



# 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 Pete Esquiro,  
Vice Deputy Mayor Thor Christianson,  
Phyllis Hackett, Matthew Hunter, Mike Reif and Michelle Putz*

*Interim Municipal Administrator: John P. Sweeney III  
Municipal Attorney: Robin L. Koutchak  
Municipal Clerk: Colleen Ingman, MMC*

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Tuesday, April 23, 2013

6:00 PM

Assembly Chambers

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**WORKSESSION: Destination Sitka Working Group and Tourism Commission 5:00-5:50 PM**

**REGULAR MEETING**

**I. CALL TO ORDER**

**Present:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

**II. FLAG SALUTE**

**III. ROLL CALL**

**IV. CORRESPONDENCE/AGENDA CHANGES**

Items R, S & T were pulled due to time constraints and information not submitted timely.

**V. CEREMONIAL MATTERS**

A Sitka Volunteer Award was presented to Jim DiGennaro for all his work in training of young wrestlers. DiGennaro said it has been his honor and privilege to work with the kids. A proclamation was read on Nurses Week and presented to the local hospitals and nursing staff.

**VI. SPECIAL REPORTS:**

Project Manager Jessica Stockel with McMillen, LLC and Cinematographer Hannah Guggenheim, with Pundit Productions - Presented a public service video on the Blue Lake Expansion Project showing the project is fish-friendly and hydro as a renewable energy

solution.

Heard an update on Sitka Community Food Assessment by Lisa Sadier Hart - She offered an overview of the Sitka Food Network that addressed objectives, profiles, focus groups, survey, and cost data.

Heard an update on the U.S. Forest Service by District Ranger Carol Goularte - She spoke to the reduction in the PNW from a staff of six to three; PNW involves reducing the carbon imprint, researching renewable industrial materials and young growth in the Tongass. The ranger boat will be put up for sale. Mentioned the big ticket items in this year's budget is \$64.4 M. They have plans to retrofit their warehouse property on HPR and no longer plan to build there. Currently have 62 positions in the Sitka Office. She also listed the approved funding projects under the Secure Rural Schools Act for 2013.

## **VII. PERSONS TO BE HEARD**

Doug Osborne mentioned that when the community met they selected "Downtown Revitalization" and "Food Assessment" as two top things to address, adding that both subjects are being heard tonight.

Katherine Winslow spoke to the World Book Night, which is happening today through delivery of books throughout the U.S. They are busy delivering books around town and presented the Assembly with books.

## **VIII. REPORTS**

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

Mayor - Met with the Catholic Bishop for Alaska and Felix AuYeung, former housing manager for Sitka recently. She participated in the economic forum that SEDA held and the Shop Local Network sponsored by the Greater Sitka Chamber of Commerce.

Administrator - Mentioned that Kettleton Library started their fundraiser. Dinley acknowledged and thanked Gus Adams for his \$21,000 donation to the library. He mentioned that the new ladder truck was put to use on the recent fire on Hemlock Street.

Liaisons - Hackett stated that the Tree & Landscape committee need members. Arbor Day May 18 they will planting by the new ballfield at Moller. Contact Lynne Brandon to participate.

Clerk - The first budget worksession will be held this Thursday at 6:00 PM.

Other - Christianson mentioned the EMS Symposium last week and that the fire department cooked the dinner, which turned out excellent. Hackett attended Women in Fisheries and was impressed and reminded how far our commercial fishing industry trickles down into the community.

