



CITY AND BOROUGH OF SITKA

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

Minutes - Final 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, June 5, 2012

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - Westover, McConnell, Christianson, Esquiro, and Reif

Absent: 2 - Blake, and Hackett

IV. CORRESPONDENCE/AGENDA CHANGES

Mayor Westover clarified a misrepresentation in a recent Sentinel article that she doesn't get angry at people for opposing ordinances; she feels it is each individual's right. She did stress the need to work together to see how to increase dollars, and to do that by not grabbing at each other's pockets.

V. PERSONS TO BE HEARD

VI. UNFINISHED BUSINESS:

Items under unfinished business were taken up out of order.

C [ORD 12-17](#) Adopting Budgets for the Fiscal Year July 1, 2012 through June 30, 2013

The Mayor requested the postponement due to the number of members present for passage.

A motion was made by McConnell that this Ordinance be POSTPONED at the request of Mayor Westover seeing that there were only five members in attendance. The motion PASSED by the following vote.

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

No: 1 - Esquiro

Absent: 2 - Blake, and Hackett

- A** [ORD 12-07S](#) Amending the Sales Tax Exemption at Sitka General Code Subsection 4.09.100N entitled "Over One Thousand Dollars in Sales and Rents of Tangible Personal Property and on Sales of Services," and "Over One Thousand Dollars in Rent or Lease of Real Property on a Monthly Basis."

Sweeney strongly urged from a staff viewpoint and for the ease of the public in completing their sales tax returns that the month be changed. His staff is unanimous in favoring an October vs. September effective date. Reif suggested having a September date would be burdensome for the retailers and the finance department. The budget is currently balanced; and he hopes this additional revenue will go towards an infrastructure sinking fund. We also need to take into consideration that there are still adventure travelers in the month of September.

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

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

Absent: 2 - Blake, and Hackett

This item was PASSED ON FIRST READING.

- B** [ORD 12-06A](#) Amending the Sitka General Code by repealing the Sales Tax Exemption provision currently at Sitka General Code Subsection 4.09.100Y for "Exemption for Retired Persons Who Have Reached the Age of Sixty-Five," and adding a new section 4.09.105 entitled "Sales Tax Exemption for Sitka, Senior Residents."

The mayor doesn't favor tripling the means or having two different ages; she just feels we have complicated it.

Sweeney projects \$200,000 in today's dollars plus or minus \$50,000 in twenty years. He said they certainly would have additional record keeping administration surrounding the photo ID cards. His estimate is it will double the amount of time the application process takes. McConnell mentioned some of the emails she received with regard to exempting food and utilities as perhaps a better route. McConnell asked Hillhouse her thoughts on going this route. Hillhouse talked to the state assessor and he said no one does food other than food stamps; she couldn't find a definition of food in Alaska.

In her opinion, it would be extremely cumbersome. Hillhouse foresees it as a major project.

McConnell and Reif will sponsor an ordinance to tax alcohol and tobacco for everyone, with no exceptions for seniors. Reif also wondered about the inclusion of restaurants. Reif mentioned that he did some research and found Alaska is the most friendly state to its seniors.

Christianson still supports a means test. The grocery angle will be complicated. We do need to get money to pay for infrastructure somehow. He revisited the process and contends that when the assembly agreed to grandfather, they lost the revenue aspects of the ordinance. McConnell still supports certain parts, like raising the age. Hillhouse said you can bring certain aspects back. Esquiro believes that the discussions that have occurred really have served a purpose: Sitkans are more aware of what we are facing, and they now realize the problems. He contends we just need to look at a wide variety of things and then act as a group with common interest and take care of this problem.

A motion was made by Reif that this Ordinance be PASSED ON FIRST READING. The motion FAILED by the following vote.

Yes: 1 - Christianson

No: 4 - Westover, McConnell, Esquiro, and Reif

Absent: 2 - Blake, and Hackett

VII. PERSONS TO BE HEARD:

Shirley Robards offered her thanks.

Nancy Yaw Davis feels a responsibility to the city's issues and supports an alcohol tax and vehicle tax for all. She also expressed her concerns with projects being bid outside of Sitka and wondered how to mandate local hire. "Where is our sense of responsibility? Is it shot to hell like our roads?" she exclaimed. We need to look at an increase in property tax.

McConnell mentioned the Sea Walk discussions are just starting at the Fire Hall if anyone is interested.

VIII. EXECUTIVE SESSION

None.

IX. ADJOURNMENT

A motion was made by Reif that this meeting be ADJOURNED. The motion PASSED by an unanimous vote and the meeting ADJOURNED at 7:19 PM.

ATTEST:

Colleen Ingman, MMC
Municipal Clerk