

If these items are pulled from the Consent Agenda
the following motion would be in order:

POSSIBLE MOTION

**I MOVE TO approve the minutes of the
January 28 and February 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, January 28, 2014

6:00 PM

Assembly Chambers

Worksession: 5:00pm to 5:50pm

14-020 Worksession Materials

A worksession on CBS funding support for the RIDE was held.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Assembly Member Reif arrived at 6:10pm.

Present: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

IV. CORRESPONDENCE/AGENDA CHANGES

14-021 Correspondence Materials

V. CEREMONIAL MATTERS

None.

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

Utility Director, Chris Brewton, introduced Steve Gordon the new T&D System Manager and his wife, Carol Gordon.
Brewton noted the Blue Lake Dam was continuing to spill which was causing

some issues for the project. Brewton also added contractors would begin work within the next two weeks to clear the intake area of the Howell Bunger valve.

VII. PERSONS TO BE HEARD

Jennifer Robinson, Executive Director of the Sitka Chamber of Commerce, briefed the Assembly on the schedule of future speakers at Chamber luncheons.

VIII. REPORTS

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

Mayor- provided a review of recently attended meetings: McGraw's and their cruise industry consultant, discussion of administrative powers and Sitka General Code with Michael Gatti and staff, Assembly Strategic Planning session, SCVB Board meeting.

Administrator - announced he would be traveling to Seattle and Florida with the McGraw's to meet with key cruise ship vendors, working on development of the Sitka Fish Summit, held a conference call with Senator Stedman regarding AEA funding, noted the preferred location for relocation of the library during the renovation was former Stratton Library, RFQ out for transportation from the Old Sitka Dock to Harrigan Hall.

Liaisons - Assembly member Hackett provided a report on the Tree and Landscape Committee and Sitka Community Hospital Board. Hackett noted she was resigning as an alternate liaison for the Tourism Commission. Assembly member Reif reported on a recent meeting he had with the Municipal Attorney, Administrator, and Mayor regarding administrative powers of the Assembly. Assembly member Esquiro provided a report on the recent Sawmill Cove Industrial Park Board meeting. Assembly member Hunter reported on the Port and Harbors Commission.

IX. CONSENT AGENDA

- A 14-013** Approve the minutes of the January 14, 2014 Assembly meeting
- This item was APPROVED ON THE CONSENT AGENDA.**
- B 14-014** Reappoint: 1) Jeff Mossige to a term on the Parks and Recreation Committee, 2) Chris Gale to a term on the Tree and Landscape Committee, and 3) Chris Spivey to a term on the Planning Commission

This item was APPROVED ON THE CONSENT AGENDA.

C 14-015

Grant preliminary approval for the sale of 10,797 square feet of tidelands off Katlian Avenue to North Pacific Seafoods

Reif noted Sitka Sound Seafoods (SSS) had leased the property for years and with the sale of the property SSS could better plan for future use/development of the property. Reif noted the revenue would go into the General Fund and generate money for years to come. The sale would also generate property tax.

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

X. UNFINISHED BUSINESS:

D ORD 13-47A

Modifying SGC 6.16.010 entitled "Sales-Permit, Fees and Regulations" regarding Outdoor Sales of Goods or Articles in the CBD District, Public Use Zone and Public Boat Harbors

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

E ORD 14-01

Amending the official Sitka Zoning Map to rezone Lot 50, Block 1, U.S. Survey 2542 A&B, Sitka Indian Village from R-1 Single-Family and Duplex Residential to WD Waterfront

A motion was made by Swanson that this Ordinance be APPROVED. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

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

Margaret Peterson, manager of the American Legion, came forward to address the Assembly and spoke in opposition to the ordinance. She read an email she sent to the Assembly on January 22, 2014.

Speaking in opposition to the ordinance were: Robbie Martin, Serena DeTemple, Josephine Johnson, Ms. Carlson, Jackie O'Steadman, Stacey Joseph, Elaina Ziza, Ramona Kirkland, Calvin Carlson, and Ernest Karras.

