



CITY AND BOROUGH OF SITKA

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

Minutes - Final City and Borough Assembly

Mayor Cheryl Westover
Deputy Mayor Pete Esquiro, Vice-Deputy Mayor Thor
Christianson,
Terry Blake, Phyllis Hackett, Mim McConnell, and Mike Reif

Municipal Administrator: Jim Dinley
Municipal Attorney: Theresa Hillhouse
Municipal Clerk: Colleen Ingman, MMC

Tuesday, March 13, 2012

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - McConnell, Blake, Christianson, Reif, and Hackett

Absent: 2 - Westover, and Esquiro

IV. CORRESPONDENCE/AGENDA CHANGES

Government-to-Government Update with Sitka Tribe of Alaska

Sitka Tribe of Alaska Council Member Dale Williams provided a report to the Assembly of current events at the Tribe.

V. SPECIAL MUNICIPAL/COMMITTEE/COMMISSION REPORTS:

12-12

Today's Classroom Sitka School District

School Board Member Tim Fulton; 2nd grade teachers, Cindy Duncan and Kelly Buxton; and Assistant Superintendent, Mary Wagner, gave a presentation to the Assembly on the use of interactive Promethium Boards and tools in the classroom.

A recess was taken from 6:50 to 6:55pm.

VI. PERSONS TO BE HEARD

Andrew Miller of Sitka Maritime Heritage Society noted the continued work with Delta Western regarding a fuel dock. He added Delta Western currently had some tanks at Samson Tug and Barge.

Don Jones spoke to DMV fee collection for municipalities. He suggested an increase in fees could be implemented to help with road maintenance costs.

VII. REPORTS

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

Vice-Deputy Mayor: Reported the Tourism Commission was moving forward with the signage project.

Acting Administrator: Noted Spring Clean Up would be held April 14-22. Harmon answered questions from Assembly member Reif regarding the alternative water source and the Swan Lake dock.

VIII. CONSENT AGENDA

- A [12-33](#) Approve the Assembly minutes of February 14, 2012.

This item was APPROVED ON THE CONSENT AGENDA.

- B [12-35](#) Appointments: B 1) Reappoint Trish White to a term on the Local Emergency Planning Commission, B 2) Appoint Mary Stephenson to the Tourism Commission, and B 3) Appoint Brian Bickar to a term on the Police and Fire Commission

The Assembly chose to divide the appointments into three motions.

A motion was made by Hackett to reappoint Trish White to a term on the Local Emergency Planning Commission. The motion passed by a unanimous voice vote.

A motion was made by McConnell to appoint Mary Stephenson to the Tourism Commission. The motion passed by a unanimous voice vote.

Reif called Brian Bickar forward and asked his interest in serving on the Commission. Bickar said he would like to become involved in the community.

A motion was made by Reif to appoint Bickar to a term on the Police and Fire Commission for one year. The motion FAILED by the following vote.

Yes: 1 - Reif

No: 4 - McConnell, Blake, Christianson, and Hackett

Absent: 2 - Westover, and Esquiro

Bickar stated he was devoted. Hackett added Bickar would bring a valuable perspective to the Commission because he had had interactions with the Police Department and was a parent.

A motion was made by McConnell to appoint Bickar to a three year term on the Police and Fire Commission. The motion PASSED by the following vote.

