

CONSENT AGENDA

POSSIBLE MOTION

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

I wish to remove Item(s) _____

**REMINDER – Read aloud a portion of each item being
voted on that is included in the consent vote.**

If this item is pulled from the consent agenda the following motion would be in order:

POSSIBLE MOTION

I MOVE TO approve the minutes of the August 11, 21 and 25, 2015 Assembly meetings.



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 Michelle Putz*

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

Tuesday, August 11, 2015

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 Putz

IV. CORRESPONDENCE/AGENDA CHANGES

15-139 Reminders, Calendars and General Correspondence

V. CEREMONIAL MATTERS

None.

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

Rob Allen, CEO of Sitka Community Hospital (SCH), reported cash was stable, staff was continuing to work on the electronic health records program, announced a \$50,000 challenge grant had been offered by Ral West and John Hardwick to be used for capital projects, and shared the Hospital Board had approved SCH a tobacco free campus effective August 24.

15-138 Sitka Community Development Corporation - Randy Hughey

Sitka Transient Float Project Update - PND Engineers, Inc.

It was announced the Sitka Community Development Corporation would provide a report at a future Assembly meeting.

Dick Somerville of PND Engineers, Inc. provided an overview of the Sitka Transient Float project scope and budget, wave conditions, float design criteria, and project completion schedule.

VII. PERSONS TO BE HEARD

Suzan Hess, President of the Greater Sitka Chamber of Commerce, distributed a resolution in support of utilizing bed tax collected by the City and Borough of Sitka for the purpose of marketing Sitka as a destination.

Doug Osborne announced there would be a meeting August 11 to discuss the overall benefits of electric vehicles.

Kevin Knox, President of Baranof Barracudas Swim Club and race director of Change Your Latitude open water swim, congratulated all those who swam and thanked local business sponsors.

Evy Kinnear, President of the Sitka Convention and Visitors Bureau (SCVB) and co-founder of Fortress of the Bear, urged the Assembly to allow SCVB to continue providing visitor services to Sitka.

Kathy Jones, Executive Chef of Westmark and Totem Square, spoke to the utilization of collected bed tax and urged the Assembly to support the Sitka Convention and Visitors Bureau.

General Manager, Joe List of Westmark urged the Assembly to support the Sitka Convention and Visitors Bureau.

Robb Farmer, Library Director, publically thanked participants of the summer reading program and those volunteers who helped make the program a success.

VIII. REPORTS

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

Mayor - McConnell noted she had attended the Coast Guard Day picnic at Keet, which had a great turnout. She reported on the State of Alaska's Transboundary Partner Dialogue in Juneau last week. The subtext was: Respect, Candor, Results. This meeting was an opportunity for the Lt. Governor and three cabinet members (ADF&G, DNR, DEC) to provide information, and to listen and learn from the invited Alaskans on their knowledge, history and thoughts on the overall water quality, habitat integrity and resource sustainability of our transboundary rivers, specifically the Taku, Stikine and Unuk. Other Sitkans attending included three Sitka Tribal Council members Wilbur Brown, Michael Baines and Bob Sam, and Waterkeeper representative, Guy Archibald. Attendees were directed to assigned seats at round tables for the day's discussions, which were set up to answer three questions, with answers reported back to all the attendees. The questions were: 1) Baseline Data - What is needed in information and science? 2) Participation & Collaboration - Whose issue is it? How can we work together? 3) Communication & Resources - Can we share and learn from one another? What resources and structure is needed going forward? The Lt. Governor repeatedly stated his interest in using a collaborative process to make decisions for the state. This Dialogue was an example of what he had in mind. McConnell learned the following: there is interest in having the Alaska

tribes convene with the 1st Nation tribes to address common concerns and issues; time is not on our side as the Canadian government is expediting the permitting process for the BC mines; a heightened response from Alaskans and US citizens is needed to raise this to the US State Department level, from whom a response is needed to show that the US is taking this seriously; any agreement with Canada concerning this issue is useless without a way to enforce it. At the end of the event, the Lt. Governor asked for volunteers to form a smaller group which could work with the Transboundary Working Group, which consists of Mallott and the 3 cabinet members, as they move forward. I volunteered for this committee. And finally, here in Sitka, at the conclusion of the Sitka Seafood Festival, I was on a Transboundary panel after the showing of the movie, "The Breach".