Assembly deliberation:

Assembly members expressed their views. Some felt the intent of the original ordinance was to protect children from second hand smoke while others were uncomfortable supporting the amendment and felt there were ways to measure indoor air quality.

A motion was made by Hunter to POSTPONE the ordinance on second reading and send the ordinance as written to the Health Needs and Human Services Commission for further consideration to research the possibility of a verification system to use that would measure the indoor air quality and deem that a place was safe for children prior to an event. The ordinance would be brought back to the Assembly after the Health Needs and Human Services Commission had reviewed it and made recommendations. The motion to POSTPONE PASSED by the following vote.

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

No: 2 - McConnell, and Hackett

A recess was taken from 7:17pm to 7:25pm.

XI. NEW BUSINESS:

New Business First Reading

G 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"

Rob Parker and Karen Parker of Alaska Computer Center spoke in support of the ordinance. They stated local businesses were unable to compete with online competitors.

Marko Hernandez, a local business owner, noted there was not a process for competitive bidding.

Jennifer Robinson, Executive Director of the Chamber of Commerce, urged the Assembly to support the ordinance.

Assembly discussion:

Reif spoke in support of the ordinance and spoke to a clerical edit on Line 43. Reif also noted the need to insert language pertaining to emergency acquisitions.

A motion was made by Reif to AMEND the ordinance to direct the administrator to insert language into the ordinance regarding emergency acquisitions. The motion to AMEND PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

Rob Parker suggested an efficacy measurement be added into the ordinance to gauge the effectiveness of the policy.

Finance Director, Jay Sweeney, stated there was a way to capture local purchase data and report back to the Assembly each quarter.

A motion was made by Reif to AMEND the ordinance to include an efficacy measurement clause. The motion to AMEND PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

This item was PASSED ON FIRST READING AS AMENDED.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

A recess was taken from 8:00pm to 8:08pm.

Additional New Business Items

H 14-019

Request the Sitka Convention and Visitors Bureau form a planning committee for the one-off cruise ships scheduled in May

The Assembly discussed the idea of forming a planning committee for the "one-off" cruise ships that were scheduled to arrive in May at Old Sitka Dock.

Hackett was concerned about portraying a false sense of what Sitka was. Miyasato suggested there be a tribal piece incorporated to keep it authentic.

Other members expressed the need to put "our best foot forward" and stressed these "one-off" cruise ships were testing the water to see if they were interested in adding Sitka as a regular stop to their itinerary.

Tonia Rioux, Director of the Sitka Convention and Visitors Bureau, stated the committee would be comprised of stakeholders that were in the tourism industry. Once a plan was formed they would report back to the Assembly.

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

I 14-016

BOA: Approval of a conditional use permit for metal welding and fabrication at 115 Harvest Way Unit #3 filed by Brian Schauwecker

A motion was made by Reif to CONVENE as the Board of Adjustment. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

Planning Director, Wells Williams, and Planning Commission Chairman, Dick Parmelee, came forward to explain the request.

Applicant, Brian Schauwecker, addressed the Assembly and provided clarification on hours of operations, type of work, and storage of chemical tanks. He expressed he would like to see the hours of summer operation be extended to 11pm rather than 9pm as stated in the Planning Commission conditions.

Mayor noted the area was an industrial area and needed for economic survival.

A motion was made by Reif to AMEND condition #7 to read, "Hours of welding and fabrication limited to 8 am to 9 pm with extended hours of operation until 11pm during the summer months defined as June 1 – August 31." The motion to AMEND was PASSED by the following vote.

Yes: 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

No: 1 - Hackett

A motion was made by Swanson to AMEND condition #8 to read, "All materials and work must be kept inside the unit unless otherwise required by Code." The motion to AMEND PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

A motion was made by Hunter to APPROVE the conditional use permit filed by Brian Schauwecker for metal welding and fabrication at 115 Harvest Way Unit #3 and adopt the conditions and findings as listed in their entirety as they appear below.

