



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 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*

Tuesday, September 10, 2013

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

Present: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

Excused: 1 - Christianson

II. FLAG SALUTE

III. ROLL CALL

IV. CORRESPONDENCE/AGENDA CHANGES

Items N and M were moved to appear before Item J. Later in the meeting it was decided to take up Item M at the next meeting. No objections were heard. Hackett mentioned a visitor wrote complimenting Sitka and its people.

V. CEREMONIAL MATTERS

Mayor read and presented a proclamation to Clara Gray and Harry Bradley on behalf of National Recovery Month and Sitka supporters: SAFV, Hames Wellness Center, Sitka Counseling, and SEARHC Behavioral Health.

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

ANB Harbor project update presentation given by Shawn McFarlane with Moffat+Nichol. Project milestones, float procurement, project budget, and

construction logistics were reviewed.

Government to Government Benjamin Miyasato mentioned STA was struggling to get a member to serve on their Transportation Committee.

VII. PERSONS TO BE HEARD

Garry White informed SEDA was investigating the potential for mining in Sitka and would be inviting someone down for a public meeting to be held September 19.

Utility Director, Christopher Brewton, relayed everything was progressing well with the Blue Lake project and was on schedule. He noted the lakes were full.

VIII. REPORTS

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

Mayor - Was interviewed by KTUU last week, met with representatives from the U.S. State Department who announced they were gearing up for the Arctic Conference with several meetings to be held in Alaska in 2016, attended the Marine Transportation Advisory Board meeting and noted she would be attending Southeast Conference.

Administrator - Attended health insurance meeting, Blue Lake Partnering Session, teleconference with the Alaska Municipal Bond Bank Authority, Marine Transportation Advisory Board meeting, Sawmill Cove Industrial Park Board meeting, and the Library staff visioning and public session for the new library. Sweeney noted he would be attending Southeast Conference.

Liaisons - Assembly members Putz, Hunter and Esquiro reported on their respective Commissions. Hackett reported she had also attended the Marine Transportation Advisory Board meeting.

Clerk - Announced absentee voting would begin September 16th on the 3rd floor of City Hall. Sweeney added staff recommended a Worksession, rather than an agenda item, to discuss any land sales for folks who want to live off the grid.

Other - Reif mentioned Sweeney's application to serve on the Alaska Municipal Investment Pool Board. He wondered if Sweeney felt comfortable taking on additional duties and how it would impact his normal duties. Sweeney explained this would require one additional travel

requirement per year and the rest of the meetings would be held by teleconference.

Putz added the Assembly had a productive Strategic Planning session on Boards and Commissions including what was working well and how to be more effective.

IX. CONSENT AGENDA

- A 13-176** Approve the Assembly meeting minutes of August 26 & 27, 2013

A motion was made by Putz to Approve the Consent Agenda consisting of Item A.

- B 13-171** Approve an award to Schmolck Mechanical Contractors to supply two 40,000 gallon fuel tanks at a base bid of \$286,000 plus costs for installation of the associated equipment and a contingency

Hackett was curious where the funding was coming from. Utility Director, Chris Brewton, answered it was part of the Jarvis Street Diesel project.

A motion was made by Hackett to award Schmolck Mechanical Contractors to supply two 40,000 gallon fuel tanks at a base bid of \$286,000 plus an additional \$125,000 for procurement and installation of fuel piping, fuel forwarding pumps, fuel truck loading manifolds, field services, plus a contingency for a total contract cost of \$411,000. The motion PASSED by the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- C 13-173** Award of a sole source responsive bid to Munson Boats for a 32' boat capable of handling fish waste disposal - \$249,653.00 (100% funded from Chinook Salmon Mitigation Infrastructure Grant)

Reif wondered if three boats were needed. Harbormaster, Stan Eliason, stated one vessel was used for towing small skiffs and the other was used for going under gangways. He noted neither of the existing boats were capable of hauling the amount of waste safely.

A motion was made by Reif to award a contract for a 32" tunnel hull/catamaran landing craft capable of loading, transporting, and unloading totes containing fish carcasses to the sole responsive bidder Munson Boats in the amount of \$249,653. The motion PASSED by the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

- D RES 13-14** Submitting the City and Borough of Sitka 2015 Legislative Priorities

Centennial Hall

John Stein spoke in support of Centennial Hall funding.

Mt. Edgecumbe Pool

Coach Suha Tokman spoke in support of the Mt. Edgecumbe pool and related a story of where a young boy's life had been saved and it was attributed to what survival training he had learned in Sitka. Coach wondered how do you put a price on that.

