

CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEM A**

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 August 8 and August 9 Assembly meetings.



CITY AND BOROUGH OF SITKA

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

Minutes - Draft

City and Borough Assembly

*Mayor Matthew Hunter
Deputy Mayor Bob Potrzuski
Vice-Deputy Mayor Steven Eisenbeisz
Tristan Guevin, Kevin Knox
Aaron Bean, and Aaron Swanson*

*Interim Municipal Administrator: Phillip Messina
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, August 8, 2017

6:00 PM

Assembly Chambers

WORK SESSION 5:15 PM

A work session was held on the Sitka Rocky Gutierrez Airport (SIT) Terminal Improvements Project.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Swanson, Eisenbeisz, Guevin, Hunter, Knox, and Bean

Telephonic: 1 - Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

17-134 Reminders, Calendars and General Correspondence

V. CEREMONIAL MATTERS

None.

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

None.

VII. PERSONS TO BE HEARD

Alene Henning thanked the Assembly for their work. She noted that while she was still witnessing citizens using cellphones while driving, she was encouraged to hear that the Police Department was enforcing the law and citing individuals.

Doug Osborne reminded of the Active August Fitness Challenge sponsored by Sitka Community Hospital. He noted Sitka was uniquely positioned in the personal transportation sector and had the makings for a sustainable healthy transportation system. He encouraged folks to think about what a human powered, people centered, locally energized transportation system would look like in Sitka.

Kevin Knox announced the 2017 Change Your Latitude open water swim was scheduled for August 13. He noted it was the northern most ocean race in the United States, if not the world.

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

Liaison Representatives - Bean reported on the recent Planning Commission meeting and Knox on the Parks and Recreation Committee meeting.

Clerk - Peterson announced the candidate filing period for the Municipal Election had closed at 5pm August 4th. She reviewed the candidate list and announced the two Sitka precinct locations would return to Harrigan Centennial Hall for the 2017 Election.

IX. CONSENT AGENDA

A motion was made by Swanson that the Consent Agenda consisting of items A and B be APPROVED. The motion PASSED by the following vote.

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

A 17-135 Approve the minutes of the July 18 and July 25 Assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

B 17-136 Approve a liquor license ownership transfer and restaurant designation permit for The Longliner Lodge and Suites

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

C 17-139 Reappoint Mary Ann Hall to a term on the Local Emergency Planning Committee

Knox and Potrzuski thanked Ms. Hall for her service on the Committee and noted she also serves on the Hospital Board.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

XI. UNFINISHED BUSINESS:

D ORD 17-28 Amending Sitka General Code Chapter 10.24 entitled "Fireworks" by adding a new Section 10.24.070 "Penalties"

Knox reminded the Police and Fire Commission was supportive of the ordinance and noted passage would provide an enforcement tool for the Police Department. Guevin agreed, stated this would improve the current code, and while not opposed to relaxing the laws for fireworks, he wished to have more time for consideration. Hunter stated in the future he may be interested in exploring an avenue to allow for fireworks at certain times of the year, however, for now, he wished to maintain the current ban with the addition of a penalty section. Bean spoke in opposition to the ordinance as it didn't allow an avenue for fireworks use. He added passage of the ordinance (enforcement), could take the Police Department away from higher priority issues. Eisenbeisz wondered of the definition of municipal limits and if outlying islands and areas were included. Municipal Attorney Hanson clarified it was defined as the areas adopted in the definition of City and Borough. Hunter added that lighting off fireworks in the Tongass National Forest, including areas outside of the City and Borough, was against Federal Statute and if enforced, could include a \$5,000 fine and 6 months in prison. Potrzuski shared he had received many comments from citizens whose lives had been disrupted by the use of fireworks.

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

Yes: 4 - Guevin, Potrzuski, Hunter, and Knox

No: 3 - Swanson, Eisenbeisz, and Bean

E ORD 17-15 Adjusting the FY18 Budget (Sitka Community Hospital Modular Unit)

Dr. Richard Wein and Jaime Ackley spoke in support of the ordinance.

Steve Hartford of Sitka Community Hospital noted there were cash reserves to move forward and commented the Hospital Clinic was in severe need of space. He added the current space limitations were holding the Hospital back financially and the services the public needs. Hartford stated it was important to make long-term best decisions and the modular was a small interim step to continue the positive work that had occurred over the past few years. Hartford reminded a deferral of 8 months for the line of credit owed the City had been approved in the budget process. This would allow the Hospital to not only maintain but rebuild its cash position.

Potrzuski shared he had toured the Clinic and saw a definite need. He believed there had been mixed messages given by Hospital Staff. Knox concurred and voiced concern of the instability of Hospital finances. He stated the Assembly was in a difficult position. Eisenbeisz, who had been previously opposed, stated after hearing the Hospital had ended their fiscal year in the black, was 100% supportive. Guevin wished to see the Hospital operate as a stand-alone entity and implement the recommendations from the Stroudwater report. Bean stated by approving the

appropriation it would help with the sustainability of the Hospital. If the Assembly continued with the RFP process, the modular would be considered as an asset. Hunter empathized with the employees and the public who had been shaken by the recent conversations of the future of the Hospital. He noted the financial instability of the Hospital had been a topic of discussion since his first year on the Assembly. He believed the Hospital needed to be on secure financial footing and looked forward to explored the possible options. In the short-term, he stated the Hospital must remain viable and wished to ensure the Hospital could operate successfully.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

- F ORD 17-26** Amending Sitka General Code Chapter 4.28 "Investment Policy" by adding a new Section 4.28.045 entitled "External Investment Management"

Guevin thanked staff and the Investment Committee members for their work.

