

# **CONSENT AGENDA**

## **POSSIBLE MOTION**

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

**I wish to remove Item(s) \_\_\_\_\_**

**REMINDER – Read aloud a portion of each item being  
voted on that is included in the consent vote.**

Should this item be pulled from the Consent Agenda the following motion is suggested:

**POSSIBLE MOTION**

**I MOVE TO** approve the minutes of the  
February 9<sup>th</sup> Assembly meeting.



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
1332 Seward Ave.  
Room 229  
Sitka, AK  
(907)747-1811

## Minutes - Draft

### City and Borough Assembly

*Mayor Mim McConnell  
Deputy Mayor Matt Hunter  
Vice-Deputy Mayor Benjamin Miyasato  
Aaron Swanson, Steven Eisenbeisz  
Tristan Guevin, and Bob Potrzuski*

*Municipal Administrator: Mark Gorman  
Municipal Attorney: Robin L. Koutchak  
Municipal Clerk: Sara Peterson, CMC*

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Tuesday, February 9, 2016

6:00 PM

Assembly Chambers

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#### REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

Mayor McConnell announced the presentation and discussion scheduled for item J would occur first followed by executive session.

16-027 Reminders, Calendars and General Correspondence

V. CEREMONIAL MATTERS

16-017 Bicycle Friendly Community Proclamation and Service Awards for Janet Keck Love and Kay Turner

Mayor McConnell read the Bicycle Friendly Community proclamation, and presented service awards to Janet Keck Love and Kay Turner for their service on the Library Commission and Parks and Recreation Committee, respectively.

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

16-026 Update on the Sitka Seaplane Dock - Harbormaster, Stan Eliason

Harbormaster, Stan Eliason, updated the Assembly on the status of the Sitka Seaplane Dock and its failing infrastructure. Eliason indicated that PND, Engineers was scheduled to complete a walk through of the Dock in the near future and provide recommendations.

## VII. PERSONS TO BE HEARD

None.

## VIII. REPORTS

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

Mayor - McConnell reported on the state legislative trip and attended the recent Investment Committee meeting.

Administrator - Gorman shared that a 30-day extension had been given to Alaska Bulk Water Inc. to perform the requirements set forth in the forty-five day written notice to cure default, met with the Chief Executive Officers of SEARHC and Sitka Community Hospital to discuss ways for possible collaboration, reported on the state legislative trip, and attended the Sitka Public Library ribbon cutting ceremony.

Liaisons - Miyasato reported on the recent Library Commission meeting and reminded citizens that there were three vacancies on the Parks and Recreation Committee. Potrzuski reported on the work of the Marijuana Advisory Committee and Guevin on the Health Needs and Human Services Commission.

## IX. CONSENT AGENDA

A motion was made by Swanson that the Consent Agenda consisting of items A, B, D, E & F be APPROVED. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

**A 16-018** Approve the minutes of the January 26, 2016 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

**B 16-019** Approve liquor license renewal applications for SOE, LLC dba 1) Asian Palace and 2) Little Tokyo and forward these to the Alcoholic Beverage Control Board without objection

This item was APPROVED ON THE CONSENT AGENDA.

**C 16-020** Amend the Tree and Brush Clearing Services contract for an amount not to exceed \$275,000 for FY2016

Eisenbeisz spoke in support of preventative maintenance to prevent higher costs in the future, however, felt the additional amount of the contract should be put out to

bid. Swanson agreed.

Administrator Gorman stated the low bidder had been awarded. The option to go out to bid for the second amount had been discussed, however, for efficiency it made the most sense to amend the current contract.

Bryan Bertacchi, Utility Director, confirmed the low bidder, a local contractor, had been awarded a three year contract and was willing to perform the additional work. Bertacchi noted a FERC inspection was coming up; part of which involved tree trimming requirements.

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

**Yes:** 5 - McConnell, Hunter, Miyasato, Guevin, and Potrzuski

**No:** 2 - Swanson, and Eisenbeisz

- D 16-021** Approve a professional services agreement between TS&H Automation and the City and Borough of Sitka for On-Call Industrial Automation Systems Development

**This item was APPROVED ON THE CONSENT AGENDA.**

- E 16-022** Award a time and expenses contract to Boreal Controls Inc. with a not to exceed amount of \$193,525 for completion of the SCADA system upgrades

**This item was APPROVED ON THE CONSENT AGENDA.**

- F RES 16-05** Supporting the Alaska Department of Fish and Game and the fisheries representatives serving on the US/Canada Salmon Commission

**This item was APPROVED ON THE CONSENT AGENDA.**

**X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS**

- G 16-023** Reappoint Gary Smith to a term on the Building Department Appeals Board and appoint: 1) Brendan Jones to an unexpired term on the Port and Harbors Commission, and, 2) Alene Henning to an unexpired term on the Citizens' Taskforce

Assembly members thanked the applicants for their willingness to serve. Guevin noted Ms. Henning had been to each of the Citizens' Taskforce meetings and was engaged in the process.

