



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, Steven Eisenbeisz, Benjamin
Miyasato, Aaron Swanson, and Tristan J. Guevin*

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

Tuesday, December 9, 2014

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - McConnell, Hunter, Hackett, Swanson, Eisenbeisz, and Guevin

Absent: 1 - Miyasato

IV. CORRESPONDENCE/AGENDA CHANGES

AA 14-230 Correspondence

V. CEREMONIAL MATTERS

BB 14-231 Alaska Municipal League 2014 Awards: 1) Municipal Elected Official of the Year, and 2) Community Award of Excellence

Mayor announced two Alaska Municipal League (AML) Awards. Former Assembly member, Mike Reif, was honored as the Municipal Elected Official of the Year. Reif thanks his wife, Melanie, for her support and mentors Rocky Gutierrez, Gary Paxton and Representative Ben Grussendorf. Reif also thanked Municipal Clerk Colleen Ingman and Mayor McConnell for their support.

The Sitka Health Summit received the AML Community Awards of Excellence. Health Summit members receiving the award were: Melissa Marconi-Wentzel, Angela McGraw, Doug Osborne, Patrick Williams, and Ellen Daly.

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

VII. PERSONS TO BE HEARD

Martina Kurzer representing Sitka's Against Family Violence (SAFV) announced they've launched a new website, SAFV.org and encouraged people to visit it.

Greater Sitka Chamber of Commerce Director, Jennifer Robinson, spoke in support of Sitka Convention and Visitor's Bureau Budget. She stated it was important to continue to fund as much as possible.

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

Mayor - Met with the Municipal Clerk, Administrator, Assembly Member Guevin and Assembly Member Hackett to discuss the Sitka Convention and Visitors Bureau (SCVB). In that discussion it was agreed that an ordinance would be brought forward to the Assembly in the near future that would establish that the City and Borough of Sitka contract with a 501c3 nonprofit to provide these services. The proposed transition timeframe would be the FY16 fiscal year starting July 1, 2015. It was hoped that the SCVB would establish itself as a 501c3 so that it could be considered for this contract. As Assembly Liaison to the SCVB Board she had informed the SCVB Chair of the intent to bring the ordinance forward to the Assembly. Met with the Administrator and Terry Trapp of Alaska Bulk Water regarding their plans and the tidelands lease agreement on the agenda.

Administrator - Attended a state funded meeting in Juneau that focused on Southeast Alaska community health collaboration comprised of health and municipal authorities. Received the Municipal Solutions Report and noted there would be a worksession with the Assembly on December 23. Last week the last Blue Lake Partner meeting was held. Total score for the Blue Lake Project was a 5-, which was very good. Praised the Police Department for recent drug busts. Recognized Chief Miller for orchestrating a recent Search and Rescue that included the assistance of Assembly member Hunter.

Attorney - Scheduled a meeting to discuss Proposition 2 and the possibility of forming a local regulatory agency.

Liaisons - Guevin reported on the Health Needs and Human Services Commission (HNHS) and the School Board. He reported the HNHS Commission was revamping and advancing the community working group. Planned to convene a stakeholders meeting on Jan. 21. Commission was establishing their goals for 2015. Guevin summarized topics at the last School Board meeting: SHS Science Program and SHS Activities. School Board member Lon Garrison received two awards recently: Governance Award and the Alaska Superintendent Award. Pacific High received recognition from "Learning by Design" magazine. Hunter mentioned that the Port and Harbors Commission meeting was tomorrow night. They will take up parking, transient moorage fees among other topics.

Clerk - Confirmed the second regular Assembly meeting in December would be December 23.

IX. CONSENT AGENDA

A 14-228 Approve the minutes of the November 25, 2014 Assembly meeting

A motion was made by Hunter to Approve the Consent Agenda. The Consent Agenda consisting of the Minutes was APPROVED by unanimous consent.

X. UNFINISHED BUSINESS:

- B ORD 14-35** Repealing SGC Chapter 2.48 District Civil Defense Council without replacement

A motion was made by Swanson that this Ordinance be APPROVED ON SECOND READING. The motion PASSED by the following vote.

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

Absent: 1 - Miyasato

- C ORD 14-36** Repealing SGC Chapter 2.52 Parks and Playgrounds

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

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

Absent: 1 - Miyasato

XI. NEW BUSINESS:

- D RES 14-20** Adopting an alternative allocation method for the FY15 Shared Fisheries Business Tax Program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in FMA 18: Central Southeast.

Chief Finance and Administrative Officer, Jay Sweeney, gave a brief explanation of the purpose. Fish landing tax was a shared fisheries business tax not to be confused with raw fish tax.

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

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

Absent: 1 - Miyasato

- E ORD 14-34** Amending SGC at 2.40 elections, adding Section 2.40.095 Candidate biographical information, amending sections 2.40.110 Withdrawal or amendment of nomination, 2.40.115 Write-in candidates, renaming Chapter Section VI to add Advanced voting, amending Sections 2.40.190 Eligibility, 2.40.200 Assisted voting, adding Section 2.40.205 Voting by electronic transmission, amending Sections 2.40.220 Issuance of absentee or advanced ballots, 2.40.230 Casting absentee or advanced ballots, 2.40.250 Election officials (E) Oath, 2.40.310 Ballot box, 2.40.315 (D)(2) Marking of ballot, 2.40.315 (G) Improperly marked ballots, adding Sections 2.40.315 (H) closing of polls, and 2.40.316 Poll watchers, amending Sections B2.40.320 reports of

unused and damaged ballots, 2.40.330 (B), (C), (D) Counting ballots - hand-counted, 2.40.390 (H) Counting ballots, 2.40.420 Canvass board, 2.40.430 Election results, renaming Section 2.40.440 Assembly approval, amending Sections 2.40.460 Certificate of election, 2.40.470 Notice of election contest, 2.40.500 Costs, and 2.40.520 Prohibited practices

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

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

Absent: 1 - Miyasato

- F ORD 14-40** An ordinance amending SGC Chapter 15.01 Entitled "Electric Utility Policies" by adding a new Section 15.01.090 entitled "Rebate Program for Electric Heat Pump Heating Systems"

Utility Director, Chris Brewton, explained that the Utility was trying to maximize the new hydro. He stated that with \$50K remaining, if there was a \$1,000 rebate that would equate to 50 new heat pump customers.

Hackett queried if it was only going to be applicable to residential home owners. Guevin too wondered if we could explore commercial use. Brewton mentioned that if it turned out there was not enough participation perhaps other categories could be considered, but not at this juncture. Gorman pointed out that he needed direction on the rebate amount. Hackett installed a heat pump last year and got 100% reimbursed through the Alaska Housing Program, and wondered whether residents could get funding from more than one source. Brewton was unsure. He noted he would add a stipulation in the application process that it would only be applicable if they had not received other funding. Assembly members agreed that \$750 would be the rebate amount.

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

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

Absent: 1 - Miyasato

New Business First Reading Amended Ordinances

- G ORD 14-37** Adjusting the FY15 Budget

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

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

Absent: 1 - Miyasato

- H ORD 14-38** Amending SGC Title 22 Zoning regarding commercial home horticulture

Tom Hart and Lisa Sadlier-Hart spoke to the amendment wondering if the cost of a business license would defer folks.

Ann Wilkinson didn't believe it would be fair and would set a bad precedent to exempt a category from having to obtain a business license.

Jay Sweeney, Chief Finance and Administrative Officer, informed that SGC was specific in Title 4 - all sales were presumed to be taxable unless otherwise exempt.

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

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

Absent: 1 - Miyasato

- I ORD 14-39** Amending SGC Section 2.08.015 Selection of acting administrator to include a procedure for unforeseen appointments

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

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

Absent: 1 - Miyasato

Additional New Business Items

- J 14-232** Approve a Tidelands Lease between Alaska Bulk Water Inc. and the City and Borough of Sitka at Sawmill Cove fronting the Gary Paxton Industrial Park

Terry Trapp, CEO of Alaska Bulk Water Inc., updated the Assembly. He reported the company had been successful in obtaining some contracts and was working with some entities in California. Trapp reported they were applying for an Army Corp of Engineers permit and wanted to begin the construction phase to meet the benchmark of export. He also had representation from R&M Engineering present to answer any questions.

Hunter liked that the lease was in effect as long as the bulk water lease was in place. Swanson queried what affect this might have on dock design. White responded that based on today's design that these anchors were far enough way, unless loading a ship.

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

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

Absent: 1 - Miyasato

- K 14-233** Award a contract to Coastal Excavation, L.L.C. in the amount of \$812,433.13 for completion of the Hollywood Way and New Archangel Street Utility and Street Improvement project

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

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

Absent: 1 - Miyasato

L 14-229 Appoint Marjorie Hennessy to a term on the Tree & Landscape Committee

Hackett commented on how well qualified this applicant was.

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

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

Absent: 1 - Miyasato

XII. PERSONS TO BE HEARD:

XIII. EXECUTIVE SESSION

M 14-235 Sitka Community Hospital Finances

Hunter spoke to the Executive Session explaining that it was not a secret meeting. It was part of a public meeting of which the public may be excluded. The Assembly determined who was invited in and that only certain, very limited number of subjects qualified for executive session.

A motion was made by Hackett to go into Executive Session regarding: Sitka Community Hospital finances which may have immediate adverse legal and financial consequences for the City and Borough of Sitka and involve matters that are required by law to be confidential, and to invite the Municipal Administrator, Municipal Attorney, CFO Jay Sweeney and the Sitka Community Hospital CEO Jeff Comer, Board Chair Celeste Tydingco, and member Hans VonRekowski to attend if available.

Meeting went into Executive Session at 7:30 PM. PASSED unanimously.

A motion was made by Hunter to reconvene as the Assembly in regular session at 9:15pm. No objections were heard and the regular meeting reconvened.

Mayor McConnell summarized that the Assembly had met to receive a report on the fiscal situation at Sitka Community Hospital stating, "There has been a perfect storm of financial events that have led to a difficult situation. We are committed to exploring all possible solutions for the short and long term and we have an excellent team in place to find the best solution(s)."

A motion was made by Hunter to direct the Municipal Administrator and Municipal Attorney to work with Sitka Community Hospital CEO Jeff Comer to develop options for addressing the current financial situation at the Hospital.

The motion PASSED by a unanimous vote.

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

Absent: 1 - Miyasato

XIV. ADJOURNMENT

A motion was made by Hunter to ADJOURN. With no further business or objections the meeting ADJOURNED at 9:20 PM.

ATTEST:

Colleen Ingman, MMC
Municipal Clerk