



CITY AND BOROUGH OF SITKA

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

Minutes - Draft City and Borough Assembly

*Mayor Mim McConnell
Deputy Mayor Matt Hunter
Vice-Deputy Mayor Phyllis Hackett, Pete Esquiro, Mike Reif,
Benjamin Miyasato and Aaron Swanson*

*Municipal Administrator: Mark Gorman
Municipal Attorney: Robin L. Koutchak
Municipal Clerk: Colleen Ingman, MMC*

Tuesday, May 13, 2014

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato

Absent: 1 - Hunter

IV. CORRESPONDENCE/AGENDA CHANGES

AA 14-114 Reminders & Calendars

This item was PRESENTED.

BB 14-117 FLAP Grant Letter of Support

This item was PRESENTED.

CC 14-115 Public Works Report

This item was PRESENTED.

DD 14-116 Electric Department Report

This item was **PRESENTED**.

V. CEREMONIAL MATTERS

EE 14-105 Proclamations: 1) Arbor Day, and 2) Building Safety Month

Mayor McConnell presented an Arbor Day proclamation to Tree and Landscape Committee Chair, Joe D'Arienzo. A proclamation was also presented to Building Official, William Stortz, for Building Safety Month.

This item was **PRESENTED**.

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

Tim Fulton, Sitka School Board Clerk, provided an update on School District events.

Detective Kyle Ferguson spoke to the Assembly regarding the illegal drug situation in Sitka. He noted the primary drugs of abuse were heroin and methamphetamine. Ferguson encouraged continued cooperation and participation from the community. He also expressed the need for increased staffing levels at the Police Department.

Chief Sheldon Schmitt stated the plan was to fill the vacant positions and also hire a Police Officer for the schools.

Phil Burdick, coordinator of the Sitkans Together Against Meth Project, addressed the need for education and treatment outreach.

VII. PERSONS TO BE HEARD

Don Jones, a member of the Police and Fire Commission, urged the Assembly to fill the vacant Police Department positions and those that had been previously frozen.

Alene Henning spoke to the negative impacts of the current RIDE location by Stereo North.

Trish White, Board member of the Sitka Sound Science Center (SSSC), provided a report on events and activities at SSSC.

VIII. REPORTS

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

Mayor McConnell: welcomed Finance Officers, attended the Rasmusson site visit at the Library, greeted first cruise ships of the season at O'Connell Bridge and Old Sitka Dock, helped welcome the Bond Bank Board of Directors, participated in 100 Volunteers Day at Sitka Fine Arts Camp, participated in SHS Awards Ceremony, attended Sitka Economic Summit and Govt to Govt Dinner meeting.

Administrator Gorman: recognized Gus Adams and Friends of the Library for their fundraising efforts with the Library expansion project, noted a group was looking at options for an alternative location for the RIDE, greeted first cruise ships of the season, attended Sitka Economic Summit and Govt to Govt Dinner meeting.

Attorney: noted she would be attending the International Municipal Lawyers Association Conference.

Liaisons: Reif attended the School Board meeting, Investment Committee meeting, and Blue Lake Tour.

Other: Reif asked for an update regarding the Sea Walk guardrail. Hackett encouraged members of the community to take the Blue Lake Tour.

IX. CONSENT AGENDA

- A 14-102** Approve the minutes of the April 22 & May 5 Assembly/Board of Equalization meetings

This item was **APPROVED** on the Consent Agenda.

- B 14-106** Appointments: 1) Patrick Williams - Health Needs and Human Services, and 2) Josh Arnold - Port and Harbors Commission

This item was **APPROVED** on the Consent Agenda.

- C 14-107** Acknowledge the earmarking of excess CPET funds for Kattleson Memorial Library Expansion Project

Esquiro felt the use of CPET funds was improper. Hackett disagreed, noting the Library was heavily used by tourists.

Administrator Gorman offered a large number of tourists used the Library and it was acceptable to use locally collected CPET funds as opposed to State CPET funds.

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

Yes: 5 - McConnell, Hackett, Reif, Swanson, and Miyasato

No: 1 - Esquiro

Absent: 1 - Hunter

A recess was taken from 7:00-7:20pm.

- D 14-109** Approve a transfer of \$90,000 from Project 90652 - UV Disinfection Feasibility Study to Project 90673 - HPR Water Improvements
- Reif thanked staff for their work.
- Public Works Director, Michael Harmon, reviewed the budget for the UV Disinfection Feasibility Study and assured that the transfer of these funds would not negatively affect the funding for the Feasibility Study.
- A motion was made by Swanson to APPROVE this item. The motion PASSED by the following vote.**
- Yes:** 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato
- Absent:** 1 - Hunter
- E 14-108** Approve New Cingular Wireless PCS, LLC Amendment #1 - changing the lease to month-to-month
- This item was APPROVED on the Consent Agenda.**
- F ORD 14-14** Adjusting the FY 2014 Budget for known changes
- Jay Sweeney, Chief Finance and Administrative Officer, noted it was unlikely stumpage revenue would increase and also explained there was a possibility it could decrease. Sweeney summarized sales tax returns for 3rd quarter and indicated numbers were rising.
- A motion was made by Reif that this Ordinance be APPROVED on first reading. The motion PASSED by the following vote.**
- Yes:** 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato
- Absent:** 1 - Hunter
- G 14-104** Award a Bulk Fuel Oil Contract to Petro Marine Services not to exceed \$1,260,000 and execute agreement
- This item was APPROVED on the Consent Agenda.**
- X. UNFINISHED BUSINESS:**
- H ORD 14-11** Authorizing the sale of Lot 1 South Sitka Sound Seafoods Subdivision to North Pacific Seafoods
- A motion was made by Reif that this Ordinance be APPROVED on second reading. The motion PASSED by the following vote.**
- Yes:** 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato
- Absent:** 1 - Hunter
- XI. NEW BUSINESS:**

New Business First Reading

- I ORD 14-12** Amending SGC 4.09.010 entitled "Levy of Sales Tax" which removes the Requirement of Registration and Filing of Tax Returns for Tax Exempt Long Term Residential Rentals
- Hackett asked for a definition of "long term residential rentals in your personal home or a single duplex." After hearing from Chief Finance and Administrative Officer, Jay Sweeney, and Administrator Gorman, the Assembly decided the ordinance needed further clarification.
- A motion was made by Hackett to POSTPONE this item to the May 27th Assembly meeting. The motion PASSED by the following vote.**
- Yes:** 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato
- Absent:** 1 - Hunter
- J ORD 14-13** Amending SGC chapter 4.12 entitled "Property Tax" to add SGC 4.12.045 entitled "Exemptions - Disaster Damage" to Allow Reassessment of Property Damaged by Disaster
- Assessor, Randy Hughes, came forward to explain the ordinance and stated the intent was to give the property owner relief.
- Robin Koutchak, Municipal Attorney, advised the Assembly of their options regarding use of the terms "Assembly" and "Administrator" on lines 51 and 76 regarding a disaster.
- A motion was made by Reif to AMEND this item to change the terms on Lines 51 and 76 from "Assembly" to "Administrator". The amendment PASSED by the following vote.**
- Yes:** 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato
- Absent:** 1 - Hunter
- The main motion as amended PASSED by the following vote.**
- Yes:** 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato
- Absent:** 1 - Hunter

Additional New Business Items

- K 14-103** Sitka School District Budget Funding for FY15
- Reif commended the School District for their budget building.
- A motion was made by Reif to ACCEPT the Sitka School District FY15 budget amount of \$5,717,521 plus 50% of any Federal Secure Rural Schools funding, plus an amount not to exceed \$150,000 for building repair and maintenance. The motion PASSED by the following vote.**

Yes: 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato

Absent: 1 - Hunter

L 14-111 Consider waiving late filing applications for Senior Citizen Exemptions: 1) Jon Shennett and 2) Jeanette Williams

Jon Shennett asked for the late filing application fee to be waived. He stated he had been out of town and missed the filing day by two days.

A motion was made by Hackett to APPROVE waiving Jon Shennett's late filing application for Senior Citizen Real Property Tax Exemption for "good cause" as further defined in the Sitka General Code 4.12.025(g). The motion PASSED by the following vote.

Yes: 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato

Absent: 1 - Hunter

A motion was made by Hackett to approve waiving Jeanette Williams' late filing application for Senior Citizen Real Property Tax Exemption for "good cause" as further defined in the Sitka General Code 4.12.025(g). The motion FAILED by the following vote.

No: 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato

Absent: 1 - Hunter

M 14-112 Approve a Purchase Agreement for Raw Water between the CBS and I Water, LLC

Dan Stockel spoke in support of the purchase agreement.

Sebastian Furlan, a representative from I Water, participated by phone and answered questions.

Garry White, Sawmill Cove Industrial Park Director, reviewed the purchase agreement for raw water.

A motion was made by Swanson to APPROVE this item. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato

Absent: 1 - Hunter

N 14-113 Approve two Lease Agreements between the CBS and I Water, LLC for Block 4, Lots 3, 6 & 7 Sawmill Cove Industrial Park

Reif noted this was a step in the right direction and wished I Water success. Hackett commended the work of Garry White, the SCIP Board of Directors, and Dan Stockel.

A motion was made by Hackett to APPROVE this item. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hackett, Esquiro, Reif, Swanson, and Miyasato

Absent: 1 - Hunter

XII. PERSONS TO BE HEARD:

Garry White noted a SCIP strategic planning session would take place May 14 at 3pm in the SEDA board room.

XIII. EXECUTIVE SESSION

None.

XIV. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. The motion PASSED by a unanimous voice vote. The meeting ADJOURNED at 8:50pm.

ATTEST: _____
Sara Peterson, CMC
Acting Municipal Clerk