

CITY AND BOROUGH OF SITKA  
ORDINANCE NO. 00-1568

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA AMENDING TITLE 2  
OF THE SITKA GENERAL CODE ADDING CHAPTER 2.38, ESTABLISHING RULES AND  
PROCEDURES GOVERNING LEASES AND PROPERTY MANAGEMENT AT THE FORMER  
ALASKA PULP CORPORATION MILL SITE

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

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

3. PURPOSE. Unlike other property owned by the municipality, the former Alaska Pulp Corporation mill site was acquired not for governmental purposes from the state or federal government, but for economic development and disposal. In general, the property will not be used for public improvements. It will be leased or sold to individuals and corporations to develop business opportunities and provide jobs. For that reason, it is important to enact a procedure for property management and disposal at the site which more closely corresponds to private sector disposals.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that Title 2 of the Sitka General Code is amended to add Chapter 2.38, which shall read as follows:

- A. Chapter 2.38 Sawmill Cove Industrial Site
  - 2.38.010 Designation
  - 2.38.020 Sawmill Cove Industrial Park Board of Directors
  - 2.38.030 Board of Directors organization
  - 2.38.040 Vacancies
  - 2.38.050 Meetings
  - 2.38.060 Coordination
  - 2.38.070 Membership in associations
  - 2.38.080 General powers
  - 2.38.090 Leasing powers
  - 2.38.100 Adoption of regulations
  - 2.38.110 Sawmill Cove Industrial Park Director designated appointment
  - 2.38.120 Director duties and responsibilities
  - 2.38.130 Schedule of fees and charges
  - 2.38.140 Industrial Park fees
  - 2.38.150 Preparation and submission of a budget
  - 2.38.160 Other fiscal matters
  - 2.38.170 Employee relations
  - 2.38.180 Definitions

**2.38.010 Designation.**

The former Alaska Pulp Corporation mill site is designated as the Sawmill Cove Industrial Park (Sawmill Cove). As described in Exhibit A, attached hereto and incorporated herein by reference. The Sawmill Cove Industrial Park is a municipal department subject to assembly general oversight.

**2.38.020 Sawmill Cove Industrial Park Board of Directors.**

There is established the board of directors of the City and Borough of Sitka, which shall be known as the City and Borough of Sitka Sawmill Cove Industrial Park Board of Directors. The Sawmill Cove Industrial Park Board shall consist of five members appointed by the assembly to serve without compensation for staggered two-year terms. Terms shall commence on June 1.

No employee or the spouse of an employee or a member of the immediate family or household of a member of the board of the Sawmill Cove Industrial Park may be a member of the board. To the extent possible, appointments to the board shall include persons having marine, engineering, financial, or other skills relevant to industrial park matters. One member of the board shall hold a seat at large. The Conflict of Interest provisions set out in this code and the Charter shall apply to actions of the Board of Directors. A written disclosure by each board member of his or her ownership interests in lessees and lessee applicants shall be filed with the municipal clerk by March 15<sup>th</sup> annually.

Members of the Board of Directors shall serve at the pleasure of the Assembly and may be removed by the Assembly at any time.

**2.38.030 Board of Directors organization.**

The board shall elect annually from its members a chair and vice chair and such other officers as it deems necessary.

**2.38.040 Vacancies.**

(a) A vacancy shall exist under the following conditions:

(1) If a person appointed to membership fails to qualify and take office within thirty days of appointment;

(2) If a member departs from the city and borough with the intent to remain away for a period of ninety or more days;

(3) If a member submits his or her resignation to the assembly;

(4) If a member is physically unable to attend board and standing committee meetings for a period of more than ninety days; or

(5) If a member misses more than forty percent of the board and standing committee meetings in a twelve-month period.

(b) The chair of the board shall notify the assembly of any vacancy on the board. Upon notification, the assembly shall appoint a new member for the unexpired term.

**2.38.050 Meetings.**

The board shall meet at least once each month at a place and time to be designated by the chair. Meetings of the board or any duly constituted committee of the board shall be subject to the state and local open meeting laws.

#### 2.38.060 Coordination.

The board shall submit to the assembly, at least quarterly, a report on Industrial Park operations and pending issues.

