

CONSENT AGENDA

POSSIBLE MOTION

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

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
June 13, 2017 Assembly meeting.



CITY AND BOROUGH OF SITKA

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

Minutes - Draft

City and Borough Assembly

Mayor Matthew Hunter
Deputy Mayor Bob Potrzuski
Vice-Deputy Mayor Steven Eisenbeisz
Tristan Guevin, Kevin Knox
Aaron Bean, and Aaron Swanson

Municipal Administrator: Mark Gorman
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Tuesday, June 13, 2017

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

IV. CORRESPONDENCE/AGENDA CHANGES

17-106 Reminders, Calendars and Correspondence

Mayor Hunter pointed out National Oceanic and Atmospheric Administration's certificate of appreciation to Harbormaster Stan Eliason for effective outreach and education on steller sea lion behavior.

V. CEREMONIAL MATTERS

17-107 Athletic Awards: Sitka High School 1) Track and Field, and 2) Baseball

Mayor Hunter presented athletic award certificates to the Sitka High School (SHS) Track and Field relay team and congratulated the SHS baseball team.

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

Maegan Bosak, Community Affairs Director, reported on the Comprehensive Plan Open House.

VII. PERSONS TO BE HEARD

Pat Kehoe, member of the Island Artists Gallery, told of a trial project for a downtown shuttle service concept.

VIII. REPORTS

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

Mayor - Hunter reported that he, Knox, and City staff took a tour of the Mt. Edgecumbe Aquatic Facility. He thanked Municipal Administrator, Mark Gorman, for his years of service.

Administrator - Gorman attended the Trooper Academy graduation and commended Sitka Police Department employee, Jayson Christner, who graduated with top academic and defensive tactics. He stated the Interim Administrator was arriving to town that evening. Gorman stated that Bryan Bertacchi, Electric Utility Director, reported an increase in the electric load in the last three months. He mentioned that tonight was his last Assembly meeting stating he felt gratitude for serving. He thanked the citizens; past, present, and future Assemblies; and colleagues.

Attorney - Hanson thanked Gorman for his service. He mentioned the advertisement had gone out for the open Legal Assistant position.

Liaisons - Potrzuski attended the Gary Paxton Industrial Park meeting last week and told of water proposals and the dock construction.

IX. CONSENT AGENDA

A motion was made by Knox that the Consent Agenda consisting of Items A, B, and C be APPROVED. The motion PASSED by the following vote.

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

A 17-108 Approve the minutes of the May 23 and June 1 Assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

B RES 17-08 Authorizing a grant application to the Land and Water Conservation Fund for Crescent Harbor Playground Renovation

This item was APPROVED ON THE CONSENT AGENDA

C RES 17-10 Authorizing a grant application to the Department of Homeland Security/FEMA for two portable TWIC card readers

This item was APPROVED ON THE CONSENT AGENDA

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

D 17-109 Reappoint: 1) Jane Eidler to a term on the Library Commission, and 2) Susan Royce to a term on the Animal Hearing Board; and to appoint: 1) Lorraine Lil to a term on the Police and Fire Commission, and 2) Rose Miller to a term on the Local Emergency Planning Committee

Knox thanked those that serve.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

XI. UNFINISHED BUSINESS:

E ORD 17-13 Adjusting the FY17 Budget (*Electric Utility Subsidization*)

Eisenbeisz asked for an updated figure. Municipal Administrator, Mark Gorman, told that the \$400,000 should be sufficient to meet the bond covenant however, staff anticipated less. Guevin gave rate stabilization figures he received from the Finance Department which showed how much had been put into the Rate Stabilization Fund that had provided a subsidy for all Sitkans.

A motion was made by Potrzuski that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

F ORD 17-15 Adjusting the FY17 Budget (Sitka Community Hospital Modular Unit)

Eisenbeisz was in support of the postponement.

A motion was made by Potrzuski to POSTPONE Ordinance 2017-15 adjusting the FY17 budget for the Sitka Community Hospital Modular Unit until the regular Assembly meeting of August 8, 2017. The motion PASSED by the following vote.

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

G ORD 17-16 Adopting budgets for the Fiscal Year July 1, 2017 through June 30, 2018

Potrzuski thought this was reflective of the visioning session the Assembly had last fall. Guevin agreed and thanked staff. Eisenbeisz was not in support as it funded a plan for infrastructure that was unsustainable and felt the capital plan was too aggressive.

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

Yes: 5 - Swanson, Guevin, Potrzuski, Hunter, and Knox

No: 2 - Eisenbeisz, and Bean

H RES 17-07A Setting temporary and seasonal moorage rates for Baranof Warm Springs Dock

Eisenbeisz confirmed that this was a special revenue fund within the Harbor Fund. Knox relayed that these rates were a starting point and the fees would not cover the replacement cost of infrastructure. Mayor Hunter noted that the Port and Harbors Commission were trying to keep rates down by delaying projects in the Master Plan and reminded that this was a separate fund within the Harbor Fund.

A motion was made by Guevin to APPROVE Resolution 2017-07A on FIRST AND FINAL READING.

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

XII. NEW BUSINESS:

New Business First Reading

I ORD 17-18 Vacating the right of way adjacent to 403 Alice Loop (Purpose: to vacate and sell to Mica Trani, owner of property at 403 Alice Loop)

Eisenbeisz explained the reason for the vacation, for the applicant could install a fence and stated the City's right of access would also be maintained. Mayor Hunter reminded that in order to pass this ordinance, it needed to be determined that this piece of property was not in the best interest of the community to put out to public bid. He stated, once sold, it would be on the tax rolls. Knox thought it was a good process of staff working with the applicant.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

J ORD 17-14 Amending Sitka General Code Title 20 "Miscellaneous Permit Regulations" by changing the name to "Environmentally Critical Areas" and adding a new Chapter 20.01 entitled "Landslide Area Management"

Maegan Bosak, Community Affairs Director, and Michael Scarcelli, Director of Planning and Community Development came forward explaining this ordinance was to try to find balance between public safety and the need to develop. Bosak stated this ordinance would require property owners in moderate or high risk slide areas to get a geotechnical evaluation and mitigate risks prior to development. She told of the waiver option written in the ordinance which would release the City from liability and would be recorded with the property. Bosak relayed that the current code did not allow for development in hazardous areas. She reminded that there was landslide hazard mapping done for South Kramer and the Gary Paxton Industrial Park, and the Federal Emergency Management Agency would bring forward community wide mapping sometime next year. She mentioned the process had been extensive and collaborative, that staff researched other communities, and outside counsel was used. She noted concerns of property owners ability to obtain a mortgage and insurance. Scarcelli told of supplemental insurance, and financing. He mentioned that Juneau had the ability to obtain insurance and there appeared to be a market. Scarcelli thought how to address issues was to bring financial representation, lenders, legal, and other staff together.

Municipal Administrator, Mark Gorman, told that existing homes would be impacted. He stated that there had been a lot of debate and there was not consensus among staff.

Knox clarified the risk levels. He had concerns with mapping being adopted or not and feared stopping development in Sitka. Bean was not in support. He wondered if there was a way to stop the mapping or stay with what was currently done. Eisenbeisz told of concerns of the ability for property owners to sell their home depending on the risk.

Hanson gave history of staff involvement. He thought that this ordinance provided a proactive approach of a reasonable level of public safety yet also allowed development. He stated that there would be a plat note with regards to the risk level

that would run with the deed.

Potrzuski thought it gave relief to current property owners, was proactive, and struck a balance of regulation versus non-regulation. Guevin was in support, and noted the Assembly had the authority to change the ordinance in the future, if need be.

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

Yes: 5 - Swanson, Guevin, Potrzuski, Hunter, and Knox

No: 2 - Eisenbeisz, and Bean

K ORD 17-17 Adjusting the FY17 Budget (GPIP Access Ramp)

Eisenbeisz and Knox thanked the Gary Paxton Industrial Park (GPIP) Board.

Garry White, GPIP Executive Director, stated this was design and permitting for an water access ramp that had multiple uses. The ramp could potentially be used to launch small skiffs. It was needed to haul out barges and vessels. Eisenbeisz wondered if a fee schedule should be put into place for use.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

L ORD 17-19 Amending the official Sitka Zoning Map to rezone harbors at 211 and 617 Katlian Avenue from Waterfront District (WD) to Public Lands District (P)

Mayor Hunter mentioned that he was at the Port and Harbors Commission when the ordinance was presented, the Commission was in favor and, if passed, all harbors would be in the same zoning district.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

M ORD 17-20 Amending Sitka General Code Title 19 entitled "Building and Construction", Chapter 19.08 entitled "Code Applicability", by adding Subsection D to Section 19.08.030 entitled "Islands", for an exemption for private recreational cabins on islands

Brent Edwards came forward, he stated he owned a lot on Middle Island and would like to build a 400 square foot or less cabin on his property. The current code required a foundation, multiple inspections, bathroom, kitchen sink, among other requirements, however he would like to build something basic and safe.

Municipal Attorney, Brian Hanson, stated that a fee would not be required, however a building permit application would be. The cabin would need approval from the Department of Environmental Conservation. He clarified that the language of the ordinance would be at the discretion of the building department and clarified that the City would not be liable for the cabin if approved.

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

Yes: 7 - Swanson, Eisenbeisz, Guevin, Potrzuski, Hunter, Knox, and Bean

Additional New Business Items**N RES 17-09** Increasing permanent and temporary moorage rates

Potrzuski was in support, however noted that rates and infrastructure needed to be reviewed. Eisenbeisz relayed that the several year rate increase of 6% each year was unsustainable. Mayor Hunter gave history of the Harbor Master Plan specifically with raising fees and stalling projects and stated it was an unsustainable plan. Knox agreed that the Master Plan needed to be revisited.

A motion was made by Knox that this Resolution be APPROVED on FIRST AND FINAL READING. The motion PASSED by the following vote.

Yes: 5 - Eisenbeisz, Guevin, Potrzuski, Hunter, and Knox

No: 2 - Swanson, and Bean

O 17-110 Adopt the Chief Finance and Administrative Officer's interpretation of Sitka General Code 4.09.350(C), "Waiver of Penalties"

Eisenbeisz stated his concern of leeway for businesses and thought there was ample time to remit sales tax before the due date. Hunter wondered why it couldn't be automatic.

Municipal Administrator, Mark Gorman, stated the previous ordinance should have clarified the intent of an extension and suggested amending the previous ordinance at some point. Municipal Attorney, Brian Hanson, clarified in this case, the business remitted the sales tax within the seven days, however the abatement form was not.

Bean was not in support and thought it was the responsibility of the businessowner, not the City to know the law. Guevin saw both sides, however thought that this interpretation could make City Hall friendly at the same time, recognizing, it was citizens responsibility to know the law. Gorman stated the situation with the business was pending on the outcome of this item. Potrzuski agreed with this flexibility.

A motion was made by Guevin to adopt the Chief Finance and Administrative Officer's interpretation of Sitka General Code 4.09.350(C) "Waiver of Penalties".

Yes: 4 - Guevin, Potrzuski, Hunter, and Knox

No: 3 - Swanson, Eisenbeisz, and Bean

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Swanson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:00 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk