



CITY AND BOROUGH OF SITKA

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

Minutes - Draft City Assembly

MAYOR Cheryl Westover
Assembly Member Terry Blake
Assembly Member Thor Christianson
Assembly Member Larry Crews
Assembly Member Phyllis Hackett
Assembly Member Mim McConnel

MUNICIPAL ADMINISTRATOR: Jim Dinley
MUNICIPAL ATTORNEY: Theresa Hillhouse

Tuesday, October 26, 2010

6:00 PM

Assembly Chambers

REGULAR MEETING

Present: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

IV. CORRESPONDENCE/AGENDA CHANGES

It was requested to take up Agenda Items Q and R following Item E. There was no objection to the request.

Government-to-Government Update with Sitka Tribe of Alaska

Dale Williams distributed STA's monthly newsletter. The STA Tribal election is to be held November 9.

V. PERSONS TO BE HEARD

John Holst representing Sheldon Jackson College announced the Hames Center would close at the end of October. Due to the interest of keeping the Center open, he suggested the City consider a two month extension. Megan Pasternak and Bill Adickes also spoke in support of keeping the Center open.

Ted Allio, Chairman of the Alaska Day Committee, thanked the Assembly and City for their help during The Alaska Day celebration.

VI. CEREMONIAL - Proclamation National Domestic Violence Awareness Month

Mayor Pro-tem Westover read and presented a proclamation to Sitkans Against Family Violence for Domestic Violence Awareness Month.

VII. SPECIAL REPORTS - 1) Sarah Bell - Kettleon Library Review and 2) Lon Garrison, Tim Fulton - Sitka School District

Kettleon Library - Kettleon Memorial Library Director, Sarah Bell, gave a "Jeopardy" presentation on facts about the library.

School District - Lon Garrison, President of the Sitka School Board, and School Board member Tim Fulton thanked the community for supporting the bond issues in the last election. Garrison talked of his involvement as a board member with the National Counties and School Coalition and the Secured Rural Schools funding and their attempts to get it reauthorized for ten years at the 2008 level.

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

Mayor – Would like to hold an Economic Roundtable November 13th.

Administrator – Public Works is holding a Building Seminar and burn demonstration October 28 and 29 at Harrigan Hall.

Attorney – The Sawmill Cove Industrial Park meets this Thursday and has asked the Assembly to join them.

Liaisons – McConnell attended the STA public meeting to review the Long Range Transportation Plan. Hackett informed the Sitka Historic Preservation Commission review requests are keeping the Commission busy. Requests need to be in at least one week prior for proper advertising.

Clerk – Announced that the Government-to-Government meeting will be held at the Westmark Sitka on November 10 at 6:00 PM in one of their side banquet rooms.

Other - Hackett attended a meeting concerning Sheldon Jackson College. She noted there is great local interest in a consortium of groups taking over the college and operating as an educational institution. McConnell and Crews attended the Beaver Lake Trail ribbon cutting and the Pacific Resource Lab. Wednesday and Thursday nights will be the Sitka Sustainable Recreation Tourism Plan meetings. Hackett thanked citizens, the Clerk's Office and candidates Westover and Stein for their patience and diligence during this last election.

VIII. CONSENT AGENDA

A 10-185 Accept a Kettleon Memorial Library grant award to provide computer instruction for senior citizens - no additional funding.

This matter was APPROVED ON THE CONSENT AGENDA.

B 10-180 Approve 1) Lisa Moore - Tree and Landscape (incumbent), 2) Albert Duncan - Police and Fire Commission, 3) Donna Dimond LEPC - At-large, 4) Mike Coleman - Ports and Harbors (unexpired term), 5) Karen Dhillon - Tourism Commission and Sitka Convention and Visitor's Bureau (unexpired term)

This matter was APPROVED ON THE CONSENT AGENDA.

- C 10-178 Approve purchase of previously budgeted and approved Police Vehicle

This matter was APPROVED ON THE CONSENT AGENDA.

IX. UNFINISHED BUSINESS:

- D 10-169 Accept certification of Municipal Regular Election.

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

Yes: 5 - Blake, Crews, Hackett, McConnell, and Christianson

Recused: 1 - Westover

- E 10-170 Swearing in of newly elected Mayor

Mayor Cheryl Westover was sworn in as Mayor.

- Q 10-171 Appointment and swearing in of Assembly Member to serve until the next Regular Municipal Election.

Jack Ozment voiced his interest in being assigned the open seat. He noted he has been an active member of the Assembly for the last four years. Lon Garrison commented there are well qualified candidates, many who ran for office. He urged the Assembly to select someone from the list of candidates who ran in the recent election.

John Stein said he would bring a lot of knowledge to the table, he would appreciate the Assembly's consideration. Shirley Robards and Alice Johnstone both spoke in support of Stein.