**IX. CONSENT AGENDA**

- A**     [13-071](#)            Approve the minutes of the April 9 and April 16 Assembly meetings
- B**     [13-068](#)            Reappoint: 1) Richard Parmelee to a three-year term on the Planning Commission, and, 2) AnnaBel Lund to a three-year term on the Sitka Local Emergency Planning Committee
- C**     [13-077](#)            Authorize the Municipal Administrator to amend a Professional Services Agreement between Currents Consulting and the City and Borough of Sitka for engineering services for the Takatz Lake Hydroelectric Feasibility project to include geotechnical assessment of the project site and development of the generating facilities arrangement plan

**A motion was made by Hunter to approve the Consent Agenda consisting of Items A, B, and C. The motion PASSED on the following vote.**

- D**     [13-069](#)            Award a contract to CBC Construction in the amount of \$784,754.16 for the Bid Alternate No. 2 (R-50 with 1/2" per foot slope) and Additive Alternates 3 and 4 for completion of the Sitka Community Hospital Roof Replacement project

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- E**     [13-074](#)            Award a contract to S&S General Contractors for completion of the Baranof Street Water & Sewer Improvements in the amount of \$1,712,916.00

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- F**     [13-075](#)            Award a contract to Island Enterprises Inc in the amount of \$399,806.00 for completion of the Swan Lake Restoration - Lake Dredging project
- Reif asked where the dredging materials would be dumped and Harmon replied that it is up to the contractor.

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

**X. UNFINISHED BUSINESS:****G**     [ORD 13-14A](#)

Amending SGC Title 22 Zoning to allow for and regulate Accessory Dwelling Units (ADUs)

Bridget Kauffman shared concerns about permitting Assessory Dwelling Units (ADU's) on Etolin Street as it will increase the parking problems. She urged side by side parking be addressed and an "as-built" be required.

Hackett wanted to confirm that if there was an existing as-built that the City would not require a new one for the ADU, Planning Director, Williams responded correct. Esquiro asked about housing numbers. Williams said the same standards will apply by an A or B designation. A is the primary or larger of the two and B the secondary. Esquiro asked if anyone has requested this and Williams said "No." Esquiro is still opposed to the concept and believes it invites clutter. We might be creating more problems he cautioned.

**A motion was made by Hackett that this Ordinance be APPROVED ON THIRD and FINAL READING AS AMENDED. The motion PASSED by the following vote.**

**Yes:** 6 - Christianson, Esquiro, Reif, Hunter, Putz, and McConnell

**No:** 1 - Hackett

Some clarifying edits were also made. 1) To specify "exclusive of MH and MHP." and to replace the word structures with parcels.

**Motion by Christianson to amend under 6., page 3 by striking "Two off street parking spaces are required for each accessory dwelling unit." and inserting "Both dwelling spaces must have parking spaces independently accessed." The amendment PASSED on the following vote.**

**Yes:** 5 - Christianson, Reif, Hunter, Putz, and McConnell

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

**A motion was made by Reif to amend lines 116-117 by striking "or the height of the exitsing principal dwelling unit on the property whichever is less." This amendment FAILED on the following vote.**

**Yes:** 3 - Christianson, Reif, and Hunter

**No:** 4 - Esquiro, Putz, McConnell, and Hackett

**H**     [ORD 13-15](#)

Amending SGC Title 13 at Chapter 13.06.010 entitled "Moorage Charges and Fees" at Section(s) G. Tour Ship Lightering Fees, and I. Summer Recreational Vehicle/Boat Trailer Parking Fee

Hunter mentioned this had been vetted and approved by the Ports and Harbors Commission.

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- I     [ORD 13-18](#)     Amending SGC Section 23.30.020 entitled "Conditions for Use of Park and Recreation Facilities" by adding provisions to prohibit non-service dogs from being on certain designated sport fields and municipal playground and subjecting the dog keeper and or custodian to a fine
- Tamara Scallion had a questioned on the amount of the fines.

Parks and Recreation Manager Brandon informed that they plan to do some public education beginning with a brochure that goes out with dog licenses and it includes maps and rules. They have also put information together for the website. There will be signage at each field that will state the rules. The turnaround dog park will be enlarged next fall.

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- J     [ORD 13-19](#)     Amending SGC Chapter 8.04 entitled "Animal Protection and Control" by amending 8.04.010 entitled "Definitions" defining "Competent Voice Control;" amending 8.04.032 to provide additional off-leash areas by adding Field One at Kimsham Complex, Keet Gooshi Heen, Vilandre Ball Fields during hours when sports or school use or events are not occurring and the Cross Trail; inserting "Off-Leash Area" rules of use and adding a provision for fines and penalties for those who fail to remove all fecal matter at those designated off-leash areas

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- K     [ORD 13-20](#)     Adjusting the FY13 Third Quarter Budget

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

**XI. NEW BUSINESS:**

**New Business First Reading**

- L     [ORD 13-21](#)     Amending Sitka General Code Title 13 entitled "Port and Harbors" to allow provisions for removal of persons violating City and Borough of Sitka Harbor Facilities Regulations

A few Eliason Harbor residents spoke in support. Tamara Scallion said it would be nice to have some security. Christianson has been on a number of EMS calls there and he is a little nervous because of a lack of an appeals process. Municipal Attorney Kouchak patterned this ordinance after Petersburg and state law. We wanted to include conduct that was falling

through the cracks. We purposely left out the due process and administrative rights. She added that moorage is a privilege not a right.

Putz worried it might increase homelessness and queried whether to add time elements to the ordinance such as: 24 hours on first violation, 48 hours on 2nd violation and revoke their moorage on third violation. Mayor pointed out it says "may" so it is already discretionary. Christianson brought up that there is nothing that precludes the harbormaster from saying you are going to have to leave the harbor for 24 hours or until you sober up for an example.

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

**M**     [ORD 13-22](#)

Amending Sitka General Code Title 18 Property Acquisition and Disposal to revise SGC 18.16.210 Class III - Annual Lease Payments and Terms for New Leases and Lease Renewals

Planning Director Williams explained that we are facing "sticker shock" because many leases have been in place for so many years they have doubled or tripled from 50 years ago. Planner I Bosak pointed out that it follows National Code "the term of the existing lease is thirty years" this was left out but it is in the existing code and just got missed. Assessor Hughes offered we have 50 tidelands leases all written differently some with five, seven and even a 25 year clause. The majority of the leases are tied to the current rate. The ones that are expiring will be written to a different term. The ordinance is not tied to a market.

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

**N**     [ORD 13-23](#)

Amending Sitka General Code Title 2 entitled "Administration" to establish a Health Needs and Human Services Commission and establish organizational guidelines for such commission

Christianson applauded Hackett for all her work on this. Hackett apprized that the needs was brought to her by the social services community. There is no vehicle to identify these needs. Christianson supports the fact the commission will have direction and it is clearly laid out what they are doing year-to-year.

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

**Additional New Business Items**

**O**     [13-070](#)

Discussion/Decision on the request made by Alaska Pure Sea Salt Company to restructure its two outstanding Southeast Alaska Economic Development fund loans

Finance Director Sweeney said they currently have two loans: a long term and a short term. They requested to restructure the loans into one, which Sweeney recommends. Hackett brought up the possibility of a balloon payment. James Michener, owner of Alaska Pure Sea Salt Company expressed concerns with not knowing the future costs or source of utilities, which could make it difficult to pay off a balloon.

**Motion by Christianson to authorize the Finance Director to restructure a loan agreement with Alaska Pure Sea Salt Company containing the following: 1) 12 year term; 2) 3.5% interest rate; 3) collateral to be negotiated by the Finance Director. The motion PASSED on the following vote.**

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

**P**     [13-078](#)

Approve advertising for bids for the ANB Harbor Replacement Procurement Contract

Shawn McFarland of Moffatt and Nichol gave a presentation for the ANB Harbor replacement and explained how it fits into the overall Harbor Master Plan.

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

**Q**     [13-076](#)

Approval of late file applications for the Senior Citizen Real Property Tax Exemption for Valerie Swendsen and Jane Barron to be taken up separately.

SVENDSEN - Assessor Hughes explained that we have not defined "good cause" in our own code. These definitions are from other jurisdictions and are the ones most commonly used. Assemblymembers felt Svendsen's reasons showed good cause.