Government Relations Director, Marlene Campbell, stated the Assembly chooses whether or not to support projects and the wording was entirely up to the Assembly. Hunter reminded there had been a bonding proposition which was heavily supported by the community.

The Process

A discussion among Assembly members occurred. Reif believed legislative priorities needed a better vetting process and stressed sustainability. Esquiro echoed Reif's concerns with regard to sustainability. Mayor McConnell wished to see a cost for ongoing maintenance. Hackett brought up there are facilities that came to Sitka as State facilities and now have become Municipal facilities. She would like to have a work session to give the Assembly a clear understanding. Campbell responded last year it was clearly understood all projects had support. This year's were very similar to last. Interim Administrator, Jay Sweeney, brought up the strategy that had been followed on Blue Lake was built around these legislative priorities trying to get in the Governor's budget. Reif supported 90% but the process didn't work for him. The Assembly asked for a work session in the future.

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

E RES 13-15

Approving the City and Borough of Sitka submit an Alaska Energy Authority Renewable Energy Grant for Heat Pump Projects at the Wastewater Treatment Plant, Harrigan Centennial Hall and the Kattleson Memorial Library

Public Works Director, Michael Harmon, introduced Senior Engineer, Dave Login, who put the resolution together. He mentioned when leveraging costs there'd be a savings. If costs were paid up front there would still be a savings just not as great.

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

F ORD 13-37 Adjusting the FY13 and FY14 Budgets

The Assembly desired the total amount be rolled over in the future. Sweeney clarified sinking fund amounts did not diminish, these were retroactive adjustments.

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

X. UNFINISHED BUSINESS:**G ORD 13-33 Reenacting SGC at Chapter 2.32 entitled Strategic Planning Commission**

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

A motion was made by Esquiro that this Ordinance be AMENDED at Lines 129 deleting "cost of single family dwellings/affordable housing tourism etc." and on Line 90 deleting "secretary." The motion PASSED by an unanimous vote.

H ORD 13-34 Amending SGC Title 22 Zoning to revise SGC 22.20.038 Residential Demolition Guarantee

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

I ORD 13-35 Authorizing the sale of municipal benchland property identified as Tract A14-III in Whitcomb Heights III and Tracts A13, A12-III and Blocks 8 and 9 in Whitcomb Heights Subdivision - passage will include approval of associated Purchase Agreement and Warranty Deeds

Reif said he was excited about this project going to local contractors and glad to see something happening with the property.

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

XI. NEW BUSINESS:**New Business First Reading**

N 13-172 Award Non-Profit Grants for FY'14

Mayor McConnell questioned whether she should be allowed to participate in the Cultural and Educational piece due to a conflict of interest with Whalefest. Municipal Attorney, Robin Koutchak, explained if the Mayor could vote without bias she could be allowed. The Mayor felt she could be unbiased and there was no objection.

Willow Moore of Brave Heart spoke to the extraordinary volunteers and were optimistic about becoming self-sustaining through an endowment.

Youth Advocates, Executive Director Annette Becker, spoke to healthy snacks. Routinely they see kids not getting proper nutrition at home. With this program Youth Advocates could offer a healthy snack and transition back into the class room. Hackett had difficulty supporting for several reasons. Annette offered 50% was grant funding, but that funding was not received up front. She added they bill Medicaid but it was very complex; there was no specific budget because it was a projection of the number of clients and services.

A motion was made by Putz that under the Human Services Category the city award the following non-profit grant applicants: Brave Heart \$20,000; Sitka Local Food Network \$5,650; SE Independent Living \$10,000; and Youth Advocates \$4,500. Grant be APPROVED. The motion PASSED by the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

Hannah MacPike-Wolf, a Girl Scout for eleven years, argued the Girl Scouts did more than the Assembly thought. It was not just about selling cookies.

Patty MacPike, a Girl Scout leader, remarked Girl Scouts was an alternative for prevention prior to someone needing intervention. Girls come hungry, they need to be fed, they don't have coats, or shoes. She added Girls Scouts was not SAFV or Youth Advocates but did partner with them. Hunter could see nominal funding for the Woman in Science Camp which costs around \$2300.

A motion was made by Putz to award under the Human Services Category Girl Scouts \$5,850. That motion FAILED on the following vote.

Yes: 2 - Putz, and McConnell

No: 4 - Esquiro, Reif, Hunter, and Hackett

A motion was made by Hunter that this Grant amount be AMENDED to \$1000.00. The motion on this amendment FAILED by the following vote.

Yes: 3 - Esquiro, Reif, and Hunter

No: 3 - Putz, McConnell, and Hackett

A motion was made by Reif that this Grant amount be AMENDED to \$2,400 to be used towards Woman and Science and or Woman of Art programs. The motion FAILED by the following vote.

Yes: 2 - Reif, and Hackett

No: 4 - Esquiro, Hunter, Putz, and McConnell

A motion was made by Putz that the Grant for the Girl Scouts be AMENDED to \$2,300. The motion PASSED by the following vote.

Yes: 4 - Reif, Putz, McConnell, and Hackett

No: 2 - Esquiro, and Hunter

A motion was made by Reif to TABLE Item N so that other time sensitive items could be addressed. The motion to TABLE PASSED unanimously.

A motion was made by Hackett that this Item be taken from the TABLE. The motion PASSED by an unanimous vote.

A motion was made by Putz that Island Institute grant amount be amended to \$3,500; and Sitka Summer Music Festival grant be amended to \$6,000. The AMENDMENTS PASSED by the following vote.

Yes: 4 - Esquiro, Hunter, McConnell, and Hackett

No: 2 - Reif, and Putz

John Stein spoke in support of the Sitka Sound Science Center.

Sitka Greater Arts Council appreciated the amount of \$4,000. Cari Longren and Tiffany Pearson thanked the Assembly for their support and explained some events the group was involved with. They hoped to be able to provide year round programs and were working towards the purchase of a building.

Ann Wilkinson, treasurer of Sitka Seafood Festival, thanked the Assembly.

Sitka Whale Festival Business Director, David Arp, stressed this event was crucial to the community. Hunter thought Whale Fest nailed their application and supported fully funding them.

Carolyn Servid of The Island Institute expressed appreciation for whatever the Assembly could offer and provided the Assembly with a summary of the Institute's ongoing work.

A motion was made by Putz to award under the Clutural and Educational

Category the following: 1) Sitka Arts Council; 2) Sitka Seafood Festival \$3,000; 3) Sitka Sound Science Center \$3,500; 4) Sitka Summer Music \$6,000 and 5) The Island Institute \$3,500 as previously AMENDED.

The motion as AMENDED PASSED on the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

A motion made by Hunter to award Sitka Fine Arts \$10,000 and Sitka Trail Works \$10,000 under the Community Development Grant category. The motion PASSED on the following vote.

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

J ORD 13-38

Authorizing the issuance of junior lien electric revenue bonds of the City in the principal amount of not to exceed \$50,000,000 to finance a portion of the cost of expanding the Blue Lake hydroelectric project; providing for the issuance of the bonds in one or more series; and authorizing the sale of the bonds to the Alaska Municipal Bond Bank

Interim Administrator, Jay Sweeney, explained bonding would occur in late October with receipt of proceeds in November. The City was to borrow the full amount, however, with recent actions the amount was adjusted to \$28,000,000 million. The ordinance was written for \$50,000,000 million to provide maximum flexibility. Sweeney noted there was a companion ordinance for an electrical rate increase that would go into effect July 2014.

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

K ORD 13-39

Amending Subsection 15.01.020 of the SGC Electrical rates by increasing rates for all customer classes to fund approved electrical utility capital projects including the Blue Lake hydroelectric expansion project - Effective July 2014

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

L ORD 13-36

Amending the official Sitka Zoning Map to rezone a portion of Lot 5C Department of Public Safety Subdivision U.S. Survey 407 Tract B from R-2 MHP Multifamily and Mobile Home to I Industrial

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

Yes: 6 - Esquiro, Reif, Hunter, Putz, McConnell, and Hackett

Additional New Business Items

- M 13-175** Approve transfer(s) and/or designations from the General Fund FY'13 surplus reserves to the Public Infrastructure Sinking Fund
- This item was **POSTPONED** automatically to the next meeting as the Assembly ran out of time to take it up.
- O 13-174** Discussion/Direction on a compensation study for non-represented employees
- This item was **POSTPONED** automatically to the next meeting as the Assembly ran out of time to take it up.

XII. PERSONS TO BE HEARD:

XIV. ADJOURNMENT

A motion was made by Hunter to **ADJOURN** the meeting. Hearing no objection the meeting **ADJOURNED** at 10:25 PM.