Michelle Putz would gladly represent the citizens of Sitka. She said it was important to her that the Assembly choose someone that was on the ballot. It was a non-partisan election and it is important to keep it that way.

Robert Thom believed people voted for change and felt people that didn't get voted in should not be appointed. Municipal Attorney, Theresa Hillhouse, stated in 2004 the provision to appoint the next highest vote getter was dropped.

Mayor realized that there were people who had come to speak to this tonight so even though they were not going to act on the matter she would hold public testimony.

Motion by Crews to give notice to request that letters of interest be submitted by noon on November 3, 2010 with the appointment to be made at the regular meeting of November 9. The motion PASSED on the following vote.

Yes: 4 - Blake, Crews, Christianson, and Westover

No: 2 - Hackett, and McConnell

- R 10-173 Appointments: Deputy and Vice-Deputy Mayor and Liaisons

A motion was made by Christianson that this Item be POSTPONED. The motion PASSED by the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

F ORD 10-27

Amending Section 4.09.100 of the Sitka General Code to identify possible Sales Tax Holidays for certain sales in 2010.

Hackett would like this to come forward earlier and Crews relayed that the Sitka Chamber of Commerce plans to bring it forward sooner. Christianson doesn't see why we couldn't do this as early as July. Mayor reflected that this is a gift to our citizens, which also benefits businesses and is a win-win situation.

A motion was made by McConnell that this Ordinance be PASSED ON SECOND READING. The motion PASSED by the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

Non-voting: 2 - Ozment, and Stein

G ORD 10-26

Amending Sitka General Code Section 13.06.010, entitled "Moorage Charges and Fees," for clerical and consistency purposes regarding permanent and wait list moorage rates.

Hillhouse explained that those on the wait list have been offered the same rate as those on permanent moorage and when the permanent moorage rates got changed, the wait list didn't. The purpose of this ordinance is to take care of that clerical error.

A motion was made by Crews that this Ordinance be PASSED ON SECOND READING. The motion PASSED by the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

X. NEW BUSINESS:

New Business First Reading

H ORD 10-28

Ordinance 2010-28: Adjusting the FY10 and FY11 Budgets for changes indentified during the Fourth Quarter Execution Review.

Hackett noted all the grants that come into this community, it is incredibly valuable to our economy.

A motion was made by Crews that this Ordinance be PASSED ON FIRST READING. The motion PASSED by the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

I RES 10-28

Resolution 2010-28: Designating a recovery zone for purposes of Sections 1400u-1, 1400u-2, and 1400-u3 of the Internal Revenue Code of 1986, as amended, and the American Recovery and Reinvestment Act of 2009.

Finance Director, David Wolff, explained this resolution is required for the sale of bonds. The IRS will reimburse the City 45% of the interest on those bonds.

A motion was made by McConnell that this Resolution be APPROVED. The motion PASSED by the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

- J **ORD 10-29** Approve Ordinance 2010-29 Authorizing the issuance of electric revenue bonds of the City in the principal amount of not to exceed \$50,000,000 to refund and defease all outstanding obligations of combined electric and water utilities and to finance a portion of the cost of expanding the Blue Lake hydroelectric project, as approved by Sitka's voters in an advisory vote held on October 5, 2010; and authorizing the sale of the bonds to the Alaska Municipal Bond Bank on the terms and conditions provided in the ordinance.

A motion was made by McConnell that this Ordinance be PASSED ON FIRST READING. The motion PASSED by the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

Additional New Business Items

- K **10-187** Hire two Engineers to fill vacated Public Works positions

Administrator Dinley explained that each engineer received \$9,000 for moving expenses. Receipts must be provided. In response to a question as to whether grants could cover the engineers salaries, Administrator Dinley responded that approximately 80% of their salary is charged to the projects/grants. Public Works Director, Michael Harmon, added there are 48 projects, totaling \$180 M.

Blake asked if the salaries are typical for the position. Administrator Dinley responded the cost of living in Sitka is expensive and this is a competitive salary for the quality of work sought. Crews was pleased one candidate was from Alaska. Hackett complimented the hiring team.

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

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

- L **10-177** Approve a \$200,000 zero interest loan to the Sitka Sound Science Center with funding coming from the Southeast Economic Funds.

Motion by McConnell to amend after the word interest and insert "with the condition if the Sitka Sound Science Center ceases to operate the loan would be payable in full." The amendment PASSED on the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

Motion by Crews to amend by adding it is contingent upon Karsh Foundation contributing a \$100,000 match for the purchase. The amendment PASSED on the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

The Sitka Sound Science Center Board stated they are a dedicated group with great vision for the center. Faculty of UAS supports the center as well as experienced hatchery and fishery folk. Sitka Sound Science Center (SSSC) Director Lisa Busch explained they need a boost to get to the next level.

