



CITY AND BOROUGH OF SITKA

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

Minutes - Final 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, April 22, 2014

6:00 PM

Assembly Chambers

WORK SESSION 5:00 PM

[14-076](#)

Harrigan Centennial Hall - 35% Design, Cost Estimate & Funding

The Harrigan Hall Project Team and McCool Carlson Green architects provided an update on 35% design, cost estimate and funding.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

IV. CORRESPONDENCE/AGENDA CHANGES

[14-075](#)

Correspondence for April 22, 2014

V. CEREMONIAL MATTERS

Mayor McConnell presented service awards to retiring employees Lt. Barry Allen, Marjorie Parmelee, and Dave Patt.

Michael Bricker presented an award to Ashley Sagoonick for her service with Sitka Youth Court.

VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Municipal Departments, School District, Students and Guests (time limits apply)

Sitka Tribe of Alaska General Manager, Lawrence SpottedBird, introduced himself and expressed his eagerness to work with the Assembly and citizens of Sitka.

[14-072](#)

Blue Lake Expansion Project Construction - One Year Later

Jessica Stockel, Project Assistant with McMillen LLC, provided a viewing of the Blue Lake Expansion Project Construction video for the Assembly.

VII. PERSONS TO BE HEARD

None.

VIII. REPORTS

Mayor McConnell: Attended the Local Emergency Planning Commission Meeting, planned to attend Blue Lake Dam Tour Wednesday with Sitka Tribe of Alaska, and welcomed new STA General Manager Lawrence SpottedBird.

Administrator: Updated the Assembly on the General Fund Master Plan Process and firm selected, noted the Rasmuson Foundation would be in Sitka on May 5 to conduct a Library site visit, attended the STA Council meeting, met with State of Alaska and Alaska Arts Southeast staff regarding the City taking ownership of the side road by Stratton Library, and reminded the public and Assembly he would be presenting at the Chamber of Commerce lunch on April 23.

Attorney: Reported on property issues regarding citizens maintaining lodges in R-1 residential zones.

Liaisons: Hackett attended Tree and Landscape Committee meeting, Hunter attended Port and Harbors Meeting and noted a special meeting would be held on May 5 regarding float homes in the harbor system, Miyasato attended Parks and Recreation Committee and Library Commission meetings, Swanson reported on the Police and Fire Commission meeting.

Clerk: Noted the initiatives that were originally going to be on the State Primary Ballot were instead going to be on the General Election ballot.

Other: Reif made a correction to a statement he had made during Administrator's evaluation. Reif stated he had said there needed to be closer attention to the amount of outside consultant work. Reif clarified that Gorman had done exactly what had been asked of him and that the Assembly instead needed to pay closer attention. Hunter applauded Jessica Stockel and Dean Orbison for the fantastic tour they provided to his Mt. Edgecumbe High School physics class. Mayor added she had recently spoke to the Pacific High School government class.

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

A [14-069](#) Approve the minutes of the April 8, 2014 Assembly meeting

This item was APPROVED on the Consent Agenda.

B [14-071](#) Reappoint James Kinsman to a term on the Historic Preservation Commission and Appoint Rachel Moreno to the Sitka Convention and

Visitor's Bureau

This item was **APPROVED** on the Consent Agenda.

- C** [14-070](#) Authorize amending a Professional Services Agreement between JWA, Inc. and the CBS for the Jarvis Street Diesel Plant Capacity Addition Project

This item was **APPROVED** on the Consent Agenda.

X. UNFINISHED BUSINESS:

- D** [ORD 14-06](#) Authorizing Sublease of space by Island Girl Coffee LLC at the Sitka Rocky Gutierrez Airport Terminal Building

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

- E** [ORD 14-09](#) Amending the Sublease with Ostrov Enterprises d/b/a Airport Gift Shop at the Sitka Rocky Gutierrez Airport Terminal Building to modify Lease Space and Square Footage due to the sale of Espresso Stand

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

XI. NEW BUSINESS:

New Business First Reading

- F** [RES 14-05](#) Supporting the CBS's application to the Alaska Federal Lands Access Program (FLAP) Grant Program for Preconstruction Planning and Design of the Sitka Seawalk Phase II

Hackett noted this item had been discussed during a Tree and Landscape Committee meeting and expressed appreciation to City staff for their work .

Reif asked Municipal Engineer, Stephen Weatherman, and Senior Engineer, Dan Tadic, to come forward and explain the FLAP grant request. Tadic explained the second phase of the project would continue the Sea Walk from Crescent Harbor around Harrigan Hall and Library and then along Harbor Drive to the O'Connell Bridge Lightering Facility.

Tadic noted there would be money available from the CPET funds to cover the required City match.

A motion was made Hackett that this item be APPROVED. The motion PASSED

by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

- G** [RES 14-06](#) Supporting the CBS's application to the Alaska Federal Lands Access Program (FLAP) Grant Program for \$250,000 for Planning and Design of Phase Six of the Cross Trail Multimodal Pathway

Deborah Lyons of Sitka Trail Works spoke in support of the application .

Esquiro wondered if this agenda item and the previous item would be in competition with one another. Gary Baugher, Maintenance and Operations Superintendent, stated they were not and verification of this had been received from the FLAP staff . (Note: It was later clarified after this meeting that the FLAP grants would compete with one another. It was staff's recommendation to proceed with both applications. There was no prohibition for an agency to submit more than one application and staff felt both applications were competitive).

Baugher provided a brief description of Phase Six and explained the new trail would require minimal maintenance. Baugher added this trail would also serve as an emergency bi-way.

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

- H** [ORD 14-11](#) Authorizing the sale of Lot 1 South Sitka Sound Seafoods Subdivision to North Pacific Seafoods

Chief Finance and Administrative Officer, Jay Sweeney, stated net proceeds from the sale would go into the Permanent Fund.

Reif expressed appreciation for the item coming forward and wondered if there would be additional properties coming forward. Municipal Administrator Gorman mentioned he would like to have a worksession later on the issue.

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

- I** [ORD 14-10](#) Amending SGC Chapter 15.01 entitled "Electric Utility Policies" by adding a New Section 15.01.090 entitled "Rebate Program for Electric Heat Pump Heating Systems"

Utility Director, Chris Brewton, came forward and explained the specifics of the rebate program clarifying the intent was to encourage heat pumps in lieu of other heating systems. This would allow CBS to maximize revenue utilizing new hydro capacity in the most effective way.

Reif expressed concern with the rebate program citing the initial rebate program urged residents to reduce electrical usage and this particular rebate program did just the opposite. Reif suggested the Assembly instead use the \$50,000 to devise a strategy to control demand for the new Blue Lake capacity.

Brewton noted there were two issues of concern. The first was for the need to reserve new hydro capacity for the best possible use. The second was to avoid a utility death spiral in which the rates were raised so high that residents were forced to conserve electricity which in turn caused the rates to be increased again. Brewton expressed the need for a community planning session.

Hackett also wondered if the money could be better spent on reinitiating a campaign to educate folks on the community wide energy issue.

Brewton clarified CBS was not telling folks to decommission a second heating source.

Hunter noted there were more heat pumps in Sitka than in all other cities combined throughout the State. He suggested the \$50,000 could be saved or better spent.

A motion was made by Hunter to APPROVE this item. The motion FAILED by the following vote.

Yes: 1 - Miyasato

No: 6 - McConnell, Hunter, Hackett, Esquiro, Reif, and Swanson

A recess was taken from 7:18pm to 7:25pm

Additional New Business Items

- J** [14-074](#) Approval of the design and bid of all phases of Harrigan Centennial Hall and the proposed funding including applying for additional grant funding from the Rasmussen Foundation
- John Stein, President of Sitka Historical Society, spoke in support of the project.
- Finance Director, Jay Sweeney, stated repayment of loan with CPET funds would be acceptable.
- Public Works Director, Michael Harmon, clarified the funding source as outlined in his memo.
- A motion was made by Hunter and later AMENDED by Reif to read "I move to approve the design and bid and commit to funding the full scope of Harrigan Centennial Hall remodel as described in Harmon's April 16, 2014 Memorandum with the exact mechanism of local funding (if needed) to be determined at a later date, and further approve applying for additional grant funding from the Rasmuson Foundation to assist in the completion of all phases of this project. The main motion as AMENDED PASSED by the following vote.**
- Yes:** 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato
- K** [14-073](#) Approve award of a Professional Engineering Services Contract for the Sawmill Cove Industrial Park Dock Project to Moffatt & Nichol not to exceed \$790,114.00
- Garry White, Director of Sawmill Cove Industrial Park, came forward to explain the project. White said the dock would be ready late 2015, early 2016.
- A motion was made by Hunter that this item be APPROVED. The motion**

PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

L [14-077](#)

Approve the Police Lieutenant Hire

Police Chief Schmitt noted there were two internal candidates who chose to withdraw their applications. There were three external candidates. Police Chief Schmitt explained the recruitment incentives as listed in the motion.

Administrator Gorman informed the Assembly he had met both finalists and was impressed with both. He encouraged the chief to consider the other finalist for any future openings.

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

XII. PERSONS TO BE HEARD:

STA General Manager, Lawrence SpottedBird, offered his expertise regarding the cultural aesthetics of the Harrigan Hall Renewal Project.

XIII. EXECUTIVE SESSION

None.

XIV. ADJOURNMENT

A motion was made by Hackett to ADJOURN. Hearing no objections the meeting ADJOURNED at 8:03pm.

ATTEST: _____
Colleen Ingman, MMC
Municipal Clerk