



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 Pete Esquiro,
Vice Deputy Mayor Thor Christianson,
Phyllis Hackett, Matthew Hunter, Mike Reif and Michelle Putz*

*Municipal Administrator: Jim Dinley
Municipal Attorney: Theresa Hillhouse
Municipal Clerk: Colleen Ingman, MMC
Deputy Clerk: Sara Peterson, CMC*

Tuesday, January 8, 2013

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

IV. CORRESPONDENCE/AGENDA CHANGES

The Mayor noted Items M and N would be discussed immediately after the Consent Agenda.

Government-to-Government Update with Sitka Tribe of Alaska

STA Tribal Chairman, Mike Baines, and Vice-Chairman, Ben Miyasato, introduced themselves and provided an update.

V. PERSONS TO BE HEARD

None.

VI. REPORTS

Fire Department and Public Works Staff briefed the Assembly on the recent tsunami/ earthquake evacuation process.

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

Mayor - briefed the Assembly on recent events/meetings attended.
Attorney - informed she accepted a position with the Municipality of Anchorage and would be leaving mid-March
Liaison Representatives - Assembly Members Hunter, Christianson, Hackett, Putz, and Reif shared information from the recent meetings they had attended.

VII. CONSENT AGENDA

- A 12-180** Approve the minutes of the December 11, 2012 Assembly meeting

This item was **APPROVED ON THE CONSENT AGENDA.**

- B 12-181** Reappoint 1) Peter Gorman to a three-year term on the Historic Preservation Commission, and 2) Carin Adickes to a three-year term on the Animal Hearing Board.

This item was **APPROVED ON THE CONSENT AGENDA.**

- C 13-007** Approve liquor license renewal applications for 1) BPO Elks Lodge #1662 at 412 Sawmill Creek Blvd, and, 2) Ernie's Bar at 130 Lincoln Street.

This item was **APPROVED ON THE CONSENT AGENDA.**

- D 13-004** Approve replacing "Cross Trail Multimodal Pathway Phase II" in FY'14 Legislative Priorities with "Cross Trail Multimodal Pathway" in the amount of \$842,382.

Assembly member Reif wondered if there was a fallback plan if funding was not obtained. In answer, Public Works Director, Michael Harmon, stated the project would be in a holding pattern until funding became available.

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- E 13-005** Award a contract to S&S General Contractors, in the amount of \$2,613,651.00, for the Base Bid and Additive Alternate No. 1A option for the Crescent Harbor and Centennial Hall Parking Lot Improvements project.

Reif questioned if there would be funds leftover after the project was complete to reallocate to other projects. Michael Harmon, Public Works Director, noted there was a possibility but was too early to tell. Lance Henrie, Senior Engineer, informed the project would start in the spring and be finished by end of summer.

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- F 13-006** Approve award of a Professional Services Contract to Moffatt & Nichol for the ANB Harbor Replacement Project on a time and materials basis for a not to exceed amount of \$527,765.

Dan Tadic, Senior Engineer, noted the public would have an opportunity to comment on designs and configuration at an upcoming Port and Harbors Commission meeting.

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

A recess was taken from 7:08pm to 7:13pm

- M ORD 13-01** Authorizing the issuance of harbor facilities revenue bonds in the principal amount of not to exceed \$4,600,000 to finance a portion of the cost of certain capital improvements to Sitka's harbor facilities; authorizing the sale of the bonds to the Alaska Municipal Bond Bank on the terms and conditions provided in this ordinance and in a loan agreement authorized to be entered into with the Bond Bank; and providing the terms and conditions for issuing additional harbor facilities revenue bonds on a parity with the bonds authorized by this ordinance.

Assembly members asked questions of Finance Director, Jay Sweeney, and Bond Counsel, David Thompson of K&L Gates LLP.

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- N ORD 13-02** Authorizing the issuance of junior lien electric revenue bonds of the City in the principal amount of not to exceed \$45,000,000 to finance a portion of the cost of expanding the Blue Lake hydroelectric project; and authorizing the sale of the bonds to the Alaska Municipal Bond Bank on the terms and conditions provided in this ordinance.

Assembly members Hackett and Christianson thanked Finance Director, Jay Sweeney, for providing thorough information.

Sweeney explained staff and administration tried to avoid imposing steep and hard rate increases.

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

VIII. UNFINISHED BUSINESS:

- G** **ORD 12-43A** Amending SGC Title 19 entitled "Building and Construction" to update existing provisions

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- H** **ORD 12-45** Updating Attachment A: Pay Matrix of the Personnel Policies Handbook

Human Resources Director, Mark Danielson, provided an overview. When the Assembly approved the FY13 budget, a 2% increase for non-representative employees was included. Ordinance 2012-45 documents that decision.

A motion was made by Putz that this Ordinance be APPROVED. The motion PASSED by the following vote.

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- I** **ORD 12-46A** Amending Sitka General Code Title 4, Chapter 9 entitled "Sales Tax" and making corresponding changes in Sitka General Code Title 4, Chapter 24 entitled "Hotel, Motel and Bed and Breakfast Transient Room Tax"

Assembly members asked questions of Finance Director, Jay Sweeney, related to certain exemptions: veterinary services, government funded agencies and persons who had reached the age of sixty-five.

A motion was made by Reif that this Ordinance be PASSED ON FIRST READING AS AMENDED. The motion PASSED by the following vote.

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- J** **ORD 13-04** Authorizing Amendment No. 1 to the Agreement for Material Sale from Municipally owned property with Southeast Earthmovers, Inc. at Site 5 of the Granite Creek Industrial Area

Municipal Attorney Hillhouse provided a summary of events leading up to this ordinance. Assembly Member Christianson thanked staff for working with all parties to reach a solution.

