



CITY AND BOROUGH OF SITKA

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

Minutes - Final-revised 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, June 10, 2014

6:00 PM

Assembly Chambers

WORKSESSIONS

14-139 Worksession documents - Food Assessment

REGULAR MEETING

I. **CALL TO ORDER**

II. **FLAG SALUTE**

III. **ROLL CALL**

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

Excused: 1 - Reif

IV. **CORRESPONDENCE/AGENDA CHANGES**

14-140 Reminders and Calendars

14-141 Letter and Service Award - Horan

Mayor mentioned Horan's long history of service with the community and extended appreciation.

14-142 Electrical Department - Montly Update

14-143 Public Works Monthly Report

14-145 Alaska National Insurance

V. CEREMONIAL MATTERS

Mayor McConnell offered kudos to all involved in achieving the Alaska State Baseball Championship and recognized the graduating seniors and retiring coaches as well as the team and Tournament Director.

Ed Conway noted it was a great opportunity for the baseball team to get a little publicity. He thanked CBS employees Gary Baugher, Lynne Brandon, and Shawn McLeod for their work over the years. He also recognized and thanked the fans. It was a phenomenal turn out by the community.

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Municipal Departments, School District, Students and Guests (time limits apply)**14-144 Bear Task Force Update <10 minutes**

Police Chief Sheldon Schmitt announced the report wouldn't be happening as Phil Mooney had got called out to where a bear had entered a residence.

VII. PERSONS TO BE HEARD

Police Chief Schmitt introduced new Lieutenant Jeff Ankerfelt.

Keith Nyitray, Food Assessment Survey chairman announced the food coop was ordering over 3,000 lbs of food a month. Their unofficial motto is: "Food for People Not for Profit." Possible actions to consider: 1) Composting program, 2) We have a Fish to Schools program why not a Farm to Schools program.

VIII. REPORTS

Mayor - Attended the Alaska Seaplane Open House; Steve Bradshaw's retirement party; Harrigan Centennial Hall construction meeting where she learned about materials and surfaces; attended the State Baseball Championship opening celebration; attended Historic Downtown District meeting and recommended citizens attend in the future. She will be traveling the end of the month through July. Additionally she will travel to Ketchikan Monday to attend the SB99 signing by invitation of the Governor.

Administrator - Spoke to the Radio Town Hall on Roads. Mentioned curtailing the Solid Waste Master Plan, noting a good starting point had been provided. Met with Caddy Lister from the AEA and was informed the Reynolds Creek project would go forward leaving only \$9 million in the bank for the CBS Blue Lake Project which she thought would be loaned at 5.1% over 50 years. Jay Sweeney, Chief Finance and Administrative Officer, was going to further research to see if it was still worth pursuing. Gorman announced that the Police and Fire Commission approved the relocation of the Community Ride to across the street from Stereo North in Crescent Harbor parking lot. It was noted CBS would lose four parking spaces. Chief Schmitt planned to establish ten long-term parking spaces in Crescent Harbor and associate it with an opportunity to purchase a 30-day parking permit. Sitka Community Hospital asked to activate their Line of Credit. Apparently with their new software program they had not been able to issue bills so they were behind in collecting revenue.

Liaisons - Miyasato attended the Library Commission meeting where the logistics of the move to Stratton Library and getting community involvement to help move the books were the main topics. He also attended the Parks & Recreation Committee meeting.

Clerk - Mentioned a Solar Turbine Tour would be held on Thursday, June 19 at 4:00 PM. Those Assembly members interested in attending should meet at the Public Works/Electrical Shops off Jarvis Street.

Other - Hackett attended the Solid Waste meeting and was pleased with city's staff decision to end or accelerate the contract. She believed the City was well poised to take it on from there. Attended the Alaska State Baseball Opening Ceremonies.

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

IX. CONSENT AGENDA

- A 14-130** Approve the minutes of the May 27 and 29 Assembly meetings
- This item was **APPROVED** on the **CONSENT AGENDA**.
- C 14-131** Award the FY2014 Fisheries Enhancement Funds in the amount of \$33,900 to Sitka Sound Science Center
- This item was **APPROVED** on the **CONSENT AGENDA**.
- D 14-135** Approve award to furnish Diesel Fuel to Petro Marine Services
- This item was **APPROVED** on the **CONSENT AGENDA**.
- B 14-133** Appointments: 1) Reappoint Susan Royce to a term on the Animal Hearing Board. and 2) Appoint Ptarmica McConnell to a term on the Gary Paxton Industrial Park Board
- Mayor McConnell recused herself stating she was related to one of the applicants.
- A motion was made by Miyasato that these Appointments be APPROVED. The motion PASSED by the following vote.**
- Yes:** 5 - Hunter, Hackett, Esquiro, Swanson, and Miyasato
- Absent:** 1 - Reif
- Recused:** 1 - McConnell
- E 14-136** Approve award to Aggregate Construction Inc. in the amount of \$163,788.00 for Verstovia Paving from Sirstad to Pherson
- Hackett wondered about the Gavin Subdivision LID if something similar could be done for Verstovia. Gorman informed there were ongoing discussions with the Gavin Subdivision neighborhood. Public Works Director, Michael Harmon, informed that

waiting on the project was an option. Gorman offered that historically once the paving was done the City took over the responsibility. Harmon explained most of the LID requests come from folks who have gravel and want a paved road. Harmon added there were some serious issues that would need to be discussed if there were to be changes to the current roads management system. Gorman mentioned that this topic might be a critical community conversation.

Harmon noted Verstovia Street was a high priority and there was \$1.3 M for road projects in the upcoming budget.

Gorman spoke against postponing the item and recommended moving forward being cognizant of some Assembly members concerns. It was suggested that a worksession on the topic be set for June 24.

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

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

No: 1 - Reif

X. UNFINISHED BUSINESS:

- F ORD 14-13A** 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

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

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

Absent: 1 - Reif

- G ORD 14-15** Adopting budgets for the fiscal year July 1, 2014 through June 30, 2015

Hackett and others thanked staff for their hard work and presentation on the FY2015 budget. Gorman shared that the CBS should end up with a higher surplus than anticipated which Sweeney added would be significant.

Hunter mentioned that the FY2015 budget included \$25,000 for the Ride and while he would support it in this budget he did not see supporting it in the future.

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

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

Absent: 1 - Reif

- H ORD 14-17** Authorizing the transfer/sale of City and Borough of Sitka's pocket lot as depicted in the Turney Burkhart Planned Unit Development and located in the Turney Burkhart Subdivision to Sitka's Community Land Trust (CLT)

Mayor McConnell recused herself. Deputy Mayor Hunter read the title of the

ordinance.

Stephen Courtright briefly reminded Assembly members that he recalled they all supported affordable housing when running for Assembly and this was an important step to take. He emphasized that it was difficult to make it on a single income with a family of four. He and his family want to stay but something needs to change.

The Greater Sitka Chamber of Commerce Director, Jennifer Robinson, submitted Resolution 2014-02 signed by the Chamber of Commerce urging CBS to gift additional land to the Sitka Community Land Trust. Robinson noted the lack of affordable housing was impacting Sitkans and put employers in Sitka at a disadvantage. She urged the Assembly to support this item.

SCDC Executive Director, Mim McConnell, shared this would be the flagship home and demonstrate to the community how a community land trust works. SCDC would take a lot that was under utilized, not maintained and replace it with an affordable home that would realize home ownership for years to come. She spoke to the positive outcomes such as: 1) additional property tax revenue, 2) allowing families to stay in Sitka, which would boost the labor force and potentially the school enrollment. She described this as "A gift of land that keeps on giving."

Miyasato stressed the importance of affordable housing. He mentioned people repeatedly tell him they are leaving because they can't afford to live here and if people keep leaving who is going to stay? Hackett stated that we were somewhat limited in what we could do as a City and had some concerns with the SCDC staying operational. Hunter supported stating it may be a solution to the affordable housing issue and was a small price to pay to investigate what could be.

Meeting went into Recess

Meeting Reconvened

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

Yes: 5 - Hunter, Hackett, Esquiro, Swanson, and Miyasato

Absent: 1 - Reif

Recused: 1 - McConnell

I ORD 14-18 Amending CBS Sitka Personnel Policies Handbook to: Change Policy on Probationary Period Increase for Regular Employees; Address Starting Pay for New Employees; Address Pay Upon Promotion; Establish Pay Matrix Procedures; Address Forfeited Annual Leave; Remove Section XXI and Update Attachment A

Hunter stated the Assembly had received public comment from some concerned citizens and in some cases citizens were mostly uninformed. He stated three reasons he would support this: 1) The study analyzed all the non union employees and looked at the fairness issue and found some iniquities - many were female employees, 2) This was more sustainable than the current structure as this plan would get rid of the auto step increase for all employees and concentrate on the new hires. Once they reached mid-point it was merit based from there meaning we would pay people more if they did more. 3) Finally, as a City, we have had difficulty getting the next generation of leadership because many staff have good union compensated jobs and supervisory roles did not equate to what they were making so there was a greater

risk, with greater responsibility and lesser pay there was little to no interest in moving up. Hunter stated the City was having to hire new employees at higher rates because our rates were not in step with the market.

Hackett agreed with Hunter. She added it was important to note this was not a "Cadillac pay scale" its target was 90% of mid-point not 100%. She was in support of the ordinance mainly because the plan compensated for performance and not longevity, was more sustainable than existing practices and within budget. Hackett mentioned this study was not about senior staff noting most of the increases were not supervisory people.

Esquiro appreciated Hunter's analogy, evaluating that this plan was good for the long run and the City would realize benefits. Miyasato noted this ordinance would make up for all the years CBS didn't have the study showing the inequities. Mayor McConnell stated it had to do with fairness and inequities. The represented employees had unions speaking for them whereas these employees didn't.

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

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

Absent: 1 - Reif

XI. NEW BUSINESS:

New Business First Reading

- J ORD 14-19** Amending Title 15 of the SGC to increase Water Rates at Sections 15.05.240 A entitled "Service Connection Charge", 15.05.560 entitled "Rates and Fees" and 15.05.625A entitled "Water Service-Sawmill Cove Industrial Park AKA Gary Paxton Industrial Park."

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

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

Excused: 1 - Reif

- K ORD 14-20** Amending Title 15 of SGC to increase wastewater rates at Sections 15.04.100 entitled "Service Connection Charge", 15.04.320 entitled "Rates and Fees" and 15.05.625 entitled "Wastewater Service - Sawmill Cove Industrial Park AKA Gary Paxton Industrial Park

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, Esquiro, Swanson, and Miyasato

Excused: 1 - Reif

- L ORD 14-21** Amending SGC to reflect the recent name change of Sawmill Cove Industrial Park to Gary Paxton Industrial park as approved by Resolution No. 2014-08

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

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

Absent: 1 - Reif

M ORD 14-22

Modifying SGC Section 13.04 entitled "Definitions" to include Float Homes to definition of Float Houses and modifying Section 13.15 entitled "Reserved-Float House" to be entitled "Float Homes" and adding regulations for Floating Homes within the jurisdiction of the CBS of Harbors

Gorman assured this would not displace any commercial vessels in the harbors. With the reconstruction of ANB two slips were identified as a pilot project and assured that DEC standards must be met.

Planning Director, Wells Williams, stated businesses would not be allowed only home offices.

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

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

Absent: 1 - Reif

A motion was made by Hackett to amend Line 121 by inserting "at least 25". The motion to AMEND PASSED on the following vote.

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

Excused: 1 - Reif

It was noted any business purpose needed to be identified in the Moorage Agreement.

Hunter liked that this would be handled at the Port and Harbors Commission level and not come back to the Assembly.

A motion was made by Hunter to Amend by adding "unless approved in the moorage agreement" at the end of Line 103. The motion to AMEND PASSED by the following vote.

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

Excused: 1 - Reif

N ORD 14-23

Modifying SGC Title 19 entitled "Building and Construction" by adding language to exempt float homes under SGC 19.08.025 entitled "Docks and Buildings" and adding Chapter 19.15 entitled "Building Code for Float Homes," Chapter 19.16 entitled "Electrical Code for Float Homes," and Chapter 19.17 entitled "Plumbing Code for Float Homes"

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, Esquiro, Swanson, and Miyasato

Absent: 1 - Reif

Hackett voiced concerns regarding sewage. Gorman replied this was a valid concern and the City would police it.

A motion was made by Hackett to AMEND Line 134 to read "or other approved decay resistant materials approved by the Building Official." The amendment PASSED on the following vote.

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

Excused: 1 - Reif

Additional New Business Items

- O 14-132** Approve a conditional use permit for a Specialized Instruction School at 205 Harbor Drive filed by Emily Davis.

A motion was made by Hunter to convene as the Board of Adjustment. The motion PASSED with no objections.

A motion was made by Hunter to approve a Conditional Use Permit request submitted by Emily A. Davis for a Specialized Instruction School DBA as Pacific Learning Center at 205 Harbor Drive as recommended by the Planning Commission and in accordance with the following conditions and findings:

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 and in general conformance with the staffing and student ratio as presented.**
- 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 within 9 months and come in front of the Planning Commission for an annual review.**
- 5. The Planning Commission, at its discretion, may schedule an additional public hearing at any time 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.**

Findings:

- 1a. Granting of the conditional use permit will not be detrimental to the public health, safety, and general welfare;**
- 1b. Will not adversely affect the established character of the surrounding vicinity, because there is adequate parking;**
- 1c. Will not 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, specifically the adjacent parking lot;**
- 2. That 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 Economic Goals and Policies 2.1 To contribute to a stable, long-term, local economic base;

3. That all conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced;

4. That 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. That 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, specifically nearby presence of municipality maintained roads;

6. Burden of Proof. The applicant has the burden of proving that the proposed conditional use meets all of the criteria.

The motion PASSED by the following vote.

A motion was made by Hackett to reconvene as the Assembly in regular session. The motion to reconvene PASSED without objection.

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

Absent: 1 - Reif

P 14-137

Discussion/Direction/Decision on the Port and Harbors Commission request that the Harbor Fund receive 80% of the tax revenue generated by the vessel tax with the General Fund receiving 20% to cover administrative fees

Hunter relayed that the Port and Harbors Commission had been trying to find ways to come up with additional revenue without increasing rates.

Port and Harbors Commission member, David Tjomsland, thanked the Assembly for their support.

A motion was made by Hackett that the Harbor Enterprise Fund receive 80% of the revenues generated by vessel tax with 20% dedicated to the General Fund to cover administrative fees. The motion PASSED by the following vote.

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

Absent: 1 - Reif

Q 14-138

Authorize the Police Chief to apply for grants to fund a School Resource Officer under the COPS Hiring Program (CHP)

Swanson and Hunter both expressed their support and stressed the importance of a school resource officer.

Municipal Attorney Koutchak recommended approval and reiterated the importance.

A motion was made by Swanson to authorize the Police Chief to apply for grants to fund a School Resource Officer. The motion PASSED by the following vote.

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

Absent: 1 - Reif

R1 14-134

1) Approve a employee contract between the CBS and Municipal Administrator Mark Gorman; and 2) Approve an employee contract between the CBS and Municipal Attorney Robin Koutchak

Hackett appreciated the assembly members who worked on this to make it brief.

1) A motion was made by Miyasato to approve the contract between the Municipal Administrator and the CBS. The motion PASSED by the following vote.

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

Absent: 1 - Reif

Members thanked the attorney for keeping the contract concise and simple.

2) A motion was made by Miyasato to approve the contract between the Municipal Attorney and the CBS. The motion PASSED by the following vote.

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

Excused: 1 - Reif

XII. PERSONS TO BE HEARD:

None.

XIII. EXECUTIVE SESSION

None.

XIV. ADJOURNMENT

A motion was made by Hackett to ADJOURN. No objections were heard and the meeting ADJOURNED at 8:45 PM.

ATTEST: _____
Colleen Ingman, MMC
Municipal Clerk