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

**Yes:** 7 - Christianson, Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

BARRON - Putz has an issue with this. Hackett believes that being busy or lack of knowledge doesn't fall under "good cause." Municipal Attorney Kouchak explained that being too busy is not usually good cause but the Assembly could go either way since it is not defined in the code. Assessor Hughes says it was heavily advertised this year. It was also on the back of utility bills for four months and there was an article in the local newspaper that appeared just before the deadline.

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

**Yes:** 3 - Christianson, Reif, and McConnell

**No:** 4 - Esquiro, Hunter, Putz, and Hackett

**R**     [13-073](#)

Discussion of Contract Partnering presentation made by Bulk Water

Subcommittee

**This item was PULLED under Agenda Changes.**

**S**     [13-072](#)     Discussion regarding the scheduling of strategic planning times

**This item was PULLED under Agenda Changes.**

**T**     [13-079](#)     Discussion on directional signage for downtown area

**This item was PULLED under Agenda Changes.**

**XII.    PERSONS TO BE HEARD:**

Dinley spoke to the proposed FY14 Budget. He had talked to all department heads before submission. It represents an increase of just \$16,000 from last years. He added that he has communicated several times with the Assembly on the need to raise the pay of some of the senior staff so that they are more equitable and to assist in recruitment. He has included those adjustments in the FY14 draft budget.

Cheryl Westover talked about due process and wondered why she wasn't questioned by the investigator with regard to the recent personnel complaint. She doesn't feel it was fair because she had a lot of information to offer and didn't have the opportunity. She pointed out that all the jobs that are going on in the city would not be happening if it wasn't for Jim Dinley. She also queried what constitutes being from Sitka? Dinley and his wife Tommy really became a part of this community. She also thanked Dinley for his thirty years of military service.

Assessor Hughes reminded that the Assembly that they will sit as the Board of Equalization at a special meeting on May 6.

**XIII.   EXECUTIVE SESSION**

**Motion to RECESS by Hackett until 5:00 PM tomorrow. Motion to RECESS PASSED without objection.**

**Mayor McConnell called the meeting back to order at 5:00 PM on Wednesday, April 24.**

Both Reif and Putz had to sign off from their telephone participation at the close of the executive session portion.

Hunter thanked Dinley and recognized his integrity. Christianson pointed out that it is a tough job and Jim has done as well as anyone can and that he appreciates the work he has done. Hackett publically thanked Jim for his straight forward and honest approach. "We are in pretty darn good shape because of the work you've done," she said. Esquiro thought Jim did the job that needed to be done and did it very well. "It is time for a little bit of change," he said. The mayor shared that she respected his honesty and



integrity and that he was able to have the city remain in the black and appreciates that.

**Motion by to go into Executive Session under the statutory categories of subjects that tend to prejudice the reputation and character of any person; and to discuss matters which the immediate knowledge of may adversely affect the finances of the City and Borough of Sitka. The motion PASSED on a 7-0 roll call vote.**

**Motion by Christianson to reconvene as the Assembly in regular session. Motion to reconvene PASSED unanimously.**

**Motion by Hackett to return to Executive Session under the statutory categories of subjects that tend to prejudice the reputation and character of any person; and to discuss matters which the immediate knowledge of may adversely affect the finances of the City and Borough of Sitka. Motion PASSED on a 7-0 roll call vote. The Executive Session motion PASSED on a 7-0 roll call vote.**

**Motion by Christianson to accept the resignation of Jim Dinley effective immediately and to authorize Mayor McConnell to sign the "Severance Agreement with Mutual Release of Claims." Motion PASSED on the following vote.**

**Yes: 5 - Christianson, Esquiro, Hunter, McConnell, and Hackett**

**Non-voting: 2 - Reif, and Putz**

#### **XIV. ADJOURNMENT**

**A motion was made by Christianson that this meeting be ADJOURNED. The motion PASSED by an unanimous vote of those present and the meeting ADJOURNED at 6:17 PM on April 24, 2013.**

**ATTEST:**

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**Colleen Ingman, MMC  
Municipal Clerk**