Conditions

1. The project shall be completed in conformance with the plans submitted in the conditional use permit application to the Planning Commission;
2. In addition, prior to the activation of the conditional use permit, the Planning Director shall indicate, in writing, that all permits have been received that the municipality considers necessary;
3. The applicant recognizes that other permits, not specifically mentioned by the municipality, may be required;
4. The applicant shall provide a narrative on the status of operations nine months after the activation of the conditional use permit;
5. The Planning Commission has an annual review of the first nine to twelve months of operation of the facility within one year of the activation of the conditional use permit. The purpose of the annual review is to determine what, if any impacts of operation, need to be mitigated. The Planning Commission, by its own motion, may undertake a second annual review if the board considers it to be necessary and;
6. The Assembly, at its discretion, may complete an annual review if any issues are not satisfactorily resolved at the Planning Commission level.
7. Hours of welding and fabrication limited to 8 am to 9 pm, with extended hours of operation until 11pm during the summer months defined as June 1 – August 31.
8. All materials and work must be kept inside the unit unless otherwise required by Code.
9. New site plan, showing exhaust being rerouted to front of building, must be submitted prior to Assembly review.

Required Findings

1. The Planning Commission finds that the proposed conditional use permit will not:

- a. Be detrimental to the public health, safety, and general welfare;
- b. Adversely affect the established character of the surrounding vicinity;

nor

- c. Be injurious to the uses, property, or improvements adjacent to, and in the vicinity of, the site upon which the proposed use is to be located;

2. The granting of the proposed conditional use permit is consistent and compatible with the intent of the goals, objectives and policies of the comprehensive plan and any implementing regulation. Specifically Sections 2.5.2 of the Comprehensive Plan, to encourage commercial and industrial developments of a quality that does not adversely impact any adjacent recreational and residential areas;

3. All conditions necessary to lessen any impacts of the proposed use are conditions that can be monitored and enforced. Specifically the 9 conditions added to the conditional use permit;

4. The proposed use will not introduce hazardous conditions at the site that cannot be mitigated to protect adjacent properties, the vicinity, and the public health, safety and welfare of the community from such hazard;

5. The conditional use will be supported by, and not adversely affect, adequate public facilities and services; or that conditions can be imposed to lessen any adverse impacts on such facilities and services;

6. Burden of Proof. The applicant has met the burden of proof;

The requests supported by general approval criteria as follows:

1. Site topography, slope and soil stability, geophysical hazards such as flooding, surface and subsurface drainage and water quality, and the possible or probable effects of the proposed conditional use upon these factors;

2. Utilities and service requirements of the proposed use, including sewers, storm drainage, water, fire protection, access and electrical power; the assembly and planning commission may enlist the aid of the relevant public utility officials with specialized knowledge in evaluating the probable effects of the proposed use and may consider the costs of enlarging, upgrading or extending public utilities in establishing conditions under which the conditional use may be permitted;

3. Lot or tract characteristics, including lot size, yard requirements, lot coverage and height of structures;

4. Use characteristics of the proposed conditional use that affect adjacent uses and districts, including hours of operation, number of persons, traffic volumes, off-street parking and loading characteristics, trash and litter removal, exterior lighting, noise, vibration, dust, smoke, heat and humidity, recreation and open space requirements

5. Community appearance such as landscaping, fencing and screening, dependent upon the specific use and its visual impacts, specifically the limitation on outside storage;

1. The following criteria in Determining Impacts of Conditional Uses have been considered:

- a. Amount of vehicular traffic to be generated and impacts of the traffic on nearby land uses;

- b. Amount of noise to be generated and its impacts on surrounding land uses;

- c. Odors to be generated by the use and their impacts;

- d. Hours of operation;

- e. Location along a major or collector street;
- f. Potential for users or clients to access the site through residential areas or substandard street creating a cut through traffic scenario;
- g. Effects on vehicular and pedestrian safety;
- h. Ability of the police, fire, and EMS personnel to respond to emergency calls on the site;
- i. Logic of the internal traffic layout;
- j. Effects of signage on nearby uses;
- k. Presence of existing or proposed buffers on the site or immediately adjacent the site;
- l. Relationship if the proposed conditional use is in a specific location to the goals, policies, and objectives of the comprehensive plan;
- m. Other criteria that surface through public comments or planning commission assembly review.

The motion **PASSED** by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

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

J RES 14-01

Authorizing a loan application to the Alaska Energy Authority Power Project Fund for funding construction of the Blue Lake Hydroelectric expansion project

Gorman and Sweeney gave an overview of the request. \$18.5 million is needed to fund the remainder of the project. One option was to apply for a loan from the Alaska Energy Authority at a lower interest rate than what would be obtained on the open market through bonds. If the loan were not received, the City could still obtain funding through the bond bank authority.

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

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

K 14-017

Approve sending a member of the Assembly to the Cruise Shipping Miami Expo in March to promote Sitka to the cruise industry

Executive Director of the Sitka Chamber of Commerce, Jennifer Robinson, urged the Assembly to send the Mayor and stressed the importance of having a presence at the Expo. We need to take advantage of every opportunity to market Sitka.

Tonia Rioux, Director of the Sitka Convention and Visitors Bureau, also urged the Assembly to send an Assembly representative. It shows goodwill and desire for a community to have their business.

A motion was made by Reif to send Mayor McConnell to the Cruise Shipping Miami Expo in March to promote Sitka to the cruise industry. The motion PASSED by the following vote.

Yes: 7 - McConnell, Hunter, Hackett, Esquiro, Reif, Swanson, and Miyasato

- L **14-018** Discussion/Decision/Direction on tasking a CBS Board, Commission, or Committee with the development of a community compost area
- No action was deemed necessary by the Assembly. Public Works Director, Michael Harmon, informed the Assembly that a composting area was intended to be part of the future Solid Waste Management Master Plan.

XII. PERSONS TO BE HEARD:

None.

XIII. EXECUTIVE SESSION

None.

XIV. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. Hearing no objection the meeting ADJOURNED at 9:14pm.

ATTEST: _____
 Sara Peterson, CMC
 Acting Municipal Clerk



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 11, 2014

6:00 PM

Assembly Chambers

WORKSESSION: 5:00PM to 5:50PM

14-033 Community Land Trust Presentation

Mike Brown a partner with Burlington Associates hired as a consultant by Sitka Community Development Corporation gave a presentation and answered questions regarding a Community Land Trust proposal for Sitka.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

Excused: 1 - Hackett

IV. CORRESPONDENCE/AGENDA CHANGES

None.

14-032 Correspondence Materials

V. CEREMONIAL MATTERS

None.

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

Tim Fulton with Sitka School District announced that February is the month they recognize the School Board. Their math committees are busy picking curriculum. Lon Garrison, board president, spent time in Washington DC and in Juneau advocating for Sitka youth and education issues. Executed a working agreement between the District, Sitka Tribe and the Parks Service on knowledge of herring. Thanked everyone involved with the superintendent selection and reminded that tomorrow from 5-6:30 PM there is an opportunity to meet superintendent candidates and Thursday they plan to conduct interviews. Pacific High will hold an Open House February 17th, 5-7 PM.

Representative Jonathan Kreiss-Tompkins spoke telephonically to capital projects and revenue sharing and related that, in short, the state is going broke exhausting reserves by 2022. The capital budget is looking skeletal. He believes that the Alaska Marine Highway, Fisheries and Education will struggle for funding after this year. An invasive tunicate contract of \$500,000 still included. He will be presenting HB 201 concerning herbicides spraying and their relation to water sheds etc.

Tonia Rioux, Director of the Sitka Convention and Visitors Bureau gave an overview on their accomplishments to date. They plan on hiring someone who will be involved in marketing and media. Went over their FY 2014 Funding. Spoke to the services they offer and their newest publication, and the travel and trade shows they attended in 2013.

VII. PERSONS TO BE HEARD

None.

VIII. REPORTS

a. Mayor, b. Administrator, c. Attorney, d. Liaison Representatives, e. Clerk, f. Other 3 minutes each

Mayor - Attended the following events: Change of Command for the USCG Maple, SHS Drama Debate, Health Needs and Human Services Committee (where they listen to testimony on the smoking ordinance), and the School Board Worksession. She will be traveling to Juneau later this week, AML and Washington DC. March 2.

Administrator - Submitted the Alaska Energy Project. Gave kudos to Brewton and Sweeney for their work. Traveled to Florida with Chris McGraw, where they had many one-on-one conversations with cruise line officials. It is a relational business. Sitka is clearly seen as a authentic and real port of call. The Cruise Industry was interested on how the head tax dollars are being spent in Alaska and we were able to showcase some of our projects, of which they were pleased. Especially the cost of the shuttle bus to the Old Sitka Dock. One thing Sitka needs to address is the limited number of shore excursions offered. This coming year will probably be our low point in visitor numbers. Celebrity is to add three additional ships in 2015. The Disney Wonder and Norwegian Pearl will both have inaugural trips in May. Payment in Lieu of Taxes (PILT) has been signed by the President. The pilings in ANB Harbor are at 65% completion.

Liaisons - Swanson attended STA Tribal Counsel and Police & Fire where they are beginning to address parking ticket appeals.

Reif attended Health Needs Commission meetings where they supported the smoking clarification ordinance as written. Attended UAA Hard Rock Underground Mining presentation. Mining has made huge leaps. Water quality is the biggest

concern and the resulting water quality tests are excellent.

Hunter informed that Ports and Harbors meets tomorrow at 6 PM where they are busy rewriting the harbor code.

Miyasato attended the Parks and Recreation Committee where they are discussing what project to complete this year and are looking at Sea Walk Phase II. The Library Board discussed their 15 minute drop off parking arrangement.

Clerk - Mentioned that there were dollars budgeted to attend Southeast Conference and neither the mayor or deputies are able to attend. Therefore, she handed out the proposed agenda and asked that if anyone is interested to advise her office in the next couple days.

Other - Reif asked Harmon about roll over Passenger Fee Funds from the Crescent Harbor Parking Lot project. Harmon responded that they will be coming to the Assembly in the next month or so for approval and final design.

IX. CONSENT AGENDA

X. UNFINISHED BUSINESS:

- A **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"

A motion was made by Swanson to approve this ordinance. The motion PASSED on the following vote.

Yes: 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

Absent: 1 - Hackett

XI. NEW BUSINESS:

New Business First Reading

- B **ORD 14-04** Authorizing renewal of sublease of space by Nugget Restaurant at the Sitka Rocky Gutierrez Airport Terminal Building

A motion was made by Swanson to approve the sublease renewal. The motion PASSED on the following vote.

Yes: 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

Absent: 1 - Hackett

Additional New Business Items

- C **14-026** Discussion/Direction/Decision on inclusion of up to \$25,000 for the RIDE's

fixed route public transit service in the FY15 budget

Miyasato recused himself as he has a conflict with his legislative role with STA and additionally, serves as STA's Chairman of Transportation Committee.

Gerry Hope, a member of the Transportation Committee explained their request.

Reif asked for clarification, of if it is STA's desire that the City include \$25,000 in their FY2015 budget.

Sweeney apologized that he was of the understanding the request was for this FY14 year and his memo reflected that. Reif sees the request as premature. Hunter echoed it is very difficult to prioritize until they see the budget. Following Reif's motion Gorman said he will place this as a place holder to be brought forward during the budget process.

A motion was made by Reif to direct the Administrator to add a place holder for up to \$25,000 for consideration of Community Ride's request in the FY2015 Budget. The motion PASSED on the following vote.

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

Recused: 1 - Miyasato

D 14-027

Approve a loan in the amount of \$350,000 to the Baranof Island Brewing Company from the Southeast Alaska Economic Development Revolving Loan Fund

Mayor recused herself as they were one of her clients over the past year. Deputy Mayor Hunter assumed chairmanship of the meeting.

