

11/20/16

Members of the Assembly and Citizens of Sitka-

I recently attended the AML and Mayoral conference in Anchorage November 14-17. I was able to attend many mini-sessions and all member presentations. As with any conference, some were better than others, but overall the quality was high and it also afforded me the opportunity to meet other city officials from around the state and discuss common issues.

The Alaska Conference of Mayors, held on November 15, began with a presentation by Caelus Energy, a small petroleum company who works solely on the North Slope. They were announcing the discovery of a vast sum of crude called the Smith Field, located to the west of Prudoe Bay. They are interested in support from communities for the continuance of state tax credits to help them develop the field. They claim the state would benefit with \$28 Billion dollars in royalties and further benefits would accrue through job creation and property taxes. There was no timeline set out for bringing the oil into production.

The next presenter was Walt Monegan the head of law enforcement in the State of Alaska. He spoke about the impacts of SB 91 on municipalities. The purpose of the law is to save money on incarcerations. There were significant changes made in sentencing guidelines, resulting in lessening pressure on jails throughout the state. There would still be emphasis on getting violent offenders and drug dealers off of the streets, but non-violent offenders and drug users would not face jail time. I think it would be a great idea to hear from Brian Hanson as to what exactly the impact for Sitka would be.

Kathy Wasserman and Ray Gillespie shared a legislative report. They are the state AML representatives. They were both disappointed in what was not accomplished in the last session; a solution to the fiscal problems of the state. The state is looking at a \$4 billion budget gap for the next fiscal year. They urge all of the municipalities to encourage the legislature to come up with a long-term plan. The last budget cycles have resulted in spending \$13 billion dollars from reserves; money that could have generated \$650 million in investment income, which is now gone. Fears are that the state will cut revenue sharing, PERS/TERS contributions, and perhaps the entire capitol budget.

One of the more interesting presentations was done by the Alaska Council on the Homeless. I was surprised to hear that this council provided resources to communities around the state. Many state agencies are involved in providing housing, training, and counseling for the homeless, including the Alaska Housing and Finance Corporation, which helps communities afford housing for the homeless and low-income folks. I think this would be a group worth contacting. Additionally, there is an actual "Homeless Count Day", which drives funding based on the number

of homeless in a state and community. That date is January 27th and it is important that we report the number of homeless folks we have here in Sitka.

Our own Jay Sweeney co-chaired Budget 101, an explanation of the many purposes the budget process serves. There was also an auditor and city manager on the panel. All of them emphasized that the budget should reflect the values and policies of the community. Extremely important is a long-term plan to guide budget decisions.

The most attended session was a lengthy panel discussion on the explosion of opioid and heroine use in the state. I am aware of an uptick in the use of these drugs locally, but it was clear that both state and nation-wide use is up dramatically as well. There were many personal stories shared about family members and friends who have fallen victim to such abuse. It would be worth the time of our community to encourage households to get rid of opioids in their homes, work with our local doctors on prescribing fewer opioids, and to work with heroine users to get treatment. It was emphasized that opioid dealers be dealt with to the fullest extent of the law when caught. Additionally, the community at large is encouraged to work with law enforcement in finding and prosecuting dealers.

The last session dealt with a relatively new issue to the state: Native lands being put into Federal Trust. This essentially entails recognized tribes (not Native Corporations) to put any land they have into a Federal trust. To be honest, this was a very confusing issue and it was unclear, even to the panel members what the implications were. I did gather that potential impacts include the lost of property tax revenues to municipalities. This is something in which we need to reach out to the Sitka Tribe and get their understanding and inquire how this may impact Sitka.

If you have any further questions, feel free to contact me at any time.

Bob Potrzuski, Deputy Mayor, Sitka