Administrator - Gorman noted continued discussions with the State regarding possible City and Borough of Sitka management of Halibut Point Recreation Area, reported four statements of interest had been received for providing visitor services and indicated contract negotiations had begun with the Chamber of Commerce. Gorman noted the Aspen Hotel was in the process of purchasing property at 210 Lake Street to build a five story hotel.

Liaison Representatives - Miyasato attended the Library Commission meeting and reported the Commission had voted to change the name of the Library to Sitka Public Library.

IX. CONSENT AGENDA

- A 15-140** Approve the minutes of the July 28 Assembly meeting
- This item was APPROVED ON THE CONSENT AGENDA.**
- B 15-141** Approve a liquor license ownership transfer and restaurant designation permit for GraCED, Inc dba The Larkspur Cafe at 2A Lincoln Street Suite 1A
- This item was APPROVED ON THE CONSENT AGENDA.**
- C RES 15-15** Authorizing the application for loans to the Alaska Department of Environmental Conservation under the Alaska Drinking Water Fund for Marine Street water improvements and a water storage study, and under the Alaska Clean Water Fund for Marine Street sewer improvements, Crescent lift station replacement and wastewater treatment plant HVAC improvements

Hugh Bevan raised questions as to the level of CBS debt and wondered how much citizens could bear.

Michael Harmon, Public Works Director, provided clarification on the Wastewater Treatment Plant HVAC Improvements project.

Chief Finance and Administrative Officer, Jay Sweeney, spoke to the fiscal note provided to the Assembly and ongoing annual demands for expensive infrastructure replacement. Sweeney stated sustained rate increases were needed.

Eisenbeisz encouraged a public information campaign to help citizens understand the condition of infrastructure.

A motion was made by Hunter to APPROVE this Resolution on first and final reading. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Miyasato, Guevin, and Putz

No: 2 - Swanson, and Eisenbeisz

- D RES 15-16** Designating the Municipal Administrator and the Chief Finance and Administrative Officer as authorized officials to execute all documents necessary to sell all financial holdings held in accounts in the name of the City and Borough of Sitka with Putnam Investments, and, to authorize the liquidation of such accounts

This item was APPROVED ON THE CONSENT AGENDA.

- E 15-143** Authorize awarding a sole source contract with WS Construction on an emergency basis for a lump sum of \$84,800 for replacement of failing floatation at the West Transient Dock

This item was APPROVED ON THE CONSENT AGENDA.

- F 15-145** Approve award of contracts to the following for Electric Department consulting/technical services: 1) Northstar Power Engineering, the amount not to exceed \$300,000 for FY16, 2) Electric Power Systems, Inc., the amount not to exceed \$700,000 for FY16, and 3) Design Southeast, the amount not to exceed \$200,000 for FY16

Administrator Gorman confirmed these contracts fell under the guidelines of sole source justification. Acting Utility Director, Jeff Wheeler, explained the need for each contract and services to be provided.

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

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

- G 15-146** Approve award of contracts to the following for Electric Department consulting/technical services in FY15: 1) Electric Power Systems, Inc. in the amount of \$476,850.80 and 2) Northstar Power Engineering in the amount of \$57,955.10

This item was APPROVED ON THE CONSENT AGENDA.

- H 15-147** Approve award of a contract to Northern Construction Service in the amount of \$4,986,329 for completion of the Sitka Transient Float Replacement project

This item was APPROVED ON THE CONSENT AGENDA.

