



# CITY AND BOROUGH OF SITKA

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

## Minutes - Final

### City Assembly

**Mayor Cheryl Westover**  
**Deputy Mayor Larry Crews**  
**Vice Deputy Mayor Mim McConnell**  
**Assembly Member Phyllis Hackett**  
**Assembly Member Terry Blake**  
**Assembly Member Thor Christianson**  
**Assembly Member Pete Esquiro**

**Municipal Administrator: Jim Dinley**  
**Municipal Attorney: Theresa Hillhouse**  
**Municipal Clerk: Colleen Ingman, MMC**

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Tuesday, August 16, 2011

6:00 PM

Assembly Chambers

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#### SPECIAL MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

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

#### IV. PERSONS TO BE HEARD

*Ann Wilkinson, a Sitka Community Hospital Board member encouraged the Assembly to consider all options for the hospital.*

#### V. UNFINISHED BUSINESS:

##### A [ORD 11-35](#)

Proposing to amend the Home Rule Charter of the City and Borough of Sitka to raise the property tax limit from 6 mills to 6.5 mills to pay for certain municipal infrastructure, equipment and its maintenance, and submit this charter amendment and question to the voters at the next general election.

*Ann Wilkinson expressed her concerns with the property tax hike going into one fund for all city infrastructure.*

*Lydia McGraw spoke to the federal government's financial situation and noted that the working class is tired of paying the bill.*

*McConnell and Hackett both inquired of the attorney what happens if both property tax propositions are passed. Hillhouse said there is nothing at this point that make the two ballot measures conflicting, it is an accumulative effect. What we can do is put a clarifying provision in the information. Blake asked for further clarification that if both measures pass we could be potentially submitting the voters to a 6.75 mill increase and Hillhouse responded "Yes."*

*Christianson expressed concern that if we put all three propositions on the ballot they would all fail and he felt the .25 increase had a better chance of passing. Esquiro agreed. Crews believed that the citizens could afford .42 cents a day and supported it; he hasn't heard any opposition to this. Blake thinks that SCH has a bright and shining future, securing the roof makes good sense.*

*Wilkinson spoke to the need for the hospital roof and that Sitka Community Hospital is supported by the community, whereas SEARHC is supported by federal dollars. She added that Sitka's property tax is one of the lowest in the state. Mayor responding to a public inquiry, clarified that none of these funds would go for salaries. Concerns were expressed as whether the hospital roof would get completed. Mayor said the hospital would get the roof whether through the property tax increase or by making cuts in other areas, offering her personal assurances. McConnell supports this one, it contains information specific to the hospital needs and she hopes that the public would hold the Assembly accountable to that. She felt the proposition was comprehensive and would raise the larger amount and is broader. Hackett would be very disappointed if the hospital board did not support this.*

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

**Yes:** 5 - Westover, Crews, McConnell, Hackett, and Blake

**No:** 2 - Christianson, and Esquiro

**B**      [ORD 11-36](#)

Proposing to amend Title 4, Revenue and Finance, of the Sitka General Code by amending Section 4.09.010, Levy of Sales Tax, to set the sales tax all year round at six percent to pay for certain municipal infrastructure, equipment and its maintenance, and deleting the provisions that require reverting to a lower sales tax rate after certain school obligations are paid; deleting the seasonal sales tax exemption in Sitka General Code Section 4.09.120; and submitting these Sitka General Code amendments and question to the voters at the next general election.

*Wayne Dye stated to pay for roads through sales tax was not fair. He stressed the users should pay for the streets. He added that pedestrians and bicyclists should not be paying the same as a dump truck for example. He preferred the property tax to the sales tax proposition. Hackett agreed with Dye and did not believe this was the right mechanism.*

*Christianson didn't believe this had any chance of passage and therefore felt it was disingenuous to put it on the ballot; it would poison the well. Crews also thought that putting multiple propositions on may set them all up to fail. Blake agreed, that this might muddy the ballot. McConnell believed sales tax was regressive. She hoped that in the coming year the Assembly, with help from the community could come up with ideas on how we would pay for things in the future. Esquiro agreed with the comments thus far. Mayor supported because visitors would be paying the larger share.*

**A motion was made by Hackett that this Ordinance be PASSED ON SECOND READING. The motion FAILED by the following vote.**

**Yes:** 1 - Westover

**No:** 6 - Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

**C**      [ORD 11-32A](#)

Proposing to amend the Home Rule Charter of the CBS, subject to reratification by the voters in ten years, to create a dedicated fund for Sitka Community Hospital Roof, Equipment and Infrastructure; raise the Property Tax Limit from 6 Mills to 6.25 Mills;

place in that dedicated fund any revenues gained from a property tax levy between 6 mills and 6.25 mills; and submitting these Charter amendments to the voters for ratification.

*Hillhouse explained again that if the voters approved both propositions then the millage rate would increase to 6.75.*

*Ann Wilkinson saw an advantage in this proposition over the other because this one includes an end date. Tom Marthaller of Sitka Community Hospital Support Services thanked the Assembly for their work, if it passes, he predicted the first contract next July would be for the new roof. He offered a few examples of failures that didn't get addressed timely and ended up costing much more.*

**A motion was made by Crews that this Ordinance be PASSED ON SECOND READING. The motion FAILED by the following vote.**

**No:** 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

**D**      [11-167](#)

Approve registering with Alaska Public Offices Commission to advocate for passage of the proposed ballot measures contained in Ordinances 2011-35 and 2011-36 and authorize expenditures for same up to \$10,000.

*Shirley Robards believed \$10,000 was too much and thought the Assembly should consider \$5,000.*

**Motion by Christianson to amend the expenditure to \$1,000. The motion on the primary amendment FAILED on the following vote.**

**Yes:** 3 - Blake, Christianson, and Esquiro

**No:** 4 - Westover, Crews, McConnell, and Hackett

**Motion by McConnell to amend the expenditure to up to \$4,000. The secondary amendment PASSED on the following vote.**

**Yes:** 5 - Westover, Crews, McConnell, Hackett, and Christianson

**No:** 2 - Blake, and Esquiro

*Hillhouse advised that it was prudent to register with APOC if you were going to talk about the measure. She noted it is very difficult to remain neutral, both sides should be represented and expenditures reported accurately. Clerk pointed out that historically the entire allocation was not spent; both filing and allocating funds are precautionary measures.*

**A motion was made by Crews that this Item be PASSED as amended. The motion PASSED by the following vote.**

**Yes:** 6 - Westover, Crews, McConnell, Hackett, Blake, and Esquiro

**No:** 1 - Christianson

**VI. PERSONS TO BE HEARD:**

*Shirley Robards was pleased the sales tax proposition didn't pass. She wondered how many people drive Wortman Loop. She also questioned the recent sealing of the municipal parking lot, curious as to the cost. She added that sidewalks along Harbor Drive are dangerous and should be addressed.*

**VII. ADJOURNMENT**

Motion by McConnell to adjourn the meeting. Hearing no objections the meeting ADJOURNED at 8:18 PM.

ATTEST

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Colleen Ingman, MMC  
Municipal Clerk