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

Absent: 2 - Westover, and Esquiro

IX. UNFINISHED BUSINESS:

- C** [ORD 12-11](#) Authorizing a Five-Year Lease of property at Griffin Island with Joan Berg for 4-J's Coffee
- Vice-Deputy Mayor Christianson read the title, purpose, and effective date.*
- A motion was made by Hackett that this Ordinance be PASSED ON SECOND READING. The motion PASSED by the following vote.**
- Yes:** 5 - McConnell, Blake, Christianson, Reif, and Hackett
- Absent:** 2 - Westover, and Esquiro
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- D** [ORD 12-12](#) Amending Sections of SGC Chapters 19.02, 19.03, 19.09, to update the reference to the Uniform Plumbing Codes and National Electric Code
- A motion was made by McConnell that this Ordinance be PASSED ON SECOND READING. The motion PASSED by the following vote.**
- Yes:** 5 - McConnell, Blake, Christianson, Reif, and Hackett
- Absent:** 2 - Westover, and Esquiro
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- E** [ORD 12-08](#) Amending Sitka General Code Section 4.09.010 entitled "Levy of Sales Tax" to reallocate the percentages of the Fish Box Sales Tax.
- A motion was made by McConnell that this Ordinance be POSTPONED to the March 27 Assembly meeting. The motion PASSED by the following vote.**
- Yes:** 4 - McConnell, Blake, Christianson, and Hackett
- Absent:** 2 - Westover, and Esquiro
- Recused:** 1 - Reif
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- F** [ORD 12-06](#) Amending the Sitka General Code by repealing the sales tax exemption provision currently at Sitka General Code subsection 4.09.100Y for "exemption for retired persons who have reached the age of sixty-five," and adding a new section 4.09.105 entitled "Sales Tax Exemption for Sitka Senior Residents or Members of their households"
- Bob Schell wondered if adjusted gross income was a fair way to establish qualification for the exemption. He noted medical expenses would not be recognized in the figure.*
- David H. Tjomsland supported second reading of this ordinance be postponed until all Assembly members were present. He noted retail sales would suffer and would like to grandfather in and institute another age bracket so people could plan their retirement.*
- Kathy Kyle spoke in support of the ordinance. She noted the current exemption gave a benefit to many who didn't need it. Kyle said young people can't be expected to support the seniors when many seniors owned their own homes. A cleaner solution would be to exempt tax on food for everyone. Kyle spoke in support of raising the sales tax cap.*
- Ward Eldridge stated while he loved not having to pay City sales tax it bothered him that there were a lot of young people that had to subsidize seniors. He felt removing sales tax from food would make more sense.*

Tom Pratt believed the commitment to honor seniors needed to be upheld. He felt it was embarrassing and deserved a more thoughtful approach.

Pat Kehoe testified this was an exemption for people who were retired and felt this was unknown -nowhere on the application did it ask if someone was retired. She suggested whatever was decided needed to be implemented better than this program. Kehoe added medical costs needed to be factored in.

Ken Creamer spoke in support of keeping the current senior exemption. He stated there was a revenue problem and the best thing the City could do was pass a budget where expenses met revenues.

Don Jones agreed with delaying second reading. He suggested repealing taxes on food which would impact everyone. Jones stated the City should tax tobacco and alcohol.

Shirley Robards testified she brought this issue forward to the Assembly in 1975. She noted Juneau extended the sales tax exemption benefit to all Alaskan seniors. Robards had a 30 page petition of signatures she had collected saying to leave the exemption as is.

Assembly member Hackett said she had agreed to move forward with changing the senior tax exemption provisions because of Sitka's changing demographics and the aging population. She supported taking tax off of food but right now it would be difficult for the City to afford. Christianson's intention all along was to come up with a fairer way than the \$300 rebate.

A motion was made by Hackett that this Ordinance be POSTPONED to the March 27 Assembly meeting. The motion PASSED by a unanimous vote.

A recess was taken from 8:20 to 8:30pm.

G **ORD 12-13**

Amending SGC Subsection 13.06.010 L entitled "Launch Ramp Fees" to be consistent with Alaska State Park Boat Launch Fees

Ken Creamer, Vice Chairman of the Port and Harbors Commission, reported the Commission was unanimously rescinding their adoption of the ordinance because it no longer mirrored the statute of the State of Alaska. Creamer indicated it was initially recommended so the ordinance would correspond with the State of Alaska.

Harbormaster Stan Eliason explained the previous amendment would not allow for the reciprocal agreement with the State; the ability to partner would be lost. Reif supported the original ordinance and felt it better served the Harbor Department. Hackett stressed the importance of educating the public of a fee.

Mike Coleman testified he had 3 boats, 2 of which were on trailers. He stated just because he had one boat in the harbor didn't mean that his other two boats were covered. He contended he should have to pay for all three.