- I 15-148** Approve Amendment No. 5 to Alaska Bulk Water, Inc.'s bulk water export contract

Putz wondered if there was a deposit outside the contract value that would cover removal costs. Garry White, Gary Paxton Industrial Park Board Director, stated there were not other funds outside the contract and further explained the details of the agreement. If the infrastructure was not removed it would become the property of the City and Borough of Sitka (CBS). White offered the amendment was brought forth by the Park Board and was of benefit to CBS.

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

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

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- J 15-142** Reappoint Carol Berge to a three-year term on the Local Emergency Planning Commission

Assembly members thanked Berge for her service.

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 Putz

XI. UNFINISHED BUSINESS:

- K ORD 15-37A** Amending Section 2.12.010 City and Borough of Sitka Hospital Board and Section 2.12.070 Organization, formally dissolving the existing Sitka Community Hospital Board (SCH) and its framework and re-establishing and reorganizing membership under new criteria by decreasing voting membership from seven to five with the goal of providing financial welfare and economic financial stability to Sitka Community Hospital. The new membership will include one non-voting, ex-officio CBS standing seat (and alternate) appointed by the Municipal Administrator

Putz suggested in the future it would be wise to take ideas to the respective Board if changes were needed. Hunter felt the ordinance provided movement in the right direction, however, felt the process could have been handled better. McConnell and Guevin agreed. Guevin recognized the need for change and a solid operational plan. Eisenbeisz cautioned the Assembly on having a high level CBS staff person on the Board and offered instead that the CBS staff person be a non-voting, ex-officio member.

A motion was made by Eisenbeisz to AMEND the Ordinance to have the CBS staff member be an ex-officio seat and add one more at large seat to maintain the 5 member board. The AMENDMENT PASSED by the following vote.

Yes: 4 - Swanson, Eisenbeisz, Guevin, and Putz

No: 3 - McConnell, Hunter, and Miyasato

Assembly members offered opinions on the amendment.

It was noted the Ordinance would need to come back before the Assembly for a final reading as the amendment was of a substantive nature.

A motion was made by Hunter to APPROVE this Ordinance as AMENDED. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Guevin

No: 1 - Putz

L ORD 15-40 Adjusting the FY15 and FY16 Budgets

Eisenbeisz asked for clarification on the vote-by-mail line item. Municipal Clerk, Sara Peterson, explained that her predecessor, Colleen Ingman, had started researching vote-by-mail before retiring and although Peterson had decided not to pursue vote-by-mail for the 2015 election she felt it would be beneficial to continue building the framework so that in the event the municipality chose to move in this direction a solid framework was in place.

A motion was made by Hunter that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

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

XII. NEW BUSINESS:

M 15-149 Discussion/Decision regarding complaints filed by Marko Dapceвич regarding a water line fee and water and sewer charges for 104 Remington Way

Assembly member Hunter stated he was a neighbor of Marko Dapceвич and had paid the contractor to do work on his property in conjunction with this project. Hunter added he had previously talked with Dapceвич about these issues. However, felt he could be objective. The Assembly did not feel it was necessary for Hunter to recuse himself.

Dapceвич provided a summary of the issues before the Assembly and spoke to the memo provided by Attorney Robin Koutchak. Dapceвич requested that the Assembly divide the motion as they were two separate issues.

Gorman summarized the two requests before the Assembly and gave an overview of staff's interpretation. He further stated it was necessary for revisions to be made to the Code to provide better clarification regarding owner accounts and vacation rates.

Assembly members Hunter and Eisenbeisz offered their opinions on the two issues.

Attorney Robin Koutchak spoke to the memo she wrote.

A motion was made by Eisenbeisz to split the proposed motion into two separate motions because they were two separate issues. The motion PASSED

by the following vote.

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

A motion was made by Putz to APPROVE the request filed by Marko Dapceвич for the reimbursement of a water line connection fee in the amount of \$731.00. The motion FAILED by the following vote.

No: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Putz

A motion was made by Putz to APPROVE the request filed by Marko Dapceвич for the reimbursement of water and sewer service fees in the amount of \$310.41 that were collected during the time Marko Dapceвич was disconnected from the municipal water system. The motion FAILED by the following vote.

Yes: 2 - Swanson, and Miyasato

No: 5 - McConnell, Hunter, Eisenbeisz, Guevin, and Putz

N 15-150

Conceptual approval of a proposal to add City and Borough of Sitka property to the Gary Paxton Industrial Park for development opportunities

Garry White, Director of the Gary Paxton Industrial Park (GPIP) Board, provided an overview of the subject property and noted there had been a demand for property and business development at the Park. White did not envision that there would be property available at the Park that would meet the \$500,000 mark requiring a vote of the people. White indicated the area would need to be rezoned and future development proposals would be brought forward to the GPIP Board for its recommendation to the Assembly.

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

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

No: 1 - Guevin

O ORD 15-41

Amending Sitka General Code Chapter 4.09 "Sales Tax" by adding a new Section 4.09.050 "Non-Profit Activities Enhancement Fund," modifying Section 4.09.100L "Exemptions" by clarifying sales made by nonprofit charitable organizations; amending Section 4.09.420 "Definitions" by modifying Subsection "I." to include outcry, silent auctions, and admission fees as sales and adding Subsections "O" "Donation", and "P" "Admission Fee" (*first reading*)

Mayor McConnell and Assembly member Putz recused themselves because of employment with nonprofits.

Putz, speaking as a member of the public, cautioned the Assembly that the following agenda item was related to this ordinance.

Ann Wilkinson, Erika Knox, John Welsh, Lisa Busch, and Mim McConnell spoke in opposition to the ordinance.

Chief Finance and Administrative Officer, Jay Sweeney, read an email to the

Assembly dated June 9, 2015 regarding current provisions of the Sitka General Code pertaining to the taxability of sales by non-profit entities.

Sweeney stated the additional taxation brought in by the passage of this ordinance would be approximately \$100,000. He added there was difficulty with enforcement and with individuals understanding the current exemptions. This ordinance would provide some clarity.

Guevin and Hunter spoke in opposition to the ordinance. Miyasato spoke in support of the ordinance and reminded the public and Assembly that it encouraged compliance. Hunter offered that this might be an issue for the Citizens' Taskforce to look at.

A motion was made by Miyasato that this Ordinance be APPROVED on first reading. The motion FAILED by the following vote.

Yes: 1 - Miyasato

No: 4 - Hunter, Swanson, Eisenbeisz, and Guevin

Recused: 2 - McConnell, and Putz

P 15-144 ~~Approve the removal of the Finance Director's existing sales tax interpretation regarding taxability of fundraisers~~ PULLED

A motion was made by Eisenbeisz to POSTPONE this item to the August 25, 2015 Assembly meeting. The motion PASSED by the following vote.

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

Q 15-151 Appoint two Assembly members to serve on the Marijuana Advisory Committee

Assembly members Eisenbeisz and Putz offered to serve on the Marijuana Advisory Committee.

XIII. PERSONS TO BE HEARD:

Charles McGill announced he had started a new business in Sitka providing dog waste removal and disposal.

XIV. EXECUTIVE SESSION

XV. ADJOURNMENT

A motion was made by Hunter to ADJOURN. Hearing no objections, the meeting ADJOURNED at 10:20pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
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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 Michelle Putz

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

Friday, August 21, 2015

8:00 PM

Assembly Chambers

EMERGENCY MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

IV. REPORTS:

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

Municipal Administrator, Mark Gorman, provided an update on the continued recovery efforts of the day. He reported operations were suspended for the weekend due to heavy rains and would resume Monday.

V. NEW BUSINESS:

A ORD 15-44 Local Government Disaster Declaration

Planning and Community Development Director, Maegan Bosak, outlined the local government disaster declaration and summarized the State assistance programs that may be available including public assistance, individual assistance, Small Business Administration, and temporary housing as appropriate.

Jay Sweeney spoke to Section 11.10 (b) of the Charter addressing emergency appropriations and Section 3.03 Emergency Ordinances.

Mayor McConnell thanked Assembly members and staff for their hard work.

A motion was made by Miyasato to APPROVE emergency Ordinance 2015-44.

The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

VI. PERSONS TO BE HEARD:

None.

VII. EXECUTIVE SESSION

None.

VIII. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:15pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
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Minutes - Draft

City and Borough Assembly

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Aaron Swanson, Steven Eisenbeisz
Tristan Guevin, and Michelle Putz*

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

Tuesday, August 25, 2015

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

Telephonic: 1 - McConnell

IV. CORRESPONDENCE/AGENDA CHANGES

Putz called attention to the Baranof Warm Springs Infrastructure Management Plan and comment period through September 30.

15-163

Reminders, Calendars and General Correspondence

V. CEREMONIAL MATTERS

15-152

Proclamation - Childhood Cancer Awareness Month

Deputy Mayor Hunter read the proclamation for Childhood Cancer Awareness Month.

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

15-161

Update on diesel spill at Jarvis Street Diesel Plant - Bryan Bertacchi, Utility Director

Municipal Administrator Mark Gorman introduced Bryan Bertacchi, Utility Director. Bertacchi gave an update on the diesel spill at the Jarvis Street Diesel Plant stating there was a net 2,500 gallons of unaccounted diesel based on inspections. He noted they were still monitoring, gave mention to Erin Clay, Project and Regulatory Engineer who had recently rewrote and updated the spill plan, and stated there would be recovery costs from other entities but had not been notified of direct fines associated with the spill.

VII. PERSONS TO BE HEARD

Margie Esquiro, a Sand Dollar Drive resident spoke to the events of last week. She praised Fire, Police, EMS, Salvation Army, Grace Harbor Church, State Troopers, Coast Guard, city workers, Assembly, and the community. Pete Esquiro expressed continued concerns and hoped the Assembly would guide a process for more information to avoid future issues. Dave Miller, Fire Chief told of community support and thanked the community from the past weeks disaster and thanked Al Stevens, Assistant Fire Chief. Miyasato spoke on behalf of Sitka Tribe of Alaska (STA). He thanked those who gave STA an update at their meeting.

VIII. REPORTS

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

Mayor - The only city activities she had been involved with since the last Assembly meeting had been related to the recent landslides. Her activities had been pretty well-covered in print, radio and TV media. She spent most of last week at Incident Command and at the North and South branches of the Kramer Avenue landslide. She met with Governor Walker during his visit and accompanied him while in Sitka. She was impressed with the outpouring of love for our community that had come from residents and those outside of Sitka. People had found ways to give that had met so many needs. As we grieved over the loss of Elmer and Uli Diaz and city employee William Stortz, we were buoyed up by those that supported us. Generous hearts and actions would help us heal. Thank you to those volunteers, contractors, local, state and federal employees, families and friends that had been so focused on recovering our loved ones and cleaning up the debris that spilled into our city and lives so abruptly. Thank you for caring.

Administrator - Mark Gorman stood and addressed the community that he held in the highest regard. He spoke to the heros among the community. Praised the strength, courage, and humility of the community which would continue to be strong.

Municipal Attorney - Robin Koutchak spoke to the past week disaster and thanked employees.

Liaison Representatives - Miyasato attended the Park and Recreation Committee meeting and told there would be ongoing discussions regarding Halibut Point Park. Putz reported from the Tree and Landscape Committee meeting by thanking Lynne Brandon, Parks and Recreation Manager's work, read a letter from the Chair thanking Brandon, and the importance of that position.

IX. CONSENT AGENDA

- A RES 15-17** Approving the City and Borough of Sitka to submit an Alaska Energy Authority Renewable Energy Grant application for a heat pump project at the Wastewater Treatment Plant

This item was APPROVED ON THE CONSENT AGENDA.

B RES 15-18

Authorizing application of a grant to the Federal Aviation Administration for the Sitka Seaplane Base

Senior Engineer, Dan Tadic clarified there was up to \$250,000 in grant funding available every year for maintenance of Airport Improvement Funds. This project was in the Harbor Master Plan. Eisenbeisz had concerns with maintenance in the future.

A motion was made by Swanson to APPROVE this Resolution on first and final reading. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

C 15-153

Approve the transfer of up to \$7,000 from the Raw Water Sale Fund to the Gary Paxton Industrial Park Enterprise Fund to pay for a comprehensive water analysis of raw water from Blue Lake

Chair of Gary Paxton Industrial Park Board, Grant Miller stated that this type of analysis had been done in the past and it would be made available to perspective buyers. Gorman clarified for Putz of a greater spending authority, as he anticipated continued requests for reimbursement and told that an ordinance could come forward for a cap. Eisenbeisz was in support of an ordinance as such and voiced allowing a review, second or appeal process.

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

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

D 15-154

~~Authorize the Municipal Administrator to execute a purchase order not to exceed \$60,000 to ABB Inc. for the procurement of a 2000kVA small power transformer~~ PULLED

This item was PULLED from the agenda prior to the start of the meeting. No action was taken.

E ORD 15-42

Amending Sitka General Code Title 22 Zoning to allow asphalt plants and concrete batch plants as a conditional use in the Industrial zone

This item was APPROVED ON THE CONSENT AGENDA.

F ORD 15-43

Making a supplemental appropriation to the FY16 budget per section 11.10 (a) of the Home Rule Charter of the City and Borough of Sitka (*first reading - emergency ordinance*)

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

G 15-155 Appoint Dyan Bessette or Alene Henning to the Citizens' Taskforce

Putz commented on the importance of the Taskforce and encouraged the public to participate.

A vote of the Assembly was taken. The top vote getter was: Dyan Bessette.

This item was APPROVED.

H 15-156 Appoint Loyd Platson to an unexpired term on the Health Needs and Human Services Commission

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

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

XI. UNFINISHED BUSINESS:**I ORD 15-37A** Amending Section 2.12.010 City and Borough of Sitka Hospital Board and Section 2.12.070 Organization, formally dissolving the existing Sitka Community Hospital Board (SCH) and its framework and re-establishing and reorganizing membership under new criteria by decreasing voting membership from seven to five with the goal of providing financial welfare and economic financial stability to Sitka Community Hospital. The new membership will include one non-voting, ex-officio CBS standing seat (and alternate) appointed by the Municipal Administrator

Putz appreciated the addition of staff as ex-officio. Eisenbeisz questioned functions with regards to the number of members. Rob Allen, CEO of Sitka Community Hospital explained that there were two official committees requiring Hospital Board members, the Finance Committee and Strategic Planning Committee. Members in the past had participated in the medical staff monthly meeting and on the foundation. Eisenbeisz hoped that board members would continue on the other committees. Hunter appreciated the current board members stating that the system needed changing to be successful.

A motion was made by Miyasato that this Ordinance by PASSED ON THIRD AND FINAL READING. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Swanson, Miyasato, and Eisenbeisz

No: 1 - Putz

Absent: 1 - Guevin

XII. NEW BUSINESS:**J 15-157** Award a contract to the Greater Sitka Chamber of Commerce to provide convention and visitor services

Evy Kinnear, President of the Sitka Convention and Visitors Bureau (SCVB) spoke in opposition stating the community could not function without it. John Welsh spoke in support of this item. Municipal Administrator, Mark Gorman provided an updated and noted that staff was close to a final contract, told of concerns with safeguarding assets, mentioned that the SCVB was going to be issued a penalty for lack of payment for workers compensation, stated management concerns, and stressed the importance of protecting the City and Borough of Sitka. McConnell asked for clarification and Gorman answered the intent was not to award the contract at this meeting as staff needed to finalize the contract, and it would then come back before the Assembly for approval. Municipal Attorney, Robin Koutchak clarified that the contract was in legal review and a mediation clause was being developed. Jay Sweeney, Chief Finance and Administrative Officer expanded on needing as much time for transition as possible for ongoing projects and whether or not the assets would go to the gaining organization. Sweeney had concerns with governance of accountability and stressed the need of authority on bank accounts and assets.

A motion was made by Swanson to authorize the Municipal Administrator to take action to ensure that the City and Borough of Sitka obligations, liabilities and assets that are associated with the transition of services from the Sitka Convention and Visitors Bureau are addressed. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

Koutchak stated she would send the contract to staff once she had completed her legal review, it would then be given to the Chamber of Commerce for review, and lastly go before the Assembly.

A motion was made by Putz to POSTPONE awarding a contract for the Greater Sitka Chamber of Commerce to provide convention and visitor services to the next regular meeting on September 8. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

K 15-158

Board of Adjustment: Approve a conditional use permit request filed by Sheila Finkenbinder for a one guest-room bed and breakfast at 415 DeArmond Street

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

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

Maegan Bosak, Planning and Community Development Director introduced Michael Scarcelli, Senior Planner and gave a report stating the Planning Commission recommended approval of the item. Bosak clarified the number of parking spaces required and confirmed that the property met the needs of long term and short term rentals for the community.

Applicant, Sheila Finkenbinder thanked staff for the allowable language which would be more welcoming for visitors to Sitka and offered to answer questions.

There was no public comment.

Hunter, McConnell, and Putz spoke in support of this item.

A motion was made by Putz to **APPROVE** a conditional use permit request filed by Sheila Finkenbinder for a one guest-room bed and breakfast at 415 DeArmond Street, and further, adopt the findings and conditions as recommended by the Planning Commission and request that they are listed in their entirety as they appear attached hereto as part of the official record.

Required Findings

1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:
 - a. Be detrimental to the public health, safety, and general welfare;
 - b. Adversely affect the established character of the surrounding vicinity; nor
 - c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located.
2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives and policies of the comprehensive plan and any implementing regulation; specifically 2.1.1: Encourage the development of facilities to accommodate visitors without significant impacts on residential properties.
3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard.
5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

General approval criteria are as follows:

1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
5. Community appearance such as landscaping, fencing and screening,

dependent upon the specific use and its visual impacts.

Conditions

1. Contingent upon a completed satisfactory life safety inspection.
2. The facility shall be operated consistent with the application and plans that were submitted with the request.
3. The facility shall be operated in accordance with the narrative that was submitted with the application.
4. The applicant shall submit an annual report every year, covering the information on the form prepared by the Municipality, summarizing the number of nights the facility has rented over the twelve month period starting with the date the facility has begun operation. The report is due within thirty days following the end of the reporting period.
5. The Planning Commission, at its discretion, may schedule a public hearing at any time following the first nine months of operations for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties.
6. Failure to comply with any of the conditions may result in revocation of the conditional use permit.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

L 15-159

Board of Adjustment: Approve a conditional use permit request filed by Deanna Moore for a short-term rental at 703 Biorka Street

Maegan Bosak, Planning and Community Development Director provided an overview stating the Planning Commission recommended approval. In addition, regarding the Comprehensive Plan, it balanced the need for long term and short term rentals. Bosak clarified that a conditional use permit for short term rentals and B&B's, if not used in 12 month period, was null and void, and that a conditional use permit ran with the property based on the plans submitted.

Applicant, Deanna Moore stated that she may only use this once, and realized that it would sunset if not used in a 12 month period.

There was no public comment.

Hunter stated that this type of conditional use permit was a great opportunity for home owners.

A motion was made by Miyasato to APPROVE a conditional use permit request filed by Deanna Moore for a short-term rental at 703 Biorka Street, and further, adopt the findings and conditions as recommended by the Planning Commission and request that they are listed in their entirety as they appear hereto as part of the official record.

Required Findings

1. The city may use design standards and other elements in this code to modify the proposal. A conditional use permit may be approved only if all of the following findings can be made regarding the proposal and are supported by the record that the granting of the proposed conditional use permit will not:
 - a. Be detrimental to the public health, safety, and general welfare;
 - b. Adversely affect the established character of the surrounding vicinity; nor
 - c. Be injurious to the uses, property, or improvements adjacent to, and in the

- vicinity of, the site upon which the proposed use is to be located.
2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives and policies of the comprehensive plan and any implementing regulation; specifically 2.1.1: Encourage the development of facilities to accommodate visitors without significant impacts on residential properties.
 3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced.
 4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard.
 5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services.
 6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria in subsection B of this section.

General approval criteria are as follows:

1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;
2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;
3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;
4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements;
5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts.

Conditions

1. Contingent upon a completed satisfactory life safety inspection.
2. The facility shall be operated consistent with the application and plans that were submitted with the request.
3. The facility shall be operated in accordance with the narrative that was submitted with the application.
4. The applicant shall submit an annual report every year, covering the information on the form prepared by the Municipality, summarizing the number of nights the facility has rented over the twelve month period starting with the date the facility has begun operation. The report is due within thirty days following the end of the reporting period.
5. The Planning Commission, at its discretion, may schedule a public hearing at any time following the first nine months of operations for the purpose of resolving issues with the request and mitigating adverse impacts on nearby properties.

6. Failure to comply with any of the conditions may result in revocation of the conditional use permit.

A motion was made by Miyasato to RECONVENE as the Assembly in regular session. The motion PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

M 15-160

Discussion/Direction on the Sitka Community Development Corporation conceptual design for the Old City Shops property (Sponsors: Putz/Miyasato)

Putz explained that the Sitka Community Development Corporation (SCDC) had conceptual designs for the Old City Shops property for low cost housing proposing the City would provide the property. SCDC would like to give a report to the Assembly. Miyasato stated that the SCDC would like to use the property for an affordable housing project which would require Assembly approval. Eisenbeisz and Hunter were intrigued with how the process would proceed and what the cost would be. McConnell talked to the process stating that SCDC would be presenting to the Planning Commission on September 1 with a proposal to the Assembly September 22. Eisenbeisz told of his preference of this being an agenda item. Hunter mentioned it as a special report. Miyasato told of the benefit of a worksession. It was suggested that a 20 minute report be placed on the next agenda.

McConnell spoke as a member of the public in favor of a worksession rather than a report.

N 15-144

~~Approve the removal of the Finance Director's existing sales tax interpretation regarding taxability of fundraisers~~ PULLED

This item was PULLED from the agenda prior to the start of the meeting. No action was taken.

O 15-162

Discussion/Direction on utility vacation rates and owner account status

Jay Sweeney, Chief Finance and Administrative Officer spoke to codifying utility vacation rates and owner account status. Sweeney clarified that water was not metered, therefore the city was not charging for consumption of water. Sweeney stated he would need to research other cities as unmetered water at the residential level was unusual. Sweeney told of the process of owner status, final billing, and use. Miyasato asked Sweeney to read from his memo regarding amounts for FY2015 of unbilled revenue to dwellings in owner account status. Hunter suggested having two sponsors for an ordinance. Gorman suggested that this go before the Citizens' Taskforce with public engagement and education prior to an ordinance. Putz was in favor of an ordinance rather than it going to the Taskforce. Hunter spoke to vacation rates, use, renters, and owner accounts and would co-sponsor an ordinance. Gorman suggested two separate ordinances.

XIII. PERSONS TO BE HEARD:

John Welsh spoke to the Chamber contract. He requested a matrix be established of accountability.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Hunter to ADJOURN at 8:35pm. The motion passed on the following vote.

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Putz

Absent: 1 - Guevin

ATTEST: _____
Melissa Henshaw
Acting Municipal Clerk