

CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEMS A, B, & C**

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
February 23rd Assembly meeting.



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
1332 Seward Ave.
Room 229
Sitka, AK
(907)747-1811

Minutes - Draft

City and Borough Assembly

Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Benjamin Miyasato
Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Bob Potrzuski

Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Sara Peterson, CMC

Tuesday, February 23, 2016

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

Mayor McConnell announced Item F would be discussed before Item E. No objections were heard.

16-036 Reminders, Calendars and General Correspondence

V. CEREMONIAL MATTERS

16-028 Service Award for Historic Preservation Commission Member Judy Ozment

Mayor McConnell read a service award for Judy Ozment in recognition of her more than 5 years of service on the Historic Preservation Commission.

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

Lt. Lance Ewers spoke to the public about the dangers of texting and driving; a felony in Alaska.

Mike Baines, Chair of the Sitka Tribal Council, spoke to the possibility of acquiring the tidelands by the Healing House and working with the Bureau of Indian Affairs Economic Development Association to be placed on an economic priority list.

VII. PERSONS TO BE HEARD

Galen Paine informed the Assembly of the Spruce Up Sitka campaign and efforts to reduce the amount of litter in Sitka. Paine encouraged volunteer groups to contact DOT and become involved in the Adopt a Highway program.

Kalen Robbins, owner of Sitka Cab, spoke to the struggles of being a business owner in Sitka.

Kevin Knox, stated the Sitka Seaplane Dock, a key piece to transportation infrastructure, was the only public base able to accomodate straight floats or non amphibious floats. Closing it would significantly impact operators. Knox read a letter from Port Alexander resident and business owner, Kevin Mulligan, stating the importance of the dock and the impacts to his business.

Dave Gordon, speaking on behalf of the Department of Fish and Game, noted they had used the Sitka Seaplane Dock since the early 1980's. He offered that the facility provides a direct benefit to the Department's mission and without it, their work would be challenging.

Margie Esquiro stated the Marijuana Advisory Committee (MAC) was preparing a final report and wondered what the public process would look like. She added the MAC was the interim Local Regulatory Authority (LRA) until a permanent LRA was appointed by the Assembly. She encouraged the Assembly to appoint a diverse group.

Katherine Prussian, a pilot, spoke in support of a new floatplane dock to aid local business and general aviation.

VIII. REPORTS

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

Mayor - McConnell reported on the Alaska Municipal League (AML) meeting. The take away message was that there was a budget crisis and all options needed to be explored. Revenue increases were needed and it was noted that even if government departments were radically cut, it wouldn't be enough. The AML lobbyist cautioned municipalities to watch for the state saving money by shifting costs to municipalities and to expect revenue sharing reductions. McConnell also reported on a teleconference meeting regarding Transboundary Rivers and BC mines.

Administrator - Gorman shared the Fire Department had received the Community Hero of the Year Award, briefed the Assembly on communications with Terry Trapp of Alaska Bulk Water Inc. and offered he would be recommending to the Gary Paxton Industrial Park Board that a new RFP be issued for bulk water contracts. Gorman also reported on the Alaska Municipal League meetings and the severity of the fiscal situation. He ended by sharing a task list of the City and Borough of Sitka landslide working group.

Liaisons - Guevin reported on the work of the Citizens' Taskforce and spoke to the draft Grand Bargain Budget Framework spreadsheet. Potruski noted the Marijuana

Advisory Committee would sunset February 24 and was scheduled to meet as the Local Regulatory Authority on February 29 to finalize their report to the Assembly. He stated he would be working with Assembly Member Eisenbeisz to draft an ordinance creating a permanent Local Regulatory Authority. Eisenbeisz reported on the recent Gary Paxton Industrial Park Board meeting in which a month to month lease was approved for the Sawmill Farm. He added if there were problems the tenant could be asked to leave. Miyasato reminded there were three vacancies on the Parks and Recreation Committee.

IX. CONSENT AGENDA

A motion was made by Hunter that the Consent Agenda consisting of items A, B & C be APPROVED. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

- A 16-029** Approve the minutes of the February 9 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

- B 16-035** Award a contract to Leverage Information Systems for completion of the Datacenter Centralization Project in an amount not to exceed \$175,000

This item was APPROVED ON THE CONSENT AGENDA.

- C ORD 16-04** Adjusting the FY16 Budget (*first reading*)

This item was APPROVED ON THE CONSENT AGENDA - first reading.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- D 16-030** Reappoint: 1) Richard Doland to a term on the Building Department Appeals Board, and, 2) Ken Fate to a term on the Local Emergency Planning Committee

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

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

XI. UNFINISHED BUSINESS:

None.

XII. NEW BUSINESS:

F 16-032

Discussion/Direction on the February 10, 2016 letter from SEARHC to develop a proposal for management of hospital services

Charles (Chuck) Clement, President/CEO of Southeast Alaska Regional Health Consortium (SEARHC), referenced his letter dated February 10, 2016 in which he stated the community of Sitka had had ongoing conversations about the practicality of operating two hospitals in a community of Sitka's size. In light of recent discussions with Municipal Administrator Mark Gorman and Sitka Community Hospital (SCH) CEO Rob Allen, the group felt it was an opportune time to evaluate the community's needs and the wisdom of operating two hospitals, one often duplicating the efforts of the other. SEARHC hoped to initiate efforts that would result in the development and presentation of a comprehensive management proposal to the City and Borough of Sitka for consideration which would consolidate the healthcare activities of both facilities. Clement's letter stated there were several guiding principles important for a successful proposal: 1) maintain and improve access to care for all residents of Sitka, 2) preserve and increase the healthcare workforce within Sitka, 3) establish a governance structure which ensures Sitka community participation, 4) expand the availability of specialty care services to the Sitka community, and, 5) reduce the City and Borough of Sitka's financial burden for the provision of healthcare services.

