

If this is pulled from the consent agenda the following motion would be in order:

POSSIBLE MOTION

I MOVE TO approve the minutes of the
February 25 & March 11, 2014 Assembly
meetings.



CITY AND BOROUGH OF SITKA

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

Minutes - Draft 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, February 25, 2014

6:00 PM

Assembly Chambers

WORKSESSION MEETING

14-044 Worksession with the Sitka Convention and Visitor's Bureau Board

Sitka Convention and Visitor's Bureau Director Tonia Rioux and Board members Mary Stensvold, Evy Kinnear, Ronald Hauck, Tad Kisaka and Angela McGraw offered an update to the Assembly.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - McConnell, Hunter, Esquiro, Reif, and Swanson

Absent: 2 - Hackett, and Miyasato

IV. CORRESPONDENCE/AGENDA CHANGES

14-045 Correspondence - Reminders

V. CEREMONIAL MATTERS

None.

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

Sitka High School - Student Council President, Owen Fulton, updated the Assembly along with other council members on events at SHS.

Attorney Michael Gatti clarified he was attending by phone to talk about the question of whether automatic referendums were problematic to cities and municipalities that have adopted them. He stated for CBS to come into compliance with the State Constitution, the ordinances related to voter ratification of land sales and leases would need to be changed. Reif noted that perhaps what CBS had on its books may need to be rectified or let other communities make the change first? Hunter mentioned under the State Constitution and State Statutes right of allocation goes to the Assembly. For him it was a conflict and he would like to learn more.

Representative Jonathan Kreiss-Tomkins spoke to the unfunded liability for PERS/TERS. Governor Parnell approved a \$3 Billion cash infusion into the fund. The issue received support from democrats, but not so much with republicans. Whatever the State did would have ramifications for both the municipality and school district. With regard to the Base Student Allocation (BSA) for FY15 he projected an increase to \$85/student. Mentioned the invasive species and a mooring buoy that blew away in Whiting Harbor, adding that both buoys had washed away.

VII. PERSONS TO BE HEARD

None.

VIII. REPORTS

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

Mayor - Attended Drama Debate and Forensics, Elizabeth Peratrovich Parade, AML Mayor's and Legislative Conference and Russian Orthodox Banquet.

Administrator - Accompanied the Mayor to Juneau. If approved, the local purchasing ordinance would be implemented within the month. Gorman noted he would be participating in a Town Hall Meeting "Making our Money Work Better in Sitka" where former administrator's Gary Paxton, John Stein, Hugh Bevan and himself would serve on the panel. He had received the first draft of the 2015 Budget. Attended the School Board meeting and learned their budget gap was just under \$1.6 Million.

Clerk - Ingman mentioned staff was looking to see if there was anyone on the Assembly interested in serving on the Solid Waste Advisory Committee. Hackett, later communicated that she may be able to serve in this capacity.

Other - Reif noted Pacific High School co-principal expressed appreciation to the Assembly and community at the recent open house for making the project a reality.

IX. CONSENT AGENDA

- A 14-037** Approve the minutes of the January 28 and February 11, 2014 Assembly meetings

This item was APPROVED on the Consent Agenda.

- B 14-038** Appointments: Reappoint 1) James Poulson to a term on the Historic Preservation Commission; and 2) Angela McGraw to a term on the

Sitka Convention and Visitor's Bureau

This item was APPROVED on the Consent Agenda.

C 14-040

Adopt the Finance Director's interpretation of a sales tax and hotel, motel, bed and breakfast transient room tax exemption as it applies to bulk rental lodging and youth summer camp

This item was APPROVED on the Consent Agenda.

E ORD 14-04

Authorizing renewal of sublease of space by Nugget Restaurant at the Sitka Rocky Gutierrez Airport Terminal Building

This item was APPROVED on the Consent Agenda.

D ORD 14-03A

Amending Sitka General Code Sections 3.16.030 entitled "Open Market Procedures", 3.16.060 entitled "Exceptions to Competitive Bidding Requirements", and adding Section 3.16.080 entitled "Procurement Monitoring"

Reif thanked everyone who brought this forward.

A motion was made by Reif to approve this ordinance on third and final reading. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Esquiro, Reif, and Swanson

X. UNFINISHED BUSINESS:

F ORD 14-02

Amending Sitka General Code at Chapter 9.20 entitled "Smoking in Public Places and Places of Employment" to modify Section 9.20.035 regarding prohibition of children in places where smoking is permitted

Health Needs and Human Services Commission members Dr. Paul Bahna and Dr. Myron Fribush gave a presentation on the affects of third-hand smoke. They announced the ordinance was endorsed by the Health Needs and Human Services Commission. The Municipal Attorney inquired if the presentation was done by the comission as a whole? Bahna responded that he prepared the presentation. She voiced concern with the mention of child abuse in the presentation suggesting that reference could be problematic especially if coming from the Commission and cautioned the members on using it.

Some Assembly members viewed the issue as a clarification of the vote back in 2005, other members felt it was more complicated than that and told people what they could and could not do with their children. Both Hunter and Esquiro expressed concern in this area.

A few audience members spoke in favor of the ordinance and one read a prepared statement from former Assembly member Al Duncan supporting the clarifying language.

The motion to approve the ordinance had previously been postponed until the Health Needs and Human Services Commission could review and report back to the Assembly.

Jay Stelzenmuller stated this item deserved to be voted on by a full Assembly and not

just five members. Mayor and other members concurred with his observation.

A motion was made by Reif to postpone until a full Assembly was present. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Esquiro, Reif, and Swanson

Absent: 2 - Hackett, and Miyasato

XI. NEW BUSINESS:

New Business First Reading

- G RES 14-02** Approving CBS to apply for an Alaska Department of Environmental Conservation Loan to finance the construction of a temporary Water Filtration Plant at Indian River - up to \$4.32 M

Reif had questions for Public Works Director, Michael Harmon, and Utility Director, Chris Brewton. Harmon reported it would cost \$1.2 to rent filtration units. Brewton added there would not be a mandatory inspection every five years.

A motion was made by Reif to approve Resolution 2014-02 on first and final reading. The motion PASSED by the following vote.

Yes: 5 - McConnell, Hunter, Esquiro, Reif, and Swanson

Absent: 2 - Hackett, and Miyasato

Additional New Business Items

- H 14-041** Authorize a Change Item 68 to Barnard Construction \$1,880,050 and approve additional funding for the Blue Lake Expansion Project - \$2,758,214

Esquiro asked if this was changing the total cost of the project. Administrator Gorman answered, "Yes" by \$2.5 million bringing the project to \$145 million. Utility Director, Chris Brewton mentioned initially the place holder of \$2 million was the best guess and we were absorbing the real cost now. Brewton praised Generation Engineer, Dean Orbison, on the masterful job he was doing. Esquiro inquired if Indian River as a water source was going to be enough to get us through. Harmon reassured that there was work being done to make sure we had enough water while Blue Lake was offline.

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

Yes: 5 - McConnell, Hunter, Esquiro, Reif, and Swanson

Absent: 2 - Hackett, and Miyasato

- I 14-042** Authorize issuance of a Notice of Award to ASRC McGraw Constructors LLC, clarify and confirm final price and enter into an Agreement for Contract No. 8 the Reservoir Debris Management for Blue Lake Expansion Project and obligate project funds - \$2,383,714

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

Yes: 5 - McConnell, Hunter, Esquiro, Reif, and Swanson

Absent: 2 - Hackett, and Miyasato

J 14-039

Authorize advertising for a Request for Qualifications by the City and Borough of Sitka for a General Fund Comprehensive Management Plan

Administrator Gorman noted he had been in contact with one potential contractor who indicated this scope of work could be achieved for around \$50,000. He stated he was very sensitive to spending the tax payers money responsibly.

Reif stated he was planning not to vote for this as he felt much of the information existed already and could be done in-house. Esquiro was not optimistic enough information would be gained from this study. He stated there was not a need for someone else to regurgitate the same story.

Mayor McConnell viewed this as a positive direction to address some of our needs, getting a handle on the general fund. She felt it was too much work to put on existing staff. Hunter spoke in support especially after the strategic planning session. Gorman added if the amount was amortized over a ten year period the plan would pay for itself. Finance Director, Jay Sweeney, stated payment for the plan could come from the Southeast Economic Development fund or an appropriation could be made from the General Fund. Sweeney's recommendation was that it should come from the governmental portion of SEDA Loan.

This item was APPROVED on the following vote.

Yes: 4 - McConnell, Hunter, Reif, and Swanson

No: 1 - Esquiro

Absent: 2 - Hackett, and Miyasato

K 14-043

Discussion on Long Range Budgeting

Finance Director, Jay Sweeney spoke to Long Range Budgeting looking at a ten year period. This developed from discussions with a number of Assembly members. Sweeney noted budgeting for one year was insufficient and would like to project ten years out.

It was recommended to give the Finance Department a year to put the information together and the information would be a companion document to the annual budget. Sweeney confirmed the work would be done in-house.

XII. PERSONS TO BE HEARD:

Utility Director, Chris Brewton, reported the City had a 72% chance of making the next project milestone timely. He noted the solar turbine was on its way to Sitka.

XIII. EXECUTIVE SESSION

XIV. ADJOURNMENT

A motion was made by Hunter that the meeting be ADJOURNED. The motion PASSED by a unanimous voice vote and the meeting ADJOURNED at 8:30pm.

Attest: _____
Colleen Ingman, MMC
Municipal Clerk