

CONSENT AGENDA

POSSIBLE MOTION

**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.**

If this item is pulled from the consent agenda the following motion would be in order:

POSSIBLE MOTION

I MOVE TO approve the minutes of the
February 28, March 2 and March 7
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

Municipal Administrator: Mark Gorman
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Tuesday, February 28, 2017

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 4 - Swanson, Eisenbeisz, Hunter, and Knox

Absent: 2 - Guevin, and Bean

Telephonic: 1 - Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

17-027 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 (time limits apply)**

Robb Farmer, Sitka Public Library Director, told of an award received by Maite Lorente at a library conference and upcoming events at the Library.

VII. PERSONS TO BE HEARD

Mayor Hunter opened the floor for public comment, reminded the public of Charter regulations that pertain to personnel matters and of upcoming hospital collaboration

report/discussion at a later date.

Trish White, President of the Board of Sitka Sound Science Center (SSSC) stated that the SSSC was celebrating 10 years and told of partners in the community. Lisa Busch spoke to the prior and future scientist in residency, of upcoming programs and her advocating SSSC trip to Washington DC.

Bridget Hitchcock and Greg George came forward with the Sitka Community Playground Group. They told of history, design, fundraising and timeline for the project.

Patti Hudson gave history and told of concerns with dismissal of Dr. Wein. Rich Phillips told of support for Dr. Wein and told of concerns with the dismissal. Karen Lucas spoke of concerns with regards to Dr. Wein's dismissal, spoke in support of Sitka Community Hospital (SCH) and mentioned that she was gathering signatures of a petition to reinstate Dr. Wein. Lois Rhodes questioned why Dr. Wein was dismissed and urged the Assembly to look into the situation. Lucy Phillips had concerns of receding care and costs. Tanya Bonorden spoke of Dr. Wein's dismissal and concerns with senior staff of SCH. Sean Cavlin had concerns with dismissals at SCH. Patricia Alexander, voiced her life saving event at SCH and advocated for Dr. Wein. Rita Gudritch stated she was not in support of a merger and had concerns with letting Dr. Wein go.

Garry White, Executive Director of Sitka Economic Development Association, invited the Assembly and community to a public meeting March 2 at 4:00 p.m. in Harrigan Hall to focus on the marine service industry.

Alyssa Russell, Alaska Longline Fishermans Association, spoke of upcoming workshops for their Spring Fishermans Expo on March 2 and 3 at SSSC and thanked the city for support.

Jeff Budd told of events for the Sitka sesquicentennial.

Tom Gamble requested the city support current Sitka Tribe of Alaska resolutions regarding the herring fishery, asked for a future agenda item for it, and asked the City to be proactive with the government to government relations with regards to subsistence fishery issues.

VIII. REPORTS

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

Administrator - Gorman reported on the Alaska Municipal League he attended last week in Juneau with staff and meetings with local delegation. Gorman asked Potrzuski to comment, Potrzuski told they met with legislators and shared concerns and needs of Sitka. Gorman reminded that the legislature did not take action last year and may not again this year. He told of talks for a state income tax, school bond debt, health care, climate change, FEMA, Mt. Edgecumbe pool, sustainable state budget, and Sitka's sesquicentennial.

Liaison - Eisenbeisz told of Hospital Board meeting mentioning the outpouring of support for Dr. Wein and of the audit. He clarified that no action had been taken to merge the two hospitals. Knox reported on the Planning Commission meeting and told of landslide management ordinance.

IX. CONSENT AGENDA

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

Yes: 5 - Swanson, Eisenbeisz, Potrzuski, Hunter, and Knox

Absent: 2 - Guevin, and Bean

- A 17-024 Approve the minutes of the February 14, 16, and 20 Assembly meetings

This Item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- B 17-025 Appoint: 1) Kim Kirkness to a three-year term on the Tree and Landscape Committee and 2) Kitty Sopow to a three-year term on the Historic Preservation Commission in the category of At-Large. Reappoint: 1) James Poulson to an unexpired term on the Historic Preservation Commission in the category of Sitka Historical Society

Knox thanked the applicants and encouraged the public to volunteer.

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

Yes: 5 - Swanson, Eisenbeisz, Potrzuski, Hunter, and Knox

Absent: 2 - Guevin, and Bean

XI. UNFINISHED BUSINESS:

- C ORD 17-04 Adjusting the FY17 Budget (Finance Department operations, pass-thru grant for Crescent Harbor Playground Renovation Project, Sitka Community Hospital equipment lease)

Knox clarified the Sitka Community Hospital appropriation was from hospital funds and not city funds. Eisenbeisz told of history regarding new equipment to increase efficiency of operations; a cost that was not planned for.

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

Yes: 5 - Swanson, Eisenbeisz, Potrzuski, Hunter, and Knox

Absent: 2 - Guevin, and Bean

XII. NEW BUSINESS:

New Business First Reading

- D ORD 17-05S Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates"

Gorman told that there were two ordinances that were sequential noting the effective dates. Eisenbeisz thanked Bertacchi on what rates need to be in the future, felt this was a necessity, voiced concerns with line 39 and wondered of the potential of Assembly adjusting rates by resolution annually for Consumer Price Index (CPI). Potrzuski thought electrical rates should remain adjusted by the Assembly, would like to see a year between rate increases and thought the ordinance should not be based on CPI. Gorman noted wording of "may" not "shall", giving some assurances to not see double digit increases. Municipal Attorney, Brian Hanson, told of history and staff involvement. Hunter thought the increase would be able to cover cost of operations. Potrzuski stated he was not comfortable with a resolution for electrical rate changes. Knox was in favor of taking out "at the discretion of the administrator" and thought that the public needed to be involved. Swanson was in support of keeping rates changes as an ordinance. Hunter thought that annual rate increases were needed.

A motion was made by Eisenbeisz to AMEND the Ordinance by deleting at Line 39 "at the discretion of the administrator". The AMENDMENT PASSED by the following vote.

Yes: 4 - Swanson, Eisenbeisz, Hunter, and Knox

No: 1 - Potrzuski

Absent: 2 - Guevin, and Bean

Gorman suggested staff and Assembly members fine tune the language in Section 15.01.020 A. Knox and Eisenbeisz would work with staff and it would come back at the next regular meeting.

A motion was made by Eisenbeisz that this Ordinance be POSTPONED to the March 14 Assembly meeting for first reading directing staff, Knox and Eisenbeisz to make additional changes. The motion PASSED by the following vote.

Yes: 5 - Swanson, Eisenbeisz, Potrzuski, Hunter, and Knox

Absent: 2 - Guevin, and Bean

E ORD 17-06S Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates" to allow for a seasonal increase in electrical rates

Gorman noted the effective ordinance date was in October as a seasonal rate change. Eisenbeisz suggested Administration have Assembly members look at ordinances prior to being placed on the agenda and encouraged the public to send in comments on a seasonal rate. Knox asked staff to determine what these rates would look like for a typical household.

A motion was made by Eisenbeisz that this Ordinance be POSTPONED to the March 14 Assembly meeting for first reading directing staff, Knox and Eisenbeisz to make additional changes. The motion PASSED by the following vote.

Yes: 5 - Swanson, Eisenbeisz, Potrzuski, Hunter, and Knox

Absent: 2 - Guevin, and Bean

Additional New Business Items

F 17-026

Adopt the Chief Finance and Administrative Officer's interpretation of Sitka General Code 4.09.100(P) "Resale. A sale for resale of a product, service or rental to a consumer where the resale is subject to tax is exempt"

Jay Sweeney, Chief Finance and Administrative Officer, stated this would correct a loop hole in the Sales Tax Code of purchasing an item and reselling to properly collect tax on sales in Sitka. Hunter clarified that this would tax taxable sales bought and sold in Sitka to be taxed once.

A motion was made by Swanson to adopt the Chief Finance and Administrative Officer's interpretation of Sitka General Code 4.09.100(P) "Resale. A sale for resale of a product, service or rental to a consumer where the resale is subject to tax is exempt". The motion PASSED by the following vote.