Assembly Discussion:

Potrzuski expressed excitement for discussions to occur. Hunter viewed it as a chance to proceed cautiously and explore a new opportunity. Guevin was supportive of a community driven and collaborative process to develop a healthcare system system that worked for all Sitkans. McConnell voiced support for discussions and looked forward to conversations in the future.

A motion was made by Potrzuski to request SEARHC proceed with a collaborative management proposal for hospital services as outlined in their letter dated February 10, 2016.

Steve Hartford, SCH Director of Operations, and Cynthia Brandt, SCH Chief Financial Officer, offered SCH had been actively engaged in conversations with SEARHC over the past year looking for ways to consolidate and collaborate. They looked forward to participating in the discussion process. Brandt stated it was an exciting time to look at what the opportunities might be for collaboration and duplication of services for the benefit of providing the best possible healthcare for Sitka. She cautioned it would not be a quick process and would require time and resources.

Administrator Mark Gorman stated he had met in earlier weeks with Rob Allen, Chuck Clement, and Dan Neumeister to discuss how to move forward with a community process. SEARHC offered to put forward a management proposal that would be inclusive in obtaining information from the public for the Assembly and the community to consider.

In response to a question by Miyasato, SCH and SEARHC representatives indicated that their employees had been alerted to the proposal.

Clement stated any process moving forward would need to have the political will of the citizens and the Assembly. Clement added this would need to be a process people were comfortable with. He offered a first step would be to have the operators of both hospitals meet, run some numbers and brainstorm ideas. They could then report back to the Assembly on those ideas. Clement noted it was not necessarily a management proposal and offered the descriptor could certainly evolve over time through discussions.

Public testimony:

Clyde Bright shared some thoughts on SCH and felt the Hospital was a tax burden. He suggested the Hospital be sold or given to the employees.

Anne Wilkinson, a former SCH Hospital Board member, spoke to prior conversations with SEARHC regarding collaboration of services. She didn't feel SEARHC was willing to have an open transparent process.

Cynthia Dennis, a SCH employee, said the proposal sounded like a management contract which SCH did not need. Dennis hoped to see a collaborative public process.

Lee Bennett, a former SCH employee, stated the two hospitals had collaborated for years at various department levels. He felt SEARHC wanted to take over SCH and that was why past discussions had not succeeded.

Assembly Discussion:

Potrzuski and Eisenbeisz noted the intent of the amended motion would be for a collaborative process with both parties working together. Assembly members recognized the community anxiety on this issue, however, were optimistic for discussions and encourage the public to weigh in on the discussions.

A motion was made by Potrzuski to AMEND the main motion to read: "I move to request SEARHC and Sitka Community Hospital proceed with a collaborative management proposal for hospital services as outlined in SEARHC's letter dated February 10, 2016." The AMENDMENT PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

The main motion as amended PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

New Business First Reading

- E ORD 16-06** Renaming and amending Chapter 4.40 of the Sitka General Code, "Uncollectable Accounts and Bad Debt Write-Offs" and amending Sections 4.40.010 "Definitions", 4.40.020 "Policies", and 4.40.030 "Records and Reporting" and adding Sections 4.40.040 "Write-Off of Uncollectable Accounts", 4.40.050 "Utility Debts Remain with Real Property", and 4.40.060 "Authority to Offset"

Ordinance 2016-06 was introduced on first reading and after discussion the Assembly felt the ordinance may need to be reworked and moved to postpone the ordinance. After realizing that if they postponed the ordinance, they would not be able to rework it from its original state they voted down the motion to postpone; simultaneously they withdrew their original motion to pass on first reading. Therefore, if the ordinance as written, comes back, it would be considered first introduction/reading. From conversations at the table an alternate ordinance may be brought forward in its place. It was also expressed that while this ordinance deserved discussion it should occur after a utility subsidization ordinance had been explored.

Additional New Business Items

G 16-034 Approve an amended final subdivision plat for a Planned Unit Development at 100 Indian River Road filed by Baranof Island Housing Authority

Assembly members thanked Baranof Island Housing Authority for offering an affordable housing option for residents.

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

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

H 16-031 Discussion/Direction on the development of the FY17 budget including extraordinary requests

Hunter wished to see all one time budget requests come before the Assembly during the budget process.

Administrator Gorman and Chief Finance and Administrative Officer, Jay Sweeney, noted this was going to be a highly unusual budget development year. He added there were a lot of moving targets, including at the state level. They suggested extraordinary FY17 budget requests be addressed at the first FY17 budget worksession with the Assembly, tentatively scheduled for April 21. The requests would be divided into two categories, internal requests and external requests. Sweeney noted the policy would apply to any agency making a request to be funded outside of, or in addition to, the non-profit grant process.

Eisenbeisz hoped to have more opportunity to discuss the budget and revisit past worksession items if needed. Further, he wished to see more detailed information provided to the Assembly such has been provided to the Citizens' Taskforce.

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:39pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk