

CITY AND BOROUGH OF SITKA

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



Meeting Agenda

Tuesday, January 8, 2013

6:00 PM

Assembly Chambers

City and Borough Assembly

*Mayor Mim McConnell
Deputy Mayor Pete Esquiro,
Vice Deputy Mayor Thor Christianson,
Phyllis Hackett, Matthew Hunter, Mike Reif and Michelle Putz*

*Interim Municipal Administrator: John P. Sweeney III
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Colleen Ingman, MMC*

REGULAR MEETING**I. CALL TO ORDER****II. FLAG SALUTE****III. ROLL CALL****IV. CORRESPONDENCE/AGENDA CHANGES**

[13-102](#) Correspondence Attachments

Attachments: [COR010813](#)

Government-to-Government Update with Sitka Tribe of Alaska**V. PERSONS TO BE HEARD****VI. REPORTS****a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other****VII. CONSENT AGENDA**

A [12-180](#) Approve the minutes of the December 11, 2012 Assembly meeting

Attachments: [Draft Assembly Minutes December 11](#)

B [12-181](#) Reappoint 1) Peter Gorman to a three-year term on the Historic Preservation Commission, and 2) Carin Adickes to a three-year term on the Animal Hearing Board.

Attachments: [Motion Sheet reappointments](#)

C [13-007](#) Approve liquor license renewal applications for 1) BPO Elks Lodge #1662 at 412 Sawmill Creek Blvd, and, 2) Ernie's Bar at 130 Lincoln Street.

Attachments: [Liquor License Renewal Applications](#)

D [13-004](#) Approve replacing "Cross Trail Multimodal Pathway Phase II" in FY'14 Legislative Priorities with "Cross Trail Multimodal Pathway" in the amount of \$842,382.

Attachments: [Cross Trail Project](#)

Assembly member Reif wondered if there was a fallback plan if funding was not obtained. In answer, Public Works Director, Michael Harmon,

stated the project would be in a holding pattern until funding became available.

- E** [13-005](#) Award a contract to S&S General Contractors, in the amount of \$2,613,651.00, for the Base Bid and Additive Alternate No. 1A option for the Crescent Harbor and Centennial Hall Parking Lot Improvements project.

Attachments: [Crescent Harbor & Centennial Hall Parking Lot Improvements](#)

Reif questioned if there would be funds leftover after the project was complete to reallocate to other projects. Michael Harmon, Public Works Director, noted there was a possibility but was too early to tell. Lance Henrie, Senior Engineer, informed the project would start in the spring and be finished by end of summer.

- F** [13-006](#) Approve award of a Professional Services Contract to Moffatt & Nichol for the ANB Harbor Replacement Project on a time and materials basis for a not to exceed amount of \$527,765.

Attachments: [Award ANB Harbor Replacement Professional Services Contract](#)

Dan Tadic, Senior Engineer, noted the public would have an opportunity to comment on designs and configuration at an upcoming Port and Harbors Commission meeting.

VIII. UNFINISHED BUSINESS:

- G** [ORD 12-43A](#) Amending SGC Title 19 entitled "Building and Construction" to update existing provisions

Attachments: [Ordinance 2012-43A Title 19 Bldg](#)

[ORD 12-43A Passed](#)

Building Official, William Stortz, explained this was an update of the building, fire, mechanical and electrical codes.

Building Official, William Stortz, came forward to explain the Ordinance.

- H** [ORD 12-45](#) Updating Attachment A: Pay Matrix of the Personnel Policies Handbook

Attachments: [Ordinance 2012-45 Pay Matrix](#)

[ORD 12-45 Passed](#)

Human Resources Director, Mark Danielson, provided an overview. When the Assembly approved the FY13 budget, a 2% increase for non-representative employees was included. Ordinance 2012-45 documents that decision.

- I** [ORD 12-46A](#) Amending Sitka General Code Title 4, Chapter 9 entitled "Sales Tax" and making corresponding changes in Sitka General Code Title 4, Chapter 24 entitled "Hotel, Motel and Bed and Breakfast Transient Room Tax"

Attachments: [Ord 2012-46A Sales Tax](#)

[Ord 12-46A Passed](#)

Finance Director, Jay Sweeney, explained the ordinance had been two years in the making and represented the Sales Tax Department's efforts

to clean up inconsistencies in the Code, eliminate duplicated provisions, and help with clarification.

Assembly members asked questions of Sweeney on the following issues: sales of goods or services outside the City and Borough, annual reports filed by non-profit organizations, and improper use of purchase made with exemption certificate.

The Assembly further discussed issues such as seasonal sales tax, bonding, tax rates and exemptions, and the residential construction tax refund.

Assembly members asked questions of Finance Director, Jay Sweeney, related to certain exemptions: veterinary services, government funded agencies and persons who had reached the age of sixty-five.

- J** [ORD 13-04](#) Authorizing Amendment No. 1 to the Agreement for Material Sale from Municipally owned property with Southeast Earthmovers, Inc. at Site 5 of the Granite Creek Industrial Area

Attachments: [Ord 2013-04 SE Earthmovers Lease Amendment](#)

[Ord 13-04 Passed](#)

Municipal Attorney Hillhouse provided a summary of events leading up to this ordinance. Assembly Member Christianson thanked staff for working with all parties to reach a solution.

IX. NEW BUSINESS:

New Business First Reading

- K** [ORD 13-03](#) Consenting to the Assignment of Agreement for Material Sale from Municipally owned property to S&S General Contractors and Equipment Rentals, Inc. from Southeast Earthmovers, Inc.

Attachments: [Ord 2013-03 SE Earthmovers to S&S](#)

[Ord 13-03 Passed](#)

Municipal Attorney provided background information and noted there would be an amendment coming forward for in-kind service.

- L** [ORD 12-47](#) Authorizing Amendment No. 1 to the lease agreement with S&S General Contractors & Equipment Rentals Inc. regarding property at the Granite Creek Industrial Area, "Pit Run" Site

Attachments: [Ord 2012-47 S&S Pit Run Site](#)

[ORD 12-47 Passed](#)

- M** [ORD 13-01](#) Authorizing the issuance of harbor facilities revenue bonds in the principal amount of not to exceed \$4,600,000 to finance a portion of the cost of certain capital improvements to Sitka's harbor facilities; authorizing the sale of the bonds to the Alaska Municipal Bond Bank on the terms and conditions provided in this ordinance and in a loan agreement authorized to be entered into with the Bond Bank; and providing the terms and conditions for issuing additional harbor facilities revenue bonds on a parity with the bonds authorized by this ordinance

Attachments: [Memo Harbor Moorage Revenue Bond Ordinance](#)

[Ord 2013-01 Harbor Bonds](#)

[ORD 13-01 Passed](#)

Assembly members asked questions of Finance Director, Jay Sweeney, and Bond Counsel, David Thompson of K&L Gates LLP.

- N** [ORD 13-02](#) Authorizing the issuance of junior lien electric revenue bonds of the City in the principal amount of not to exceed \$45,000,000 to finance a portion of the cost of expanding the Blue Lake hydroelectric project; and authorizing the sale of the bonds to the Alaska Municipal Bond Bank on the terms and conditions provided in this ordinance

Attachments: [Memo Electric Revenue Bond Ordinance](#)

[Ord 2013-02 Electric Bonds](#)

[ORD 13-02 Passed](#)

Assembly members Hackett and Christianson thanked Finance Director, Jay Sweeney, for providing thorough information.

Sweeney explained staff and administration tried to avoid imposing steep and hard rate increases.

Additional New Business Items

- O** [13-001](#) Board of Adjustment: Approve a Conditional Use Permit Request for a short-term rental located at 601 Sawmill Creek Road. The request is filed by Sharon Romine with Creative Connections/Welcome Home Vacations for Michael LaGuire.

Attachments: [Short-term rental LaGuire](#)

Planning Director, Wells Williams, gave an overview of the request.

Property Manager, Sharon Romine, came forward. Reif wondered if Romine had received a number of requests from workers on the Blue Lake Dam Project. She had, however, those folks need long-term housing.

Assembly deliberation:

Hackett referred to concerns received from the public in which they felt a short-term rental was a commercial business and should not be allowed in residential areas. After much research, Hunter felt that since the Code allowed it, this request should go forward. Putz felt a discussion on short-term rentals was warranted. Hackett reminded the Assembly those permits run with the property.

Williams stated for the February 12th Assembly meeting, the Planning Office would bring forward a monitoring plan and how to make a finding for abandonment for short-term rentals that hadn't been active through sales tax.

Williams shared the annual report form he had developed to offer as a tracking mechanism.

- P** [13-002](#) Board of Adjustment: Approve a Conditional Use Permit Request for a short-term rental located at 2613 Halibut Point Road. The request is filed by Sharon Romine with Creative Connections/Welcome Home Vacations for Melody Price-Yonts and Robert Yonts.

Attachments: [Short-term rental Yonts](#)

Wells Williams, Planning Director, and applicant, Sharon Romine, came forward to provide an overview of the request.

- Q** [13-003](#) Board of Adjustment: Approve a Conditional Use Permit Request filed by Timothy Riley and Sandra Gelber for a short-term rental located at 630 Merrill Street.

Attachments: [Short-term rental Riley](#)

Planning Director, Wells Williams, gave an overview of the request and detailed findings. Concerns had been raised by a nearby property owner with regard to increase potential traffic and noise. Williams informed the Assembly they had the option of placing a one year review as an added condition.

The Assembly discussed the request and decided to add two conditions: 1) the applicant files a "Short-Term Rental and Bed & Breakfast Annual Report" form, and, 2) there be a one year review of the permit before the Planning Commission.

Putz expressed concern with traffic issues in the neighborhood.

X. PERSONS TO BE HEARD:

XI. EXECUTIVE SESSION

XII. ADJOURNMENT