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

IX. NEW BUSINESS:

New Business First Reading

- K** **ORD 13-03** Consenting to the Assignment of Agreement for Material Sale from Municipally owned property to S&S General Contractors and

Equipment Rentals, Inc. from Southeast Earthmovers, Inc.

Municipal Attorney provided background information and noted there would be an amendment coming forward for in-kind service.

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

A recess was taken from 7:58pm to 8:05pm

- L ORD 12-47 Authorizing Amendment No. 1 to the lease agreement with S&S General Contractors & Equipment Rentals Inc. regarding property at the Granite Creek Industrial Area, "Pit Run" Site**

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

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

Additional New Business Items

- O 13-001 Board of Adjustment: Approve a Conditional Use Permit Request for a short-term rental located at 601 Sawmill Creek Road. The request is filed by Sharon Romine with Creative Connections/Welcome Home Vacations for Michael LaGuire.**

A motion was made by Reif to CONVENE as the Board of Adjustment. The motion PASSED by the following vote:

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

Planning Director, Wells Williams, gave an overview of the request.

Property Manager, Sharon Romine, came forward. Reif wondered if Romine had received a number of requests from workers on the Blue Lake Dam Project. She had, however, those folks need long-term housing.

Assembly deliberation:

Hackett referred to concerns received from the public in which they felt a short-term rental was a commercial business and should not be allowed in residential areas. After much research, Hunter felt that since the Code allowed it, this request should go forward. Putz felt a discussion on short-term rentals was warranted. Hackett reminded the Assembly those permits run with the property.

Williams stated for the February 12th Assembly meeting, the Planning Office would bring forward a monitoring plan and how to make a finding for abandonment for short-term rentals that hadn't been active through sales tax.

Williams shared the annual report form he had developed to offer as a tracking mechanism.

A motion was made by Hackett to AMEND to include the condition the applicant must file a "Short-Term Rental and Bed & Breakfast Annual Report" form with the Planning Department. The motion PASSED by the following vote:

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

No: 1 - Christianson

A motion was made by Hunter to APPROVE this request, as amended, with the condition the applicant file a "Short-Term Rental and Bed & Breakfast Annual Report" form with the Planning Department in accordance with the following findings:

1. It is in accordance with SGC 22.30.160 and 22.24.010;
2. It incorporates 2.5.2.I of the Comprehensive Plan; and
3. Most of the required findings were met by virtue of the fact that it is adjacent to developed City streets.

The motion PASSED by the following vote:

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

P 13-002

Board of Adjustment: Approve a Conditional Use Permit Request for a short-term rental located at 2613 Halibut Point Road. The request is filed by Sharon Romine with Creative Connections/Welcome Home Vacations for Melody Price-Yonts and Robert Yonts.

Wells Williams, Planning Director, and applicant, Sharon Romine, came forward to provide an overview of the request.

A motion was made by Reif to APPROVE this request with the following two conditions and findings:

Conditions:

1. A life safety inspection be obtained,
2. The applicant file a "Short-Term Rental and Bed & Breakfast Annual Report" form with the Planning Department.

Findings:

1. It is in accordance with SGC 22.30.160 and 22.24.010;
2. The approval is based on part that this location is adjacent to State highway and therefore will not adversely affect public infrastructure; and;
3. It is compliant with Comprehensive Plan 2.5.2 I

The motion PASSED by the following vote:

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

Q 13-003

Board of Adjustment: Approve a Conditional Use Permit Request filed by Timothy Riley and Sandra Gelber for a short-term rental located at 630 Merrill Street.

Planning Director, Wells Williams, gave an overview of the request and detailed

findings. Concerns had been raised by a nearby property owner with regard to increase potential traffic and noise. Williams informed the Assembly they had the option of placing a one year review as an added condition.

The Assembly discussed the request and decided to add two conditions: 1) the applicant files a "Short-Term Rental and Bed & Breakfast Annual Report" form, and, 2) there be a one year review of the permit before the Planning Commission.

Putz expressed concern with traffic issues in the neighborhood.

A motion was made by Hackett to APPROVE this request with the following conditions and findings:

Conditions:

- 1. A "Short-Term Rental and Bed & Breakfast Annual Report" form be filed with the Planning Department, and,**
- 2. A one year review of the permit be conducted before the Planning Commission.**

Findings:

- 1. The Planning Commission finds that the short-term rental will not be detrimental to public health, safety, and general welfare;**
- 2. Will not adversely affect the established character of the surrounding vicinity;**
- 3. Will not be injurious to properties immediately adjacent to the area;**
- 4. Will be consistent with Comprehensive Plan 2.5.2 | Encourage the development of facilities to accommodate visitors without significant impacts on residential properties;**
- 5. All conditions necessary can be enforced;**
- 6. The applicant has met the burden of proof;**
- 7. It will not introduce hazardous conditions;**
- 8. Will not adversely affect public facilities or infrastructure; and**
- 9. The Planning Commission has also considered SGC 22.24.010 criteria for impacts which deals with hours of operations and locations along collector streets.**

The motion PASSED by the following vote:

Yes: 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

A motion was made by Reif to RECONVENE as Assembly in regular session. The motion PASSED by a unanimous voice vote.

X. PERSONS TO BE HEARD:

None.

XI. EXECUTIVE SESSION

XII. ADJOURNMENT

A motion was made by Christianson to ADJOURN. The meeting ADJOURNED at 9:20pm by unanimous voice vote.

ATTEST: _____
Sara Peterson, CMC
Acting Municipal Clerk