



CITY AND BOROUGH OF SITKA

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

Minutes - Draft 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, January 24, 2012

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

IV. CORRESPONDENCE/AGENDA CHANGES

A moment of silence was held for Magistrate Bruce Horton who died in a tragic accident Friday, January 20th.

Government-to-Government Update with Sitka Tribe of Alaska

None.

V. PERSONS TO BE HEARD

Peter Apathy, Board President of Alaska Arts Southeast, provided an update and thanked the Assembly for their support.

VI. SPECIAL REPORTS

12-12 Sitka School Board Update - Tim Fulton

School Board Member, Tim Fulton, gave an update to the Assembly on events within the School District.

VII. REPORTS

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

Mayor - Gave the welcoming speech at the Youth Court Conference.

Administrator - Provided an update of Public Works projects.

Attorney - Thanked those who participated in the Youth Court Conference.

Liaison Representatives - Christianson attended Historic Preservation Commission meeting. Mayor attended Local Emergency Planning Commission meeting.

Other - McConnell reminded folks of Sitka's first Project Homeless Connect to be held January 25. McConnell explained the intent was to provide services to the homeless and those at risk of becoming homeless. Mayor Westover asked the Utility Director to arrange a presentation of the Cost of Service Study.

VIII. CONSENT AGENDA

- A 12-10** Approve the minutes of the January 10, 2012 Assembly meeting.

This item was APPROVED ON THE CONSENT AGENDA.

- B 12-11** Authorize the Municipal Administrator, on behalf of the Assembly of the City and Borough of Sitka, to execute Joint Funding Agreement No. 12WAAK000000005 with the U.S. Geological Survey for continued operation of the streamflow gaging stations on Sawmill Creek.

Utility Director, Chris Brewton, explained the agreement was a requirement for the FERC license in regards to the Blue Lake Hydro project.

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

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

- C RES 12-01** Authorizing a grant application to the Alaska Department of Environmental Conservation for a Stormwater Master Plan, Management and Mapping Program.

Michael Harmon, Public Works Director, explained the purpose behind the grant. He noted CBS storm water facilities were not organized or documented in any matter. The first year of this grant would allow for data collection and creation of a GIS database.

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

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

- D RES 12-02** Supporting Raven Radio's application for a State Capital Grant.

Raven Radio General Manager, Ken Fate, explained the grant was needed to maintain and protect current services and create additional remote emergency broadcasting capacity.

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

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

- E 12-15** Award a contract to CBC Construction in the amount of \$908,259.00 for the Base Bid and Additive Alternate No.1, No.2, and No.3 for the Japonski Island Sewer Lift Station Upgrades project contingent upon the passage of the required 10 day protest period and formal approval of the ADEC loan increase.

Municipal Administrator Dinley provided a summary of the project award. Stephen Weatherman, Municipal Engineer, and Michael Harmon, Public Works Director, answered questions regarding the fiscal note in the memo to the Assembly. Weatherman noted work would start in the spring.

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

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

IX. UNFINISHED BUSINESS:

- F ORD 12-01** Amending the official Sitka Zoning Map to rezone a portion of Lot 21 Block 1 Sitka Indian Village from R-1 Single Family and Duplex Residential District to CBD Central Business District.

Duck Didrickson and William Anderson spoke against the ordinance.

Applicant, Karen Lucas, explained she would like to put a structure on the front half of the property to support cottage industries. Any residential structure would be very small due to setbacks and buildable lot space.

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

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

No: 2 - Blake, and Esquiro

- G ORD 12-02** Amending Sitka General Code Chapter 15.01. entitled "Electric Utility Policies" by adding an additional definition in Section 15.01.005 regarding "Energy Star Rated Electrical Appliances" and a new section 15.01.090 entitled "Rebate Program for Electrical Energy Efficient Appliances and Electric Heat Pump Heating Systems".

Chris Brewton, Utility Director, noted the objective was to replace inefficient appliances with new ones thereby reducing the net load and overall cost.

A motion was made by Reif to direct the Administrator to impose a restriction that no individual resident can apply for more than two rebates.

Yes: 6 - Westover, McConnell, Christianson, Esquiro, Reif, and Hackett

No: 1 - Blake

A motion was made by Christianson to instruct the Electric Department to aim for a target savings of \$1/kwh per appliance with the exception of heat pumps.

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

A motion was made by Reif to allow the Electric Superintendent to limit the number of rebates in any category as he sees fit.

Yes: 4 - Westover, McConnell, Esquiro, and Reif

No: 3 - Blake, Christianson, and Hackett

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

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

A recess was taken from 7:42pm to 7:48pm.

X. NEW BUSINESS:

New Business First Reading

- H ORD 12-03S** Amending the official Sitka Zoning Map to rezone Lot 25 Block 1 of Sitka Indian Village USS 2542 A&B from R-1 Single Family and Duplex District to CBD Central Business District.

Property owner, Brian McNitt, spoke in support of the ordinance.

A motion was made by Christianson that this Ordinance be APPROVED on first reading and authorize the Administrator to sign the restricted deed agreement concerning the property at 256 Katlian Street which: 1) restricts parking on Kaagwaantaan St to residential use only, 2) prohibits any commercial entrance/exit to Kaagwaantaan St, and 3) prohibits any construction of a 4th story. The motion PASSED by the following vote.

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

- I ORD 12-04** Authorizing a 10-year Material Sale & Lease Agreement with McGraw's Construction regarding municipal property at quarry sites 2 and 3 of the Granite Creek Industrial Area.

Municipal Engineer, Stephen Weatherman, anticipated the life expectancy of the site was at least 10 years.

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

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

Additional New Business Items

- J 12-14** Provide clear direction to the Sitka School Board and the Pacific High School design team that it is acceptable to move forward to the 65% design phase for the Pacific High School renovation project with an interior stairway in the Pacific High building that will allow for the most convenient, safest access to the adjacent Southeast Alaska Career Center building. A small but functional kitchen for the purpose of basic food preparation for the Pacific High School meal program and basic culinary skills may or may not be included in the final design and is the prerogative of the design committee and the school district.

Lon Garrison, Tom Connelly, and Steve Bradshaw spoke in support of the motion. Garrison noted the design team was moving forward. He wanted to be sure the Assembly understood that even with the sloped roof, the plan still called for an interior stairway.

Assembly members expressed their opinions.

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

Yes: 6 - McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

No: 1 - Westover

K 12-16

Discussion/Decision on the recommended framework for the Transit Service RFP for Marine Passenger Fee Fund Project Old Sitka Dock to Centennial Hall.

Connie Sipe, Executive Director of Center for Community, urged the Assembly to support public transit and look for a way to include public transit in this service. She noted Sitka was the only town in Alaska that did not contribute dollars to its public transit system.

Ken Creamer spoke against cruise ships docking at the Halibut Point Marine facility. He stated there would be a decrease in lightering fees.

Chris McGraw, representing Halibut Point Marine, came forward to explain the current facilities in place. Holland America visited the facility in October 2011 and was satisfied.

Assembly members further discussed the RFP framework.

A motion was made by Reif for the RFP framework to include providing crew transportation at no additional cost - for free. The motion PASSED by the following vote.

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

A motion was made by Christianson to direct staff to develop an RFP using the document provided with the addition of a second RFP to include public transportation. The motion PASSED by the following vote.

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

L 12-13

Discussion of proposed changes to the Sales Tax code.

Administrator Dinley explained in order to prepare a balanced FY13 General Fund budget some changes would need to be made to the Sales Tax Code. He asked the Assembly to provide direction.

One exemption the Assembly discussed in detail was the sales cap tax. The recommendation to the Administrator and staff was to bring forward a proposal that would raise the cap to \$5000 and use Juneau's code as a model.

The second exemption discussed at length was senior sales tax. A recommendation was made for the Administrator and staff to pursue a rebate program with the rebate amount to be determined. The rebate would be issued two times a year and proof of Sitka residency would be required. The individual would need to be 70 years old to qualify for the exemption.

M 12-17

Discussion of Business License requirements for businesses.

Administrator Dinley and Finance Director, Jay Sweeney, explained the idea of implementing a business license requirement for all businesses operating in Sitka. The primary purpose would be to ensure collection of sales taxes and compliance with existing law.

Assembly members offered their opinions.

A motion was made by McConnell to extend the meeting 10 minutes, to 10:40pm. The motion PASSED by the following vote.

Yes: 7 - Westover, McConnell, Blake, Christianson, Esquiro, Reif, and Hackett

XI. PERSONS TO BE HEARD:

Shirley Robards cautioned the Assembly in changing the sales tax exemptions.

Randy Hughes, Municipal Assessor, informed the Assembly the 2012 Alaska Taxable Report was available on the State Assessor's website.

XII. ADJOURNMENT

A motion was made by McConnell to ADJOURN. Hearing no objection, the meeting ADJOURNED at 10:36pm.

ATTEST:

Sara Peterson, CMC
Deputy Clerk