

# **CONSENT AGENDA**

## **POSSIBLE MOTION**

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**I MOVE TO APPROVE THE CONSENT AGENDA  
CONSISTING OF ITEMS A, B, C & D**

**I wish to remove Item(s) \_\_\_\_\_**

**REMINDER – Read aloud a portion of each item being  
voted on that is included in the consent vote.**

Should this item be pulled from the Consent Agenda the following motion is suggested:

## **POSSIBLE MOTION**

**I MOVE TO** approve the minutes of the April 7 special Assembly meeting, April 12 special Assembly meeting, and April 12 regular Assembly meeting.



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
1332 Seward Ave.  
Room 229  
Sitka, AK  
(907)747-1811

## Minutes - Draft

### City and Borough Assembly

*Mayor Mim McConnell*  
*Deputy Mayor Matt Hunter*  
*Vice-Deputy Mayor Benjamin Miyasato*  
*Aaron Swanson, Steven Eisenbeisz*  
*Tristan Guevin, and Bob Potrzuski*

*Municipal Administrator: Mark Gorman*  
*Municipal Attorney: Robin L. Schmid*

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Thursday, April 7, 2016

6:00 PM

Assembly Chambers

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Meeting held at the Sealing Cove Business Center 601 Alice Loop

#### SPECIAL MEETING

- I. CALL TO ORDER
- II. FLAG SALUTE
- III. ROLL CALL

Present: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

#### IV. PERSONS TO BE HEARD

None.

#### V. NEW BUSINESS:

- A 16-052 Discussion/Direction of the FY17 Municipal Budget and as it relates to the General Fund, other Funds, the School District and the Sitka Community Hospital (Assembly action may be taken)

Due to financial considerations, Assembly Member Potrzuski recused himself from discussions relating to the School District.

Members from the School Board present: Tim Fulton (telephonically), Tom Conley, Cass Pook and Jennifer McNichol.

School District Superintendent, Dr. Mary Wegner, read a statement from School Board member, Eric van Cise, who was unable to attend.

Wegner provided and summarized two documents for Assembly members. The first document spoke to the FY17 budget process. The second document titled "What would happen if the \$1,000,000 added for FY16 was taken away?" summarized the

following: budgetary actions from January 2015 to present, FY16 and FY17 funding variables, FY17 revenue assumptions, and FY17 expenditure assumptions. Wegner emphasized School District operating fund revenues could only come from the following sources: District, Local, State and Federal. She added that the School District was required to present a balanced budget.

Assembly members asked clarifying questions relating to FY16 and FY17 expenses, reserves, secure rural schools funding, percentage of funding cap, and long-term planning.

School Board members stressed the need to provide the best possible education for the children of Sitka. The Board thanked the Assembly for their continued support and looked forward to future budget conversations.

**No assembly action was taken.**

**VI. PERSONS TO BE HEARD:**

None.

**VII. EXECUTIVE SESSION**

None.

**VIII. ADJOURNMENT**

**A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:28pm.**

**ATTEST:** \_\_\_\_\_  
**Sara Peterson, CMC**  
**Municipal Clerk**



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*Tristan Guevin, and Bob Potrzuski*

*Municipal Administrator: Mark Gorman*  
*Municipal Attorney: Robin L. Schmid*

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Tuesday, April 12, 2016

5:00 PM

Assembly Chambers

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#### SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

IV. PERSONS TO BE HEARD:

None.

V. NEW BUSINESS:

A 16-061 Discussion/Direction on recommendations of the Citizens' Taskforce

Rob Allen, Chair of the Citizens' Taskforce (CTF), introduced