Yes: 5 - Swanson, Eisenbeisz, Potrzuski, Hunter, and Knox

Absent: 2 - Guevin, and Bean

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:07 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk



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Aaron Bean, and Aaron Swanson

Municipal Administrator: Mark Gorman
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Thursday, March 2, 2017

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 3 - Eisenbeisz, Hunter, and Knox

Absent: 3 - Swanson, Guevin, and Bean

Telephonic: 1 - Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

None.

V. PERSONS TO BE HEARD

None.

VI. NEW BUSINESS:

A 17-028

Discussion/Direction of local support of public education to the Sitka School District contained in the proposed FY2018 General Fund and other issues pertaining to financial support of educational related activities (*Assembly action may be taken*)

Mary Wegner, Sitka School District Superintendent, told of staff and students of the Sitka School District (SSD), gave statistics of an alumni survey, historical perspective of the operating budget and budget timeline.

Hunter wondered about the uncertainty with state funding. Wegner had concerns with

insurance premium increases, retirees and hiring, and stated that benefits were a big cost factor. Jennifer McNichol, Vice President of the Sitka School Board, told of conversations with legislatures recently and had concerns with cost shifting of PERS and TRS. Wegner told of Senator Murkowski's advocating efforts to secure Secure Rural Funding.

Eisenbeisz asked of the SSD reserves. Cassee Olin, Business Manager gave details of the fund, balances, liabilities, HB278 and stated that \$43,000 remained after this year minus the funds that must remain in there.

Administrator Gorman commented that the state budget is a moving target and showed the decrement proposal with a \$648,742 deficit.

Wegner confirmed that the SSD budget would be submitted by April 30, 2017 and mentioned that April 18th was the final budget meeting for the Sitka School Board.

McNichol answered Knox that the state had flat funding. Knox wondered how to plan for a cut to the Base Student Allocation (BSA), if that were to take place. Eric Van Cise, School Board Member, told of new budget process by using data. Gorman stated that if there was a cut, together the city and SSD would come up with a solution at that time, but preferred not to budget for worse case scenario. Wegner stated that the next budget work session would be on March 28th. McNichol, Pook and Wegner would be going to Juneau to lobby and were watching the state closely and gathering information on a daily basis. McNichol informed that teacher contracts were signed by the end of the school year and positions could not be cut once they were signed.

Knox would appreciate SSD sharing information with Assembly throughout the budget cycle. Van Cise stated that communication was critical, that it was going to be a difficult process, was constantly reminding the public of their obligations rather than wants and told of serious efforts to look at every aspect of their budget.

Hunter stated that the Board and Assembly would deal with what came from the state when known and thanked the Board for their work.

Wegner stated they understood the situation that both were facing, cared about providing a quality school, would like to partner with the city and appreciated the commitment to the students.

VII. PERSONS TO BE HEARD:

Jay Sweeney, Chief Finance and Administrative Officer, spoke of the school bond debt reimbursement with regards to the city budget, specifically the General Fund and asked SSD to put in equal advocating for school bond debt reimbursement.

VIII. EXECUTIVE SESSION

None.

IX. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 6:36 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk



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Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Tuesday, March 7, 2017

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - Hunter, Eisenbeisz, Guevin, Knox, and Swanson

Absent: 1 - Bean

Telephonic: 1 - Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

None.

V. PERSONS TO BE HEARD

None.

VI. NEW BUSINESS:

A 17-022

Discussion/Direction on Municipal Administrator candidate interview selection and interview date(s), time(s), and location(s)

Assembly members named those individuals who they were interested in interviewing and agreed to interview the following five candidates for 45 minute interviews beginning at 5:00 p.m. on March 20th, 22nd, and possibly the 23rd via Skype:

Bryan Bertacchi
Patrick Jordan
Carey Meyer

David Miller
Kevin Oppe

Guevin, Eisenbeisz, Knox and Potrzuski told of concerns with applicant Bertacchi in both the Administrator and Utility Director positions.

Mark Danielson, Human Resources Director, stated he would contact applicants tomorrow to set up interviews.

VII. EXECUTIVE SESSION

None.

VIII. ADJOURNMENT

A motion was made by Guevin to ADJOURN. Hearing no objections, the meeting ADJOURNED at 6:25 p.m.

ATTEST:

Melissa Henshaw, CMC
Acting Municipal Clerk