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

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

**XI. UNFINISHED BUSINESS:**

- H ORD 16-02** Amending Chapter 2.60 by adding Section 2.60.060 entitled, "Municipal Employees Serving on Municipal Boards, Commissions or Committees"

A motion was made by Swanson that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

- I ORD 16-03** Adjusting the FY16 Budget

Eisenbeisz stated purchasing five vehicles outside of the normal budget cycle was too many.

A motion was made by Miyasato that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.

**Yes:** 6 - McConnell, Hunter, Swanson, Miyasato, Guevin, and Potrzuski

**No:** 1 - Eisenbeisz

**XII. NEW BUSINESS:**

- J 16-024** Presentation and discussion of the Kramer landslide geotechnical report (note- the Assembly will meet first in Executive Session to discuss legal issues with counsel)

David Bruce, legal counsel for the City and Borough of Sitka (CBS), and Bill Laprade, geotechnical consultant, presented the South Kramer Avenue Landslide: Jacobs Circle to Emmons Street Report.

Bruce and Laprade spoke to the cause of the August 18, 2015 slide, the likelihood of another landslide in the Kramer Avenue area, hazards on the side of Harbor Mountain and the risks below, implications, and recommendations. Bruce and Laprade stated the landslide was a naturally occurring event caused by heavy precipitation and certain geologic features of the area - e.g. pockets of bedrock containing poor soil. Bruce indicated it was likely there would be more landslides but impossible to determine where or when. Laprade explained a runout analysis had been performed of the study area to help determine the path of a future slide. He explained the existing berms in place at South Kramer Avenue had prevented the Kramer slide from extending farther seaward. Bruce noted there were other initiation zones at the top of the slope where more debris could come down. To determine risk areas, Laprade combined the information from the runout analysis report, observations from field time in the area, and interpretation of the contours on the ground to make an assessment of the low, medium, and high risk zone areas. Bruce stated the report told as well as possible what was likely to happen in the future. With regards to future development in the area, (new construction and subdivisions) Bruce stated the report recommended that property owners in high risk and medium risk areas be required to submit to the City a geological report that they had personally obtained to assess risk and whether those risks could be mitigated. The report did

not identify anything at a property specific level but did provide a generic presentation of types of mitigation measures to consider if there were people who wanted to build or develop in the area. Bruce noted the report might serve as an opening for a broader discussion in the community - e.g. doing a similar study community wide or adopting a critical areas ordinance.

**Assembly Questions:**

Eisenbeisz wondered of the importance of the springs noted on the maps. Laprade indicated the springs were points of importance to see if there were any landslide issues associated with them and in the end provided information for future development. Further, Laprade, reminded that there were **NO** no risk zones in this area. Hunter spoke to the high risk boundaries around Sand Dollar Drive. Hunter wondered what kind of frequency could be assigned to these events - e.g. once every hundred years, once every two hundred years. Laprade noted it was difficult to predict and that there were many variables. Gorman asked Bruce to speak to the opening of Kramer Avenue. Bruce recommended Kramer Avenue be opened, however, wished to speak with the Assembly about legal issues.

**Public Comment:**

Adam Chinalski spoke in support of building a berm to provide protection and wondered about the possibility of cutting trees on the hillside. Margie Esquiro, a resident of Sand Dollar Drive, expressed concern over changes in the underground water over the last 10 years and urged the Assembly to move forward in a responsible way. Tony Confortti, a resident of Sand Dollar Drive, spoke in support of building a berm and also shared drainage concerns. Pete Esquiro, a resident of Sand Dollar Drive, hoped to have a chance to speak with David Bruce and Bill Laprade to explore some of his own recommendations for the area.

**A motion was made by Miyasato to go into EXECUTIVE SESSION to receive advice from legal counsel, David Bruce, regarding legal issues affecting the Municipality as a result of the August 18, 2015 landslide events and invite in Public Works Director, Michael Harmon, Chief Finance and Administrative Officer, Jay Sweeney, Planning and Community Development Director, Maegan Bosak, and geotechnical expert, Bill Laprade. The motion PASSED by the following vote.**

**Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski**

**A motion was made by Miyasato to RECONVENE as the Assembly in regular session. The motion PASSED by a unanimous voice vote.**

**Mayor McConnell stated the Assembly had met with legal counsel, David Bruce, and geotechnical expert, Bill Laprade, to speak about legal ramifications for the City and Borough of Sitka. She urged citizens to view the report (available on the CBS website) and attend the Chamber luncheon on February 10 at which David Bruce and Bill Laprade would be guest speakers.**

**K 16-025**

**Discussion/Direction on utility customer cutoffs and payment plans**

Jay Sweeney, Chief Finance and Administrative Officer, explained the Sitka General Code was specific with regards to the expectations and requirements for citizens to pay their utility bill on a timely basis and if unable to pay, the citizen had the option to set up a payment plan. Sweeney said a payment plan was not a method of reducing costs and further explained that payment plans required customers to pay more per

month, not less. Payment plans included payment of all ongoing charges plus at least \$10 per month more than monthly finance charges on past due amounts. Sweeney added the challenge for the Finance Department was that some individuals were unable to make required payments or did not have the financial circumstances to enter into a payment plan. Sweeney looked to the Assembly for direction: should the Department abide by the Sitka General Code as written, implemented consistently and fairly, which would result in utility disconnects or was it rather a social welfare right for every Sitkan to have access to electric power, regardless of their ability to pay.

Potrzuski wondered of the number of shut off letters mailed out how many were unable to pay versus how many simply chose not to pay. Sweeney indicated currently 18% of all utility counts were past due, although it had been as high as 40% depending where the billing cycles were. In response to a question by Hunter, Sweeney stated if the temperatures were below freezing, power was not disconnected.

Sweeney offered the following staff recommendations if the Assembly determined it was not the Municipality's responsibility to provide access to power regardless of the ability to pay: 1) develop a disincentive for those citizens who had the ability to pay, but chose to wait until a pink shut-off door hangar was placed on their door: raise the charge for shut-off notices from \$10 to \$50, 2) define a limited zone in which judgment calls could be made, but have a hard and fast ultimate credit limit beyond which power was disconnected, even if citizens could pay a little - e.g. setting a not to exceed limit of 2 times the average monthly bill, above which power was disconnected, 3) change the current policy in the Sitka General Code concerning how much must be paid to restore power once it had been shut off to residential customers, and 4) continue to work with social service agencies such as the Salvation Army to provide a safety network for the truly needy. Sweeney added an idea that had been discussed was to utilize the voluntary donation capability available with utility billing. Citizens could voluntarily donate a set amount each month and those monies would then be transferred to the Salvation Army to distribute. Administrator Gorman indicated the voluntary donation program was ready for use and depending upon the direction of the Assembly, staff was ready to start an ambitious public relations campaign. If the Assembly chose to direct staff to follow Sitka General Code, Gorman recommended increasing the Salvation Army's FY16 non-profit grant award by \$7500 (the amount in the FY16 non-profit special emergency grant fund) for administration of the program. He recommended an amount be set aside in the FY17 budget for the Salvation Army to continue administration of the program.

Public testimony:

Georgiana Smith stated people were struggling financially in Sitka and should not be punished for trying to pay what they were able to afford. Karin Adickes wondered if the inability of people to pay had increased since electric rates had been raised to pay for the Blue Lake Dam.

Assembly Discussion:

Mayor McConnell wondered what had brought the urgency to the situation. Sweeney stated over time the Finance Department had veered away from strict enforcement of the Sitka General Code. Due to recent personnel transition, the situation was brought to his attention. He stated, although difficult, it was his responsibility to bring staff back into compliance with the Code. McConnell wondered if the four



recommendations discussed earlier met the financial needs of the City while also meeting the social needs of citizens. Sweeney believed it was a step in that direction. Gorman reminded the issue at hand was that the City was not in compliance with the Sitka General Code. He believed as a community there was a responsibility to ensure a safety net for those that needed it and felt there was a way to do that while following the Sitka General Code. Swanson spoke in opposition to raising the fee for shut off notices from \$10 to \$50. Eisenbeisz suggested the time frame between a pink slip being hung and electricity being shut off, be increased. Hunter confirmed that the rate covenant for the electric bonds necessitate that the City collect all money due for electricity; it could not be given away. Guevin stated all Sitkans had a right to electricity regardless of their ability to pay and stated the City should be subsidizing electricity for those people at the lower end of the income scale. Gorman said staff could not make the determination of who could pay and who could not. He indicated the preferred method would be to contract out that service and provide a subsidy. Gorman offered that based on Assembly discussion, staff would come back with some proposed language changes to the Code. Guevin and Potrzuski offered to work with staff. Gorman recommended with regards to utility disconnects, staff proceed as they had been doing.

### XIII. PERSONS TO BE HEARD:

Chris Brewton stated the enterprise funds were meant to be operated as a business and that legally electricity could not be given away. He believed the Assembly was on the right path and encouraged the utility donation program to begin so that Sitkans could donate.

### XIV. EXECUTIVE SESSION

See item J

### XV. ADJOURNMENT

A motion was made by Hunter to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:06pm.

ATTEST: \_\_\_\_\_  
Sara Peterson, CMC  
Municipal Clerk