

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

POSSIBLE MOTION

I MOVE TO approve the minutes of the September 27, 2011 assembly meeting.



CITY AND BOROUGH OF SITKA

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

Minutes - Draft

City Assembly

Mayor Cheryl Westover
Deputy Mayor Larry Crews
Vice Deputy Mayor Mim McConnell
Assembly Member Phyllis Hackett
Assembly Member Terry Blake
Assembly Member Thor Christianson
Assembly Member Pete Esquiro

Municipal Administrator: Jim Dinley
Municipal Attorney: Theresa Hillhouse
Municipal Clerk: Colleen Ingman, MMC

Tuesday, September 27, 2011

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

Present: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

V. CEREMONIAL MATTERS

A proclamation proclaiming October as National Breast Cancer Awareness Month was read and presented to Sitka Community Hospital mammography employees. A duplicate proclamation was presented to SEARHC Hospital.

VI. PERSONS TO BE HEARD

Anthony Bucholz, leader of the School Events Committee, spoke to the success of Challenge Day. He thanked Hackett and McConnell for volunteering.

VII. REPORTS

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

Mayor- Attended Southeast Conference in Ketchikan.

Administrator – Provided an update on Public Works projects and mentioned the upcoming annual audit.

Liaison – Esquiro mentioned the Harbor Condition Assessment and wondered if there would be any advantage to ask for a counter proposal from the two top organizations. Dinley responded if the top rated one didn't pan out they would automatically go to the second highest rated.

Clerk – Reminded the municipal election was one week away and that absentee voting was available. She encouraged everyone to exercise their right to vote.

Other - Hackett commented on Challenge Day; a wonderful opportunity and amazingly powerful. McConnell echoed Hackett's comments and encouraged parents to talk to their kids about the experience. Mayor Westover mentioned the Respect Mural would be unveiled at Blatchley Middle School on October 5.

VIII. CONSENT AGENDA

- A 11-195** Appoint: Andrew Lee and Russell Cameron to terms on the Local Emergency Planning Committee.

This item was APPROVED ON THE CONSENT AGENDA.

- B 11-197** Approve bid award to Davis Construction in the amount of \$47,634 for the Marine Service Center (MSC) Dock Leveler Replacement and authorize the transfer of \$7,375 from the MSC fund to fully fund the project.

This item was APPROVED ON THE CONSENT AGENDA.

IX. UNFINISHED BUSINESS:

- C ORD 11-38** Consenting to the Tidelands Lease Assignment to Whitecap Properties LLC of Tideland Lease No. ADL 24391.

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

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

X. NEW BUSINESS:

New Business First Reading

- D RES 11-21** Proclaiming October 2011 to be Energy Awareness Month in Sitka.

Joel Hanson mentioned the opportunity for weatherization grants. McConnell encouraged citizens to participate in an experiment to see how little energy they could use during the month of October; suggested things such as not doing laundry during peak hours.

Chris Brewton, Utility Director, informed the Assembly rate analysts would be visiting Sitka in early October. One of their objectives would be to determine the cost of service per class. He reported peak electrical usage hours were from 6am-9am and 4pm-7pm.

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

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

E RES 11-22

Submitting CBS 2013 State Legislative Priorities to State of Alaska and the 2012 Legislature.

Government Relations Director, Marlene Campbell, noted the Sitka projects had been on the list for multiple years, including many projects that had never been funded. She said the likelihood of having several projects funded in any one year was unlikely.

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

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

Additional New Business Items

F 11-193

Approve executing a Utility Agreement with the Alaska Department of Transportation and Public Facilities (ADOT&PF) for installation of underground conduits and vaults in conjunction with the planned Sawmill Creek Road upgrade.

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

Yes: 7 - Westover, Crews, McConnell, Hackett, Blake, Christianson, and Esquiro

G 11-198

Discussion with Sealaska

An informational discussion with a panel from Sealaska and the public ensued for nearly three hours. The following is a recap of that segment of the meeting:

Mayor explained there was no resolution on the table. This was a discussion with Sealaska where they would have an opportunity to explain what they do and who they are. The discussion would be civil and following they would entertain questions from the audience.

Representing Sealaska were Rick Harris, Executive Vice President; Jaelee Araujo, Vice President and General Counsel; Russell Dick, President and CEO of Haa Aani. Also present were Dixie Hutchenson, corporate communications and William Andrews. They informed that there was 1,500 shareholders in Sitka. Last year they distributed over \$10 million dollars to these shareholders and awarded 96 scholarships in Sitka totaling \$162,000.

They desire to make investments in Sitka and be a larger part of the community in terms of business. Dick pointed out they could help with financing. One example they were involved in was oyster mariculture programs in Yakutat, Angoon, Hoonah and were currently looking at Craig and Klawock. They refurbished the fish plant in Kake, which put 20-25 people to work, with 90% local hire. They continue to look for places they can partner.

Spoke to the 9 step process regarding Jamboree and Redoubt Bay.

With regard to the Land Bill – they hope to get the remaining entitlement under ANSCA which is roughly 75,000 acres. They have heard something might happen in October. Land bills do not get passed by themselves; they are packaged together with other states like New Mexico. This would be a bi-partisan bill with Murkowski

and Begich as sponsors. They continued to emphasize sport and subsistence fishing would be allowed, but the site must be protected. They assured they would do everything to be as transparent and open as possible.

Assembly members questioned access to Sealaska lands and Redoubt should they acquire it. Their land legislation has given them use of the roads and the land as long as there was not excessive use or damage to the environment. They only restrict access on roads that are not suitable. They allow recreational hunters and issue permits for guided operations. They plan to continue to allow the public on their lands.

The Redoubt site consists of eleven acres at the outfall of the lake. Hackett wondered if there were protections in place 40 years from now. They responded it was only their word unless something was put in writing. They own fourteen sites around Sitka now and have not limited access to any, unless it was a burial site or something similar. When the land was conveyed, Sealaska would be the deed holder and the same restrictions would hold true as far as derogation goes. The deed would follow the land.

Christianson asked if they would be willing to make an agreement with the CBS to make sure that access remained the same as it was today. There are three owners, Sealaska, the Tribe and the community. The Tribe believed subsistence use would continue which is pretty much "color blind." Christianson's question would need to go to the Sealaska Board.

McConnell asked about the criteria used when they pick a future site. Three entities need to participate in that: the Tribe, the community, and Sealaska.

They stated they were looking for alternative forms of tourism and recreation, working on cultural and eco tourism ideas to inspire a different kind of visitor. They identified a few renewal energy sites to spur energy opportunities.

Blake asked Dick what alternative economic development meant to the CEO of Haa Aani. Economic alternatives would be defined different than timber or mineral harvest extraction. Blake asked how we could reassure the people of Sitka that their intentions are what they say. Dick responded by open communications and spending time in the communities talking to people. Esquiro pointed out that the key to Redoubt Bay was the fish and that was why they were there and why citizens were protective of it. Fish and Game manages that area and usually would need to secure certain easements and then could continue to do their job. Sealaska would be the last one that would stand in the way of management of streams.

Crews brought up that Redoubt was a dead lake and continual fertilizing of the lake was required. Sealaska relayed that the responsibility rests with the major land owner(s) surrounding Redoubt. Again, the water belongs to the state. However, this could be an example of an interest in common where we would build relationships, in reality Sealaska would only own a sliver of land.

Hackett pointed out there were more requests for subsistence in that area than there were in any other. She noted there was still opportunity for subsistence on this land and people were aware of the rural status in Sitka.

Ryan Kauffman asked for a yes-or-no answer about whether he would be able to continue to subsistence harvest sockeye at Redoubt since Sealaska would hold title to land on both sides of the falls. Araujo said, "Yes."

Michelle Putz said there was universal support for conveying lands. She wished the

communication would have happened before the legislation went forward; that would have been less divisive.

Victor Williams, private land owner in Redoubt, stated he would support whoever was his neighbor.

Davey Lubin questioned why Sealaska had selected 70,000 acres of old-growth forest if the corporation's intent was to get out of the timber business. He also asked why a Kake Tribe passed a resolution against the land selections.

David Konosh, a shareholder of Sealaska, spoke in support of continued use of the subsistence resource by all and to have lands open to all people.

Robert Chavelier- Expressed concerns with the fact the Community of Kake is displeased with Sealaska. Sealaska confirmed that the organized Village of Kake is not in support. Very difficult to get full support in any community.

John Murray, a commercial fisherman, spoke to buffer strips not being adequate. Sealaska explained there was a 100 foot buffer, a slope stability and mandatory forest buffer to provide stream protections. They have been doing continuous monitoring. They would like to come back and talk about buffers if they are an important issue.

Cynthia Pickering-Christianson, an ANSC lawyer, who had represented native corporations and the federal government spoke. She said they mentioned providing capital to communities in Southeast. In her opinion, "Sealaska would be taking the capital from our community. We want to hang on to those."

Andrew Miller, attorney with Southeast Conservation Society, spoke to the Tlingit Village site being outside of the 10-11 acres Sealaska had selected and was curious how they came up with the ten acres they selected. Harris explained if people felt the information was not adequate to warrant this site there would be a legal appeal process. "We all have our day in court," Harris said.

Dale Williams said the land claims should have been resolved 40 years ago in 1970. It is an issue of fairness, the original land offered for selection, included mountain tops and glaciers, far from their native homelands.

Harriet Miyasate Bealeal stated if we went by statistics, the state and government had taken much of Alaska. "Why do we need to explain to you we are the aboriginal people," she said.

Clarice Reid questioned that the selected lands would remain open for existing uses by the public. She pointed to a government brochure that was contrary, requiring a permit or permission from the Native Corporation who owned the land.

It was stated a Memorandum of Agreement was very broad addressing all cultural sites. There was no distinguishment made between what we have now and what we might have in the future.

Joel Hanson - in his mind the Sealaska Bill was a substantial threat to the Wilderness Act.

Araujo offered Sealaska does have entitlement to land inside the Tongass National Forest. She emphasized that less than 1/2 of 1% of the entire region and only 4% was in Native ownership. She did not think that destroyed the wilderness.

Sealaska said they would never sell ANSCA land; the Board would never agree to it. Sealaska said they would be back in Sitka for the Tongass Future Roundtable October 10, 11 and 12. They would double their efforts to communicate. Sealaska extended appreciation for the respectful conversation.

XI. PERSONS TO BE HEARD:

None.

XII. ADJOURNMENT

**Crews moved to AJOURN the meeting. Hearing no objection the meeting
ADJOURNED at 9:44 PM.**

ATTEST: _____
Colleen Ingman, MMC
Municipal Clerk