A motion was made by Reif that this Ordinance be POSTPONED to the March 27 Assembly meeting. The motion PASSED by the following vote.

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

Absent: 2 - Westover, and Esquiro

H **12-37**

Reconsider the Assembly's decision sitting as the Board of Adjustment on February

28, 2012 granting a Conditional Use Permit filed by Dawn Mahoney-Menendez for a more than 4 children Day Care at 506 First Street, based on the recommendation of the Planning Commission at their January 17, 2012 meeting.

A motion was made by Blake to convene as the Board of Adjustment. The motion PASSED by a unanimous vote.

Vice-Deputy Mayor Christianson called the parties forward.

Nelson's preference was to postpone the item to the first meeting in April.

The Menendez' attorney, Corrie Bosman, requested a decision be made now because the owners and parents were waiting for a decision.

A motion was made by McConnell that this Item be POSTPONED to the April 10 Assembly meeting. The motion PASSED by the following vote.

Yes: 4 - McConnell, Blake, Christianson, and Hackett

Absent: 2 - Westover, and Esquiro

Recused: 1 - Reif

A motion was made by McConnell to reconvene as the Assembly in regular session. The motion PASSED by a unanimous vote.

X. NEW BUSINESS:

New Business First Reading

- I [RES 12-04](#) Approving the CBS's participation in a proposed refinancing by the Alaska Municipal Bond Bank of certain of its general obligation bonds and general obligation refunding bonds, which provided funds to purchase the CBS's General Obligation Bond 2004 and General Obligation Refunding Bond, 2005 under loan agreements between the CBS and the Bond Bank; and authorizing the CBS's Finance Director to approve a revised schedule of principal and interest payments on the CBS's 2004 and 2005 Bonds, in accordance with the loan agreements, if the Bond Bank successfully refinances its bonds

Vice-Deputy Mayor Christianson read the title.

Jay Sweeney, Finance Director, explained the Municipal Bond Bank approached the City with regard to combining bonds from other entities into a combined bond. The total savings would be \$740,000, the City's share would be approximately a third of that.

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

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

Absent: 2 - Westover, and Esquiro

Additional New Business Items

- J [12-38](#) Approve the award for a design contract for the Baranof Street Sewer/Water Replacement to DOWL HKM with a not to exceed amount of \$95,000.

Municipal Engineer, Stephen Weatherman, and Senior Engineer, Lance Henrie, came forward to explain the award and project.

A motion was made by Blake that this Contract/Agreement be APPROVED. The motion PASSED by the following vote.

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

Absent: 2 - Westover, and Esquiro

K [12-34](#)

Approve award of a Professional Services Contract for the Sea Walk Part C to Tetra Tech Alaska, LLC. not to exceed \$171,100.

Municipal Engineer, Stephen Weatherman, and Senior Engineer, Dan Tadic, came forward to explain. Part 3 is the section from the basketball court to the Sitka National Historical Park. Acting Administrator and Public Works Director, Michael Harmon, noted the goal would be to finish the design and bring it back before the Assembly. Tadic indicated there would be public meetings in the future.

A motion was made by McConnell that this Contract/Agreement be APPROVED. The motion PASSED by the following vote.

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

Absent: 2 - Westover, and Esquiro

L [12-39](#)

Approve Southeast Economic Development 6-month short-term loan with conditions requested by Baranof Island Brewing Company - \$75,000

This item was PULLED from the agenda prior to the meeting.

XI. PERSONS TO BE HEARD:

Mike Reif apologized to Thor Christianson and the public for his decision in agreeing with Mayor Westover's ruling to bar Christianson from taking part in school funding discussions at the last meeting.

Municipal Attorney, Theresa Hillhouse, stated at the next meeting Michael Gatti, the City's outside counsel, would be available to advise the Assembly on conflict of interest.

XII. ADJOURNMENT

A motion was made by Hackett to ADJOURN at 9:18 PM. The motion passed by unanimous vote.

ATTEST: _____

Colleen Ingman, MMC
Municipal Clerk