not have a single Chinook-Technical-Committee-Approved escapement goal. That was their responsibility under the 1985 Treaty.

Please visit the WFC website for a firsthand look at what can only be described as propaganda. When you click on the links to the documents filled you will see these folks have deep pockets, experienced attorneys and the ability to cause grave damage. The website is: [wildfishconservancy.org](http://wildfishconservancy.org)

The injunction to close the fishery outside of State waters was filed April 16, 2020

On April 20, 2020, the ATA Board of Directors hired Thane Tiensen, an attorney experienced in Washington State Federal court, to file for Intervenor status. Mr. Tiensen is with the firm Landye, Bennett and Blumstein LLP, of Portland.

Intervener status was granted and ATA's attorney has been working with our Board members and Treaty representative, Deb Lyons, reviewing the Biological Opinion and documents filed by WFC. Declarations have been submitted to the court and we have composed our facts our facts to counter the claims. Documents from ATA and NMFS were filed with the court on May 11th, 2020. We are awaiting review by a magistrate and judge on whether Trolling will be allowed in Federal waters this summer. The decision may not be made until just days before the fishery is set to open.

Hopefully the Judge will agree that the benefits to closing the fishery to Orcas are small and outweighed by economic harm to fishermen and the harm disruption to established regulatory processes will cause. Other questions raised in the suit may not be quickly decided and may drag on to produce unknown effects on fisheries management in future years.

## ATA Mission and History

**ATA Mission Statement: To promote and protect the Alaska troll fishery and to support sound management and conservation.**

ATA was formed in 1925 to represent Alaska salmon trollers. The organization filed Non Profit Articles of Incorporation in April of 1977 and is today in Good Standing with the State of Alaska.

Among Alaska resident power troll permit holders, Sitka residents are predominant, accounting for 40% of the Alaska resident harvest and 35% of the total troll harvest in 2018.

In 2018, Southeast's power troll fishery accounted for a harvest of 13.4 million pounds of salmon (all species) with a total ex-vessel value of \$28.4 million. That same year, 669 permits were fished, representing 70% of all permits held. Today over 350 Trollers are active members of ATA, more than half of those that fished in 2018.

ATA members elect 12 power and 1 hand troll representatives who serve for two-year terms. The Board seats are geographically assigned to reflect the varied interests of Trollers throughout the Southeast economy. Washington State fishermen have trolled in Southeast for years and therefore have representation on the ATA Board.

ATA represents trollers and the organization works to strengthen the statewide and regional fisheries economy through active membership in United Fishermen of Alaska. ATA Board members also serve on the Seafood Producers Board of Directors and on the NSRAA and SSRAA and Armstrong-Keta Aquaculture Boards. ATA Collaborates with groups like the Alaska Longline Fishermen's Association, Chinook Futures Coalition, Sitka Conservation Society and SalmonState.

ATA has advocated for fishermen's interests throughout many significant events, from Statehood to the advent of Limited Entry. ATA represents Trollers at Alaska State Legislative hearings, and the Board of Fisheries and North Pacific Management Council regulatory processes. ATA provides comment and perspective in the Federal register concerning the Endangered Species Act and the Marine Mammal Protection Act.

ATA nominates individuals to be appointed to the Northern Panel of the Pacific Salmon Treaty to the Office of the Governor. In 2019, At ATA's request, Deborah Lyons was reappointed as the Troll Panel member.

ATA supports healthy habitat for salmon and has commented on regional issues to protect spawning habitat such as the Transboundary Rivers effort to control mining waste discharges, the State Forest Practices Act stream side buffers, the Tongass National Forest management plans, and Congressional legislation that directly effects spawning and rearing habitat for salmon.

ATA maintains a close working relationship with the Alaska Department of Fish and Game as they manage the fishery in-season. For many years ATA conducted log book and call-in programs to improve data and management. One of our Board members is spearheading a program to fund and resurrect the collection of data by the troll fleet to help inform issues of climate change, forage and feed for salmon, and other data.

ATA is proud of our participation in cooperative projects, such as efforts to help restore habitat in the Klawock watershed, and our work to recover and report illegal high seas fishing gear.

Exhibit 8

99

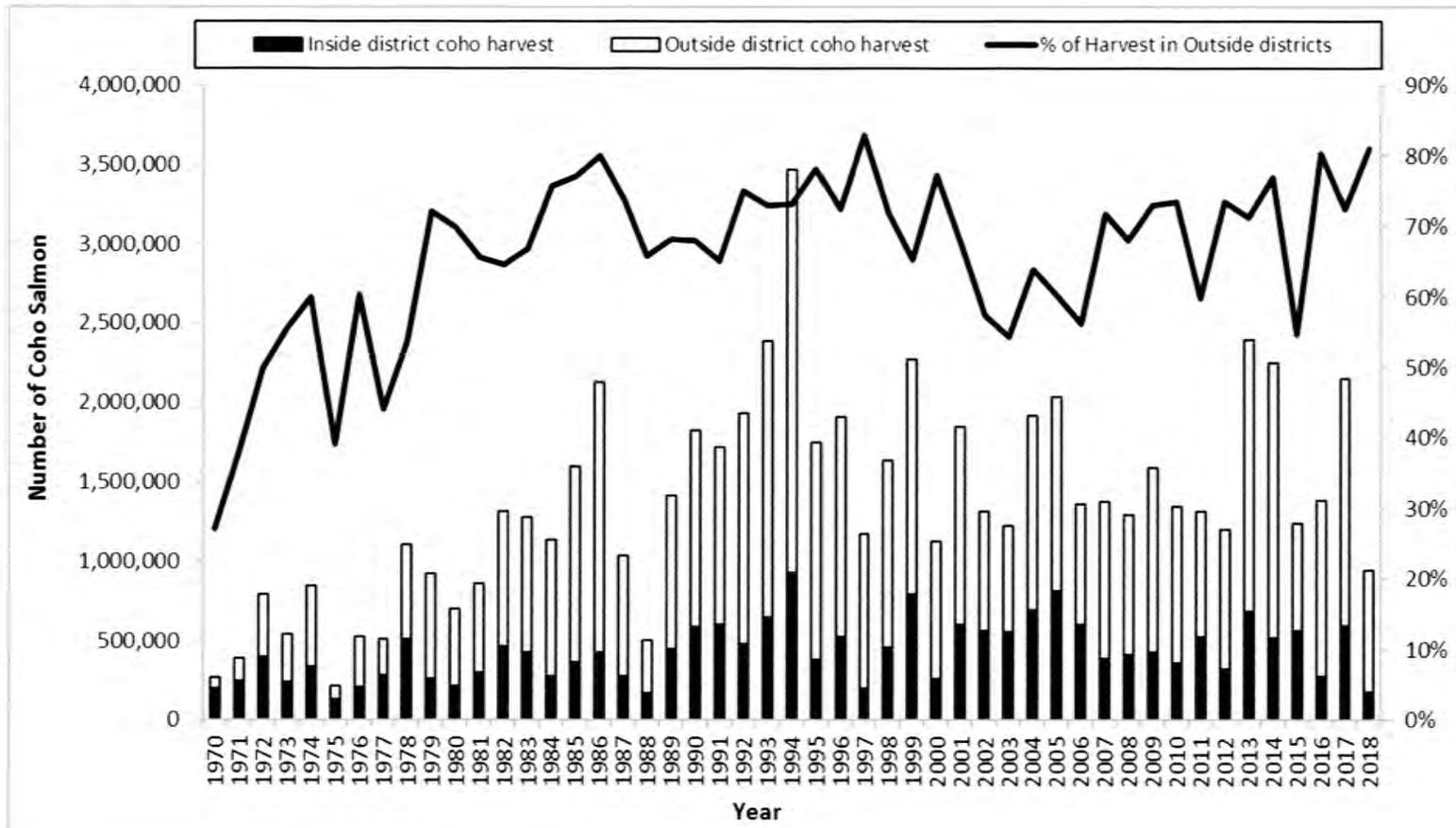


Figure 4.—Southeast Alaska troll coho salmon harvest in the outside (Gulf of Alaska) districts, the inside districts and the percentage of the harvest taken in the outside districts, 1970–2018.

Note: Outside districts are 103, 104, 113, 116, 152, 154, 156, 157, 181, 183, 189, 191; inside districts are 101, 102, 105, 106, 107, 108, 109, 110, 111, 112, 114, 115.

Alaska Trollers Association  
**Balance Sheet**  
As of March 31, 2020

	<u>Mar 31, 20</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Paypal	52.10
Wells Fargo - General Checking	14,059.83
Wells Fargo -- Gaming Account	1,378.93
Wells Fargo -- Legal Checking	2,714.24
Northrim--MasterCard/Visa	2,818.07
Wells Fargo -- Savings	24,007.39
<b>Total Checking/Savings</b>	<u>45,030.56</u>
<b>Total Current Assets</b>	45,030.56
<b>Fixed Assets</b>	
Office Furniture	2,578.00
Accumulated Depreciation	<u>-2,578.00</u>
<b>Total Fixed Assets</b>	<u>0.00</u>
<b>TOTAL ASSETS</b>	<b><u>45,030.56</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Other Current Liabilities	
Payroll Liabilities	<u>102.00</u>
<b>Total Other Current Liabilities</b>	<u>102.00</u>
<b>Total Current Liabilities</b>	<u>102.00</u>
<b>Total Liabilities</b>	102.00
<b>Equity</b>	
Retained Earnings	48,917.29
Net Income	<u>-3,988.73</u>
<b>Total Equity</b>	<u>44,928.56</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>45,030.56</u></b>

Alaska Trollers Association  
**Profit & Loss**  
January through March 2020

---

	<u>Jan - Mar 20</u>
Ordinary Income/Expense	
Income	
Interest Income	2.14
Memberships	24,268.94
Raffle Income	1,340.00
<b>Total Income</b>	<u>25,611.08</u>
<b>Gross Profit</b>	25,611.08
Expense	
Accounting	521.07
Attorney Fees	304.50
Contributions	300.00
Employee Expense	1,500.00
Lobby Expense	44.22
Membership	2,195.00
Membership Promotion	25.00
Office Supplies	225.00
Payroll Expenses	13,500.00
Payroll Taxes	1,224.75
Postage	155.65
Printing\Reproduction	149.04
Raffle Expense	350.00
Rent	3,108.09
Service Charges	281.24
Telephone & Cable	706.88
Board Expense	720.00
Travel Expense	4,289.37
<b>Total Expense</b>	<u>29,599.81</u>
<b>Net Ordinary Income</b>	<u>-3,988.73</u>
<b>Net Income</b>	<u><u><b>-3,988.73</b></u></u>

ATA BOARD MEMBERS 2020

MATT DONOHOE - PRESIDENT

[REDACTED]  
SITKA, AK 99835  
[REDACTED]  
[REDACTED]

THATCHER BROUWER - SECRETARY

[REDACTED]  
JUNEAU, AK 99801  
[REDACTED]  
[REDACTED]

JIM MOORE

[REDACTED]  
SITKA, AK 99835  
[REDACTED]  
[REDACTED]

TIM O'CONNOR

[REDACTED]  
CRAIG, AK 99921  
[REDACTED]  
[REDACTED]

BEN ATWOOD

[REDACTED]  
WARD COVE, AK 99928  
[REDACTED]  
[REDACTED]

CRAIG RING

[REDACTED]  
KETCHIKAN, AK 99801  
[REDACTED]  
[REDACTED]

PAUL OLSEN

[REDACTED]  
LEAVENWORTH, WA 98826  
[REDACTED]  
[REDACTED]

TAD FUJIOKA - VICE PRES

[REDACTED]  
SITKA, AK 99835  
[REDACTED]  
[REDACTED]

KEN MCGEE - TREASURER

[REDACTED]  
JUNEAU, AK 99801  
[REDACTED]  
[REDACTED]

BRETT STILLWAUGH

[REDACTED]  
WRANGELL, AK 99929  
[REDACTED]  
[REDACTED]

MATT LAWRIE

[REDACTED]  
SITKA, AK 99835  
[REDACTED]  
[REDACTED]

JOEL BRADY-POWER

[REDACTED]  
BELLINGHAM, WA 98229  
[REDACTED]  
[REDACTED]

MARK ROBERTS

[REDACTED]  
PETERSBURG, AK 99833  
[REDACTED]  
[REDACTED]



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: RES 20-20    Version: 1    Name:

Type: Resolution    Status: AGENDA READY

File created: 6/3/2020    In control: City and Borough Assembly

On agenda: 6/9/2020    Final action:

Title: Authorizing a 50/50 matching grant application to the Office of Justice Program - Bulletproof Vest Partnership

Sponsors:

Indexes:

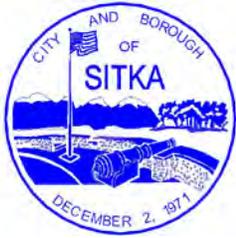
Code sections:

Attachments: [Motion Res 2020-20](#)  
[Memo Res 2020-20](#)  
[Res 2020-20](#)

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

**I MOVE TO** approve Resolution 2020-20 authorizing a 50/50 matching grant application to the Office of Justice Program – Bulletproof Vest Partnership.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members

**Thru:** John Leach, Municipal Administrator 

**From:** Chief Robert Baty

**Date:** May 18, 2020

**Subject:** Approval of Application for Bulletproof Vest Partnership Grant

---

### **Background**

The Office of Justice Programs has an annual 50/50 matching grant through the Bulletproof Vest Partnership for the reimbursement of bulletproof vest purchases. These vests are the type that are worn under a uniform shirt. The Sitka Police Department has historically applied for this grant every year since 2003, with awards ranging from \$1,400 to \$4,000.

### **Analysis**

This year's grant request would be for reimbursements of up to \$3,137.50 and expire on 8/31/2022. Those funds would cover reimbursement for 50% of approximately 8 vests.

### **Fiscal Note**

This is a 50/50 matching grant. The Police Department purchases the vests and then submits for reimbursement for 50% of the cost of the vest. This saves CBS 50% of the cost of the bulletproof vest, which have to be purchased for new officers and/or replaced every 5 years. This is a regularly budgeted item and will not require a supplemental appropriation.

### **Recommendation**

SPD requests approval to apply for the Bulletproof Vest Partnership Grant.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2020-20

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA AUTHORIZING A 50/50 MATCHING GRANT APPLICATION TO THE OFFICE OF JUSTICE PROGRAM – BULLETPROOF VEST PARTNERSHIP

WHEREAS, the City and Borough of Sitka Police Department seeks to obtain financial assistance to purchase the required bulletproof vests for officers; and

WHEREAS, the Office of Justice has a 50/50 Federal Matching Grant program thru the Bulletproof Vest Partnership; and

WHEREAS, the Federal Matching Grant program will provide 50% reimbursement for the purchase of all standard issue bulletproof vests; and

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka that the Administrator is authorized to apply to the Office of Justice Program – Bulletproof Vest Partnership for the reimbursement of bulletproof vests.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 9th day of June, 2020.

Gary L. Paxton, Mayor

ATTEST:

Sara Peterson, MMC  
Municipal Clerk

1st and final reading 6/9/2020

Sponsor: Administrator



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: RES 20-21    Version: 1    Name:

Type: Resolution    Status: AGENDA READY

File created: 6/3/2020    In control: City and Borough Assembly

On agenda: 6/9/2020    Final action:

Title: Authorizing the Municipal Administrator to apply for and execute a grant with the Alaska Sustainable Salmon Fund for \$125,000 to support the Peterson Storm Sewer Rehabilitation Project

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Res 2020-21](#)  
[Memo Res 2020-21](#)  
[Res 2020-21](#)

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

**I MOVE TO** approve Resolution 2020-21 authorizing the Municipal Administrator to apply for and execute a grant with the Alaska Sustainable Salmon Fund for \$125,000 to support the Peterson Storm Sewer Rehabilitation Project.



# City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

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## MEMORANDUM

**To:** Mayor Paxton and Assembly Members

**Thru:** John Leach, Municipal Administrator 

**From:** Michael Harmon, P.E., Public Works Director 

**Date:** May 29, 2020

**Subject:** Peterson Street Storm Sewer Rehabilitation Project  
Alaska Sustainable Salmon Fund (AKSSF) grant application

---

### Background

The Peterson Street Storm Sewer Rehabilitation Project will replace an existing 60" (5-foot) diameter culvert that conveys Peterson Creek deep below Peterson Street. The culvert is failing, especially the invert (bottom) of the pipe. Collapse of this pipe could flood the neighborhood upstream of Peterson Street and could make Peterson Street – a critical route for school bus traffic – unsafe or unpassable until repaired.

Public Works has been actively seeking grant funding for this project, knowing that natural resource agencies value the fish habitat improvements that would result. This grant application would be a continuation of that effort. CBS applied for funds from the AKSSF in 2018, but was unsuccessful.

### Analysis

The new culvert will be 15' wide by 7'9" tall, and will require demolition and replacement of pavement, curb and gutter, sidewalk and, potentially, water and sewer utilities. Peterson Street is a collector street that provides critical access to side streets and local residences as well as to Sitka High School. Because of this, the project is being scheduled in Summer of 2021, after the school year.

On December 3, 2015, Senior Engineer Dave Longtin and M&O Superintendent Harry Greene entered the culvert to observe its condition. The pipe was found to be out-of-round, especially in the part under Peterson Street, indicating loss of strength in the pipe. They also observed numerous holes along the bottom of the pipe, including a 10-inch wide by 5-foot long hole directly under the road and a completely rotted-out section for the final 12 feet upstream of the discharge.

Grant highlights:

- Proposals must be received by 12 p.m. on June 17, 2020.
- Notification letters (i.e., funding decision letters) will be sent to applicants by late December 2020.
- Proponents must contribute a 35% nonfederal match.
- Projects must be completed by November 30, 2023.
- Projects must directly relate to one or more of the AKSSF objectives found at [www.akssf.org](http://www.akssf.org).

CBS staff discussed this grant opportunity with the United States Fish and Wildlife Service (USFWS), who has provided funding for the project as well as technical support on previous grant applications to other funding agencies. USFWS recommended requesting \$125,000 from the AKSSF, feeling it struck a balance between asking for too much money and “leaving money on the table.” If this amount is awarded, it will require CBS to reserve \$43,750 from project funds to serve as match.

**Fiscal Note**

This project is fully funded. If additional grant funding is secured, unused CBS funds can be returned to the General Fund for future Assembly appropriations. The project would have approximately \$161,000 more than the Total Expected Cost if the budget request is approved and if we receive this Alaska Department of Fish & Game AKSSF grant.

If this grant is awarded, it would reduce the amount of General Funds needed for the project dollar for dollar, less any budget needed for administrative grant support.

source	secured	pending
General Fund	\$ 1,020,000	
USFWS Grants 1 and 2	\$ 140,000	
USFWS Grant 3		\$ 36,000
National Fish & Wildlife Foundation Grant	\$ 55,000	
AKSSF Grant <sup>1</sup>		\$ 125,000
<b>TOTAL</b>	<b>\$ 1,215,000</b>	<b>\$ 161,000</b>
<b>COMBINED TOTAL</b>	<b>\$ 1,376,000</b>	
<b>EXPECTED COSTS</b>	<b>\$ 1,215,000</b>	

<sup>1</sup> The subject of this memo: AK Dept. of Fish & Game AKSSF Grant.

As with all federal grants, these funds are costly to administer and fall under federal Uniform Guidance. Within the project budget, an allowance for administrative support will be included. Overall this will reduce the amount of General Fund working capital needed to complete this project.

**Recommendation**

Approve Resolution 2020-21 authorizing the City and Borough of Sitka (CBS) Municipal Administrator to apply for and execute a grant with the Alaska Sustainable Salmon Fund (AKSSF) for \$125,000 to support the Peterson Storm Sewer Rehabilitation project.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2020-21

A RESOLUTION OF THE CITY AND BOROUGH OF SITKA (CBS) AUTHORIZING THE MUNICIPAL ADMINISTRATOR TO APPLY FOR AND EXECUTE A GRANT WITH THE ALASKA SUSTAINABLE SALMON FUND (AKSSF) FOR \$125,000 TO SUPPORT THE PETERSON STORM SEWER REHABILITATION PROJECT

WHEREAS, the CBS-owned culvert conveying Peterson Creek under Peterson Street is badly corroded; and

WHEREAS, failure of the culvert would result in the flooding of the neighborhood upstream of the culvert and in the closure of Peterson Street to traffic until a replacement is made; and

WHEREAS, the AKSSF is soliciting applications for projects to protect, restore and conserve Pacific salmon and steelhead populations and their habitats; and

WHEREAS, the proposed culvert has been designed to improve the fish-passage characteristics of the existing, failing Peterson Street culvert.

NOW, THEREFORE, BE IT RESOLVED by the Assembly of the City and Borough of Sitka to authorize the CBS Municipal Administrator to apply for and execute a grant with the AKSSF for \$125,000 to support the Peterson Storm Sewer Rehabilitation Project.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 9th day of June, 2020.

Gary L. Paxton, Mayor

ATTEST:

Sara Peterson, MMC  
Municipal Clerk

1st reading 6/9/2020

Sponsor: Administrator