Members of the public, Chris Brewton, William Stortz, Dave Turcott, Lon Garrison, Eric Vancise, Lynn Wilbur, and Marty Chapman all spoke in support of the project.

A discussion ensued amongst the Assembly. Planning Director, Wells Williams,

explained that the tidelands SSSC has proposed to lease, the City owns outright. Administrator Dinley pointed out the waterfront property is worth well over the \$200,000 loan amount.

Approve granting a loan of \$200,000 to SSSC at zero interest with the condition if the Sitka Sound Science Center ceases to operate the loan would be payable in full as recommended by the LRPEC from the Southeast Economic Development Fund funded through the Private Sector Revolving Loans. The loan is contingent upon Karsh Foundation contributing \$100,000 match for the purchase. PASSED AS AMENDED on the following vote:

Yes: 5 - Blake, Crews, Hackett, McConnell, and Westover

No: 1 - Christianson

Motion to extend the meeting PASSED unanimously.

Motion by Hackett to extend the meeting to a maximum of 11:00 PM.

M 10-182 BOA: Approve a conditional use permit for the Sitka Summer Music Festival Musicians/Guest Workers on Second Floor - Stevenson Hall

Planning Director, Wells Williams, informed the Planning Commission stands on its recommendation.

Motion by Christianson to convene as the Board of Adjustment.

Motion PASSED by unanimous consent.

Motion by Hackett to approve a conditional use permit request, submitted by Sitka Summer Music Festival for Stevenson Hall on Sheldon Jackson Campus to house festival musicians/guest workers and to accept the recommendations and findings of the Planning and Zoning Commission.

Motion on the conditional use permit PASSED on the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

N 10-183 BOA: Approve a Conditional Use Permit for Professional Offices on the First Floor - Stevenson Hall - Sheldon Jackson Campus

McConnell moved to approve a conditional use permit request, submitted by Sitka Summer Music Festival for Stevenson Hall on Sheldon Jackson Campus for professional offices on the first floor and to accept the recommendations and findings of the Planning and Zoning Commission. The motion PASSED on the following vote.

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

Motion by Hackett to reconvene as the Assembly in regular session.

This motion PASSED by unanimous consent.

O 10-184 Approve Sitka applying to serve as host city for the Southeast Conference Annual Meeting for FY 2013

Hackett stated this is a great opportunity to show case our community to other officials throughout the state. McConnell pointed out the economic impact.

A motion was made by Hackett to approve the CBS submitting to serve as the

host city for the Southeast Conference Annual Meeting Fiscal Year 2013 and request that any required funding be included as part of the CBS's Fiscal Year 2012 Administration/Assembly budget for future consideration. The motion PASSED by the following vote:

Yes: 6 - Blake, Crews, Hackett, McConnell, Christianson, and Westover

P 10-181

Approve compensation for the non-union employees of the City and Borough of Sitka.

Administrator Dinley stated the compensation was for the 47 non-union employees, equal to the payments ASEA Union employees received.

Mayor Westover recused herself, there were no objections to her recusal. A motion was made by Crews that this Item be APPROVED. The motion PASSED by the following vote:

Yes: 5 - Blake, Crews, Hackett, McConnell, and Christianson

Recused: 1 - Westover

S 10-186

Alaska Municipal League attendance Mayor and newly elected; approve any additional attendees.

Hackett and McConnell noted their attendance at the previous year was valuable. Both expressed an interest to attend this year and offered to pay out of pocket if need be.

Blake would like to attend as a Newly Elected Officer and stated he would be willing to pay his own way in future years if he decided to attend. Christianson noted he had attended AML when having served previously on the Assembly and although he would not attend this year, he asked to reserve the right to attend next year.

Motion was made by Crews to send Hackett and McConnell to Alaska Municipal League. Motion PASSED on the following vote:

Yes: 5 - Crews, Hackett, McConnell, Christianson, and Westover

No: 1 - Blake

T 10-188

Discussion/Direction on scheduling a Municipal Summit.

Hackett stressed the importance of trying to schedule a meeting before the end of the year.

Mayor Westover asked if this item could be deferred until after the Economic Summit that she had called. Hearing no objection the matter was deferred.

XI. PERSONS TO BE HEARD:

Finance Director, David Wolff, announced any citizen interested in purchasing Blue Lake Bonds should call the Alaska Municipal Bond Bank and go through a broker.

XII. ADJOURNMENT

Motion by Crews to adjourn. The meeting ADJOURNED at 10:57 PM hearing no objections.

ATTEST: _____
Colleen Ingman, MMC
Municipal Clerk