Rick Armstrong and Suzan Hess with Baranof Island Brewing Company spoke to the application, stating they have been working with Sweeney to provide a Performa. They were asked about a possible purchase of a building next door. They have looked at every available property and one in the neighborhood because they are looking to expand. As of the last conversation they do not have any plans to purchase property. This loan request is already earmarked, with plans to operate in the present location. This process began months before that property came up on the market.

Reif noticed that canning of beer is taking off. Armstrong informed that three lines are already operating in Alaska - a mini keg in a can. Cost of bottles and the associated shipping is high. Shelf life is 6-9 months longer with cans. This particular loan will be used for upgrades in equipment and allow them to do double batches.

Esquiro mentioned that they had been before the Assembly a couple times and wondering how many times they foresaw coming before the Assembly in the future. Esquiro inquired as to the Economic Development Loan Fund balance, Sweeney responded \$3,000,000. Esquiro had further questions wondering if this was the only financing they had available and had they thought about selling shares? Hess felt their loan request fit the program because they are growing economically and it is difficult for a small business to get a loan.

Reif had a question on the terms of this loan on whether Sweeney would be allowed to discuss with other members of staff and the Assembly. Sweeney and the borrower indicated yes. Sweeney added that one of the risks can become cash flow challenges. One of the things we need to assure is that we would have significant warning. He has met with the Armstrong's and they wish to keep their business

records private as possible to be able to compete and that resulted in this provision.

Armstrong believes this is a good investment with a brewery and realizes the city doesn't want to own a brewery. In the unlikely event that happened the business and its assets would be very liquidable. They have also invested a substantial amount of money personally.

Swanson supports because it is bringing jobs and helping the economy. Deputy Mayor Hunter pointed out that it is new money and wished them the best of luck.

A motion was made by Swanson to approve the loan. The motion PASSED on the following vote.

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

No: 1 - Esquiro

Recused: 1 - McConnell

E 14-028 Approve a special emergency grant submitted by the Sitka Community Development Corporation in the amount of \$7500

Randy Hughey spoke to the Community Land Trust. A presentation was held earlier in an hour long worksession. Mike Brown spoke to the number of homes. The largest CLT is in Vermont. There are 13,500 nationwide. Esquiro inquired where was the smallest population. Probably Deadwood, South Dakota.

Miyasato pointed out when he ran last year one of the major issues was affordable housing in Sitka. At least four families were physically leaving because they could not afford to live here. Deadwood's population is 1300. Hunter asked if there is land already identified. Mim McConnell, Executive Director of the Sitka Community Development Corporation stated that they have a grant in which Michael Brown was hired and there is a timeframe to submit. Esquiro stated we are going on faith that is going to go through and that something will happen. and if it doesn't the \$7,500 is chalked up to experience. McConnell is confident it will happen.

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

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

No: 1 - Esquiro

Absent: 1 - Hackett

Recused: 1 - McConnell

F 14-029 Authorize the Municipal Administrator to execute a lease between S&S General Contractors and CBS for Block 4 Lots 3 and 6 of the Sawmill Cove Industrial Park

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

Yes: 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

G 14-030 Authorize the Municipal Administrator to execute Amendment No. 2 to the

lease agreement between CBS and S&S General Contractors & Equipment Rentals Inc. to extend the lease for approximately 38,000 square feet of property located at the Granite Creek Industrial area "Pit Run" site for approximately 6 months

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

Yes: 6 - McConnell, Hunter, Esquiro, Reif, Swanson, and Miyasato

H 14-025

Authorize the Municipal Administrator to execute a contract with Shaw Environmental, Inc; a Chicago Bridge & Iron Company to complete a not to exceed time and materials contract for the City and Borough of Sitka Municipal Solid Waste Management Plan and transfer up to \$250,000 from the Solid Waste Fund available working capital to project #90764 to create a budget for this work

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

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

No: 1 - Esquiro

XII. PERSONS TO BE HEARD:

None.

XII. ADJOURNMENT

With no further business nor objection the Mayor ADJOURNED the meeting. The meeting ADJOURNED at 8:05 PM.

ATTEST: _____
Colleen Ingman, MMC
Municipal Clerk