The Municipal Administrator or his designee shall be made an ex-officio member of the board.

The board shall adopt safety policies acceptable to the municipal risk manager or such other officer as the Director may designate.

In emergencies the Industrial Park shall, to the extent necessary to resolve the emergency, be under the control of the fire chief or such other officer as the Municipal Administrator may designate.

#### 2.38.070 Membership in associations.

The Board of Directors may maintain membership in any local, state, or national group or association organized and operated for the promotion, improvement, or assistance in the administration of port and harbor facilities, or industrial park facilities and, in connection therewith, pay dues and fees thereto. The Assembly shall select one of its members to serve as the liaison to the Board.

#### 2.38.080 General powers.

(a) Subject to state laws and municipal ordinances, the Board of Directors shall generally exercise all powers necessary and incidental to operation of all Sawmill Cove Industrial Park facilities in the public interest and in a sound business manner. In particular, and without limitation on the foregoing, the board:

1. Shall be responsible for the operation, maintenance, development, and marketing of the municipally owned and operated Sawmill Cove Industrial Park, including such facilities as site development, docks, and facilities appurtenant thereto.
2. Shall approve annual budgets prepared by the Industrial Park Director to be submitted to the assembly for final approval and adoption.
3. Shall formulate and prepare Planning Documents for the ongoing development of the Industrial Park.
4. Shall enforce all rules and regulations necessary for the administration of the facilities under its management. Said rules and regulations shall be prepared and amended by the Board and subject to the final approval of the assembly before implementation.
5. Shall prescribe the terms under which persons and vessels may use the facilities and shall establish and enforce standards of operation, consistent with the Prospective Purchasers Agreement and the State of Alaska Department of Environmental Conservation Management Plan and the Conveyance Agreement with Alaska Pulp Corporation.
6. Shall, within the Industrial Park appropriation and in general conformity with the rates of pay established for municipal positions of similar responsibility, establish, and may amend, the pay plan for Industrial Park municipal employees.
7. Shall administer and dispose of tideland, submerged land, and other land identified by the assembly by ordinance as subject to Sawmill Cove Industrial Park administration, subject to the following limitations:

(A) Any sale, purchase, or trade of land other than short term lease (which may be approved by the Municipal Administrator) shall be subject to approval by the assembly by resolution.

(B) All land transactions by the board in accordance with this section shall be governed by this chapter rather than Title 18 of this code, as follows:

1. The long term leasing of all of the property at the Sawmill Cove Industrial Park is hereby authorized regardless of value.
2. Leases shall be granted to the highest responsible bidder unless the assembly, determines that because of the nature of the trust to be leased, the nature of the business being sought for the lease of seeking a lease, or the number of jobs to be produced, that competitive bidding is inappropriate and the terms of the proposed lease, including price, should be negotiated. Applications for non-bid dispositions shall be referred to the board for recommendations.

8. May propose capital improvement projects to and apply for funding from state and federal agencies; provided that such request shall be subject to prioritization by the assembly with other municipal capital improvement funding requests.

9. Shall, on behalf of the municipality, enter into memoranda of understanding, permit negotiations and similar agreements with public agencies for Industrial Park purposes. The board may negotiate and enter into contracts for goods and services pursuant to regulations set out in this ordinance; provided that all legal services shall be provided by or under the supervision of the Municipal Attorney. All services provided by a municipal agency other than the Municipal Attorney shall be pursuant to a memorandum of understanding or other instrument providing for payment or such other settlement as the Municipal Administrator and board may approve. Contracts for public improvements and, whenever practicable, other purchase of supplies, materials, equipment, and services, except professional services and services of officers and municipal employees, shall be by competitive bid and awarded to the lowest qualified bidder according to the procedures established in SGC Title 18. all contracts, and purchased items specifically identified within the Sawmill Cove Industrial Park budget shall not require prior assembly approval. All contracts and purchases shall require Municipal Administrator approval.

#### 2.38.090 Leasing powers.

All leases of land, whether uplands or tidelands, within the Sawmill Cove Industrial Park are subject to the leasing provisions set forth in this chapter.

#### 2.38.100 Adoption of regulations.

The Board of Directors shall adopt regulations for the administration of the industrial park. The Board shall submit regulations to the Assembly for review prior to final adoption.

#### 2.38.110 Sawmill Cove Industrial Park Director designated appointment.

The Director of the Sawmill Cove Industrial Park shall be the Director appointed by the assembly upon the affirmative recommendation of a majority of the entire board. The board shall interview and recommend candidates to Assembly for final approval. The Director serves at the pleasure of the board. For purposes of SGC Title 2, the Director shall have the status of a department head as defined in SCG Chapter 2.08. The Assembly shall establish the compensation and benefits to be provided to the Director.

The Assembly may alternatively elect to enter into a services contract with another entity to perform all duties and functions of the Director of the Sawmill Cove Industrial Park as described in Section 2.38.110 below.

#### 2.38.120 Director duties and responsibilities.

(a) The Director is responsible for the overall supervision and direction of the affairs of the Sawmill Cove Industrial Park. The authority and duties of the Director shall include the following:

1. To be responsible for carrying out all applicable laws, ordinances, rules, and regulations.
2. To be responsible for carrying out policies established by the Board of Directors and assembly.
3. To prepare and submit to the Board of Directors for approval, a plan of organization and a job classification plan for the personnel employed in the Sawmill Cove Industrial Park.
4. To prepare an annual budget as required by municipal ordinance.
5. To select, employ, control, and discharge all Sawmill Cove Industrial Park employees and such other employees as the Assembly by ordinance hereafter places under the supervision of the Director subject to the provisions of the municipal personnel policies, except that the Director may recommend changes to the personnel plan to allow for the peculiarities of the operation of Sawmill Cove Industrial Park.
6. To prepare such reports as may be required on any phase of Industrial Park activity.
7. To attend all meetings of the Board of Directors.
8. To perform any other duty that may be necessary in the interest of the Industrial Park area.

#### 2.38.130 Schedule of fees and charges.

1. A schedule of fees and charges for use of the Industrial Park Public Dock and other Industrial Park facilities shall be submitted to the Assembly annually or more often as deemed necessary, for approval.
2. The Assembly, prior to imposing any fee on activities related principally to or property located in the Sawmill Cove Industrial Park, shall consider the extent to which such fee is necessary to support municipal services delivered by or facilities provided by the municipality.

#### 2.38.140 Industrial Park fees.

(LEAVE BLANK FOR NOW. TO BE DETERMINED)

**2.38.150 Preparation and submission of a budget.**

The Director shall prepare the budget in accordance with approved city and borough procedure and format and shall submit it to the Board of Directors for approval and recommendation to the Assembly. The Board of Directors shall modify the budget as it deems necessary and forward it to the Municipal Administrator for transmittal to the Assembly. The board shall annually prepare and submit to the Municipal Administrator a proposed six-year capital improvements program for submittal to and consideration by the Assembly.

**2.38.160 Other fiscal matters.**

All other fiscal matters, including, but not limited to, custody of and expenditure of funds, accounting, and collection shall be governed by the municipal charter and ordinances.

**2.38.170 Employee relations.**

For purposes of that chapter, the Director is a municipal employee Department Head as defined in SGC 2. who formulates, determines, or effectuates management policies.

**2.38.180 Definitions.**

Whenever the following words and terms are used in this Title, they shall have the meaning ascribed to them in this Chapter, unless the context clearly indicates otherwise.

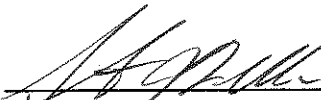
"Board" or "Board of Directors" means the Sawmill Cove Industrial Park Board.

"Boats" means all vessels, ships, boats, skiffs, and water craft of every kind and description, and aircraft using or present in the boat harbor. The essential element of a boat is that its purpose and use is navigation as a means of transportation.


"city and borough" means the City and Borough of Sitka, Alaska.

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage and shall sunset on June 30, 2002 unless reenacted by the Assembly of the City & Borough of Sitka.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska this 25<sup>th</sup> day of April, 2000.

  
 Stan J. Filler, Mayor

ATTEST:

  
 Linda Strickland  
 Acting Municipal Clerk

**EXHIBIT "A"**

Order Number: 99-S-5158

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

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

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

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

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

END OF LEGAL DESCRIPTIONS