Jay Sweeney, Chief Finance and Administrative Officer, stated the intent was to issue a RFP for the management of funds, every five years.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

XII. NEW BUSINESS:

New Business First Reading

- G ORD 17-29** Adjusting the FY18 Budget (*Sitka Airport Terminal Improvements Project*)

Richard Wein wondered of Delta Airlines commitment to remaining in Sitka and suggested TSA be asked to help with funding. Kathy Matthews, Station Manager for Alaska Seaplanes, spoke to the short and long-term needs of Alaska Seaplanes.

Knox noted there were many efficiencies to be realized with the project. While he believed it was a necessity, he wondered if it was a short-term fix, that may not last long-term. Guevin reminded with Assembly approval the project could move forward to the 65% design phase. In addition, he reminded project funding was from the passenger facility charges. Bean relayed staff had reached out to Delta Airlines and they were committed to Sitka during the summer months.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

Additional New Business Items

- H 17-137** Approve a month-to-month lease between the City and Borough of Sitka and Samson Tug and Barge Company for tidelands adjacent 5309 Halibut Point Road

Michael Scarcelli, Planning Director, stated Samson Tug and Barge Company had requested a short-term lease renewal. Their current lease expired August 13, 2017 and a month-to-month lease was recommended to facilitate continued operations allowing time for a long-term lease to be drafted within the next 30 to 60 days.

Municipal Attorney, Brian Hanson, offered the current lease in place was a State lease assigned to the City decades ago and needed additional terms added. He suggested the following Recitals be added to the month-to-month lease: 1) the Lessee desires to renew it's existing lease for a term of 55 years and the Sitka Planning Commission has recommended approval of such renewal on a 4-0 vote, and, 2) whereas the existing tidelands lease expires August 13, 2017, making it necessary and appropriate to enter a month-to-month lease while the parties negotiate the terms of the renewed lease.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

I 17-138

Approve the renewal of a Standard Marijuana Cultivation Facility license for Green Leaf, Inc. dba Green Leaf at 4614 Halibut Point Road C-2, C-3

Assembly member Bean recused himself.

Guevin restated the fiscal note included in the packet: In the 14 months that marijuana businesses have been licensed in Sitka, all of the operations have generated sales totaling \$813,772.08 and have remitted local sales tax totaling \$35,711.51.

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

Yes: 6 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, and Knox

Recused: 1 - Bean

XIII. PERSONS TO BE HEARD:

Richard Wein spoke to the finances of Sitka Community Hospital and recent news coverage of the Hospital being in the black. He obtained the fiscal year end report and had reviewed the past year financials. Wein believed the vast majority of the \$1.4 million was not out of Hospital operations but instead a one time payment from Medicare. He encouraged the Assembly to examine the details.

Assembly members recognized Guevin for his years of service and noted it was Guevin's final regular meeting, in-person, as he was moving. He would attend September meetings telephonically. Guevin stated it had been a pleasure to serve the community.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Swanson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:52pm.

ATTEST:

Sara Peterson, CMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
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Minutes - Draft

City and Borough Assembly

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Tristan Guevin, Kevin Knox
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Interim Municipal Administrator: Phillip Messina
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Wednesday, August 9, 2017

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Swanson, Eisenbeisz, Guevin, Hunter, Knox, and Bean

Telephonic: 1 - Potrzuski

IV. PERSONS TO BE HEARD

None.

V. NEW BUSINESS:

A 17-140

Develop a short list of Administrator candidates for further consideration - *executive session anticipated*

John Hodgson of Prothman briefed the Assembly on the recruitment process to date. He noted the objectives of the meeting were to 1) discuss qualifications and determine if there was an adequate number of candidates to move forward, and, 2) review the interview process for August 19. Hodgson stated over 20 candidates had applied, after a preliminary screening and interviews, there were 8 candidates for Assembly consideration, however, one had withdrawn.

Municipal Attorney, Brian Hanson, reminded if the Assembly planned to discuss personal characteristics of applicants and/or compare applicants, those conversations needed to occur in executive session.

Shannon Haugland of the Daily Sitka Sentinel understood the reasons for executive session but asked the Assembly to provide an update afterwards.

A motion was made by Knox to go into Executive Session to discuss subjects that may tend to prejudice the reputation and character of a person with regard to review of the Administrator candidates, and invite in John Hodgson of Prothman and Mark Danielson, Human Resources Director. The motion PASSED by the following vote.

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

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

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

Assembly members offered the qualities they were looking for in a candidate.

A motion was made by Bean to APPROVE inviting P. Keith Brady, Kim Zimmerman, David Fuqua, and Delray Shultz as Municipal Administrator candidates (and spouse or significant other) to Sitka for an in-person interview. The motion PASSED by the following vote.

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

Hodgson explained he would contact the candidates to determine if they were still interested. He explained a community reception to meet the candidates was scheduled for August 18th from 4:30-6:30pm. Printed bios of the candidates would be available and comment cards for the public to weigh in. On Saturday, August 19th there would be two interview panels- one of Assembly and the other of Department Heads, each candidate would go on a tour, and have lunch with the interview panelists. Guevin proposed inviting Sitka Tribe of Alaska General Manager to participate in the interview process. The Assembly agreed.

VI. PERSONS TO BE HEARD:

None.

VII. EXECUTIVE SESSION

See item A.

VIII. ADJOURNMENT

A motion was made by Swanson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:42pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk