



CITY AND BOROUGH OF SITKA

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

Minutes - Final

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, February 28, 2017

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 4 - Swanson, Eisenbeisz, Hunter, and Knox

Absent: 2 - Guevin, and Bean

Telephonic: 1 - Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

[17-027](#)

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)

Robb Farmer, Sitka Public Library Director, told of an award received by Maite Lorente at a library conference and upcoming events at the Library.

VII. PERSONS TO BE HEARD

Mayor Hunter opened the floor for public comment, reminded the public of Charter regulations that pertain to personnel matters and of upcoming hospital collaboration report/discussion at a later date.

Trish White, President of the Board of Sitka Sound Science Center (SSSC) stated that the SSSC was celebrating 10 years and told of partners in the community. Lisa Busch spoke to the prior and future scientist in residency, of upcoming programs and her advocating SSSC trip to Washington DC.

Bridget Hitchcock and Greg George came forward with the Sitka Community Playground Group. They told of history, design, fundraising and timeline for the project.

Patti Hudson gave history and told of concerns with dismissal of Dr. Wein. Rich Phillips told of support for Dr. Wein and told of concerns with the dismissal. Karen Lucas spoke of concerns with regards to Dr. Wein's dismissal, spoke in support of Sitka Community Hospital (SCH) and mentioned that she was gathering signatures of a petition to reinstate Dr. Wein. Lois Rhodes questioned why Dr. Wein was dismissed and urged the Assembly to look into the situation. Lucy Phillips had concerns of receding care and costs. Tanya Bonorden spoke of Dr. Wein's dismissal and concerns with senior staff of SCH. Sean Cavlin had concerns with dismissals at SCH. Patricia Alexander, voiced her life saving event at SCH and advocated for Dr. Wein. Rita Gudritch stated she was not in support of a merger and had concerns with letting Dr. Wein go.

Garry White, Executive Director of Sitka Economic Development Association, invited the Assembly and community to a public meeting March 2 at 4:00 p.m. in Harrigan Hall to focus on the marine service industry.

Alyssa Russell, Alaska Longline Fishermans Association, spoke of upcoming workshops for their Spring Fishermans Expo on March 2 and 3 at SSSC and thanked the city for support.

Jeff Budd told of events for the Sitka sesquicentennial.

Tom Gamble requested the city support current Sitka Tribe of Alaska resolutions regarding the herring fishery, asked for a future agenda item for it, and asked the City to be proactive with the government to government relations with regards to subsistence fishery issues.

VIII. REPORTS

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

Administrator - Gorman reported on the Alaska Municipal League he attended last week in Juneau with staff and meetings with local delegation. Gorman asked Potzruski to comment, Potzruski told they met with legislators and shared concerns and needs of Sitka. Gorman reminded that the legislature did not take action last year and may not again this year. He told of talks for a state income tax, school bond debt, health care, climate change, FEMA, Mt. Edgecumbe pool, sustainable state budget, and Sitka's sesquicentennial.

Liaison - Eisenbeisz told of Hospital Board meeting mentioning the outpouring of support for Dr. Wein and of the audit. He clarified that no action had been taken to merge the two hospitals. Knox reported on the Planning Commission meeting and told of landslide management ordinance.

IX. CONSENT AGENDA

A motion was made by Swanson that the Consent Agenda consisting of item A be APPROVED. The motion PASSED by the following vote.

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

Absent: 2 - Guevin, and Bean

A [17-024](#) Approve the minutes of the February 14, 16, and 20 Assembly meetings

This Item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

B [17-025](#) Appoint: 1) Kim Kirkness to a three-year term on the Tree and Landscape Committee and 2) Kitty Sopow to a three-year term on the Historic Preservation Commission in the category of At-Large. Reappoint: 1) James Poulson to an unexpired term on the Historic Preservation Commission in the category of Sitka Historical Society

Knox thanked the applicants and encouraged the public to volunteer.

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

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

Absent: 2 - Guevin, and Bean

XI. UNFINISHED BUSINESS:

C [ORD 17-04](#) Adjusting the FY17 Budget (Finance Department operations, pass-thru grant for Crescent Harbor Playground Renovation Project, Sitka Community Hospital equipment lease)

Knox clarified the Sitka Community Hospital appropriation was from hospital funds and not city funds. Eisenbeisz told of history regarding new equipment to increase efficiency of operations; a cost that was not planned for.

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, Eisenbeisz, Potrzuski, Hunter, and Knox

Absent: 2 - Guevin, and Bean

XII. NEW BUSINESS:

New Business First Reading

D [ORD 17-05S](#) Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates"

Gorman told that there were two ordinances that were sequential noting the effective dates. Eisenbeisz thanked Bertacchi on what rates need to be in the future, felt this was a necessity, voiced concerns with line 39 and wondered of the potential of Assembly adjusting rates by resolution annually for Consumer Price Index (CPI). Potrzuski thought electrical rates should remain adjusted by the Assembly, would like to see a year between rate increases and thought the ordinance should not be based on CPI. Gorman noted wording of "may" not "shall", giving some assurances to not see double digit increases. Municipal Attorney, Brian Hanson, told of history and staff involvement. Hunter thought the increase would be able to cover cost of operations. Potrzuski stated he was not comfortable with a resolution for electrical rate changes. Knox was in favor of taking out "at the discretion of the administrator" and thought that the public needed to be involved. Swanson was in support of keeping rates changes as an ordinance. Hunter thought that annual rate increases were needed.

A motion was made by Eisenbeisz to AMEND the Ordinance by deleting at Line 39 "at the discretion of the administrator". The AMENDMENT PASSED by the following vote.

Yes: 4 - Swanson, Eisenbeisz, Hunter, and Knox

No: 1 - Potrzuski

Absent: 2 - Guevin, and Bean

Gorman suggested staff and Assembly members fine tune the language in Section 15.01.020 A. Knox and Eisenbeisz would work with staff and it would come back at the next regular meeting.

A motion was made by Eisenbeisz that this Ordinance be POSTPONED to the March 14 Assembly meeting for first reading directing staff, Knox and Eisenbeisz to make additional changes. The motion PASSED by the following vote.

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

Absent: 2 - Guevin, and Bean

E [ORD 17-06S](#)

Amending Sitka General Code Chapter 15.01 entitled "Electric Utility Policies" by amending Section 15.01.020 entitled "Electrical Rates" to allow for a seasonal increase in electrical rates

Gorman noted the effective ordinance date was in October as a seasonal rate change. Eisenbeisz suggested Administration have Assembly members look at ordinances prior to being placed on the agenda and encouraged the public to send in comments on a seasonal rate. Knox asked staff to determine what these rates would look like for a typical household.

A motion was made by Eisenbeisz that this Ordinance be POSTPONED to the March 14 Assembly meeting for first reading directing staff, Knox and Eisenbeisz to make additional changes. The motion PASSED by the following vote.

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

Absent: 2 - Guevin, and Bean

Additional New Business Items

F [17-026](#) Adopt the Chief Finance and Administrative Officer's interpretation of Sitka General Code 4.09.100(P) "Resale. A sale for resale of a product, service or rental to a consumer where the resale is subject to tax is exempt"

Jay Sweeney, Chief Finance and Administrative Officer, stated this would correct a loop hole in the Sales Tax Code of purchasing an item and reselling to properly collect tax on sales in Sitka. Hunter clarified that this would tax taxable sales bought and sold in Sitka to be taxed once.

A motion was made by Swanson to adopt the Chief Finance and Administrative Officer's interpretation of Sitka General Code 4.09.100(P) "Resale. A sale for resale of a product, service or rental to a consumer where the resale is subject to tax is exempt". The motion PASSED by the following vote.

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

Absent: 2 - Guevin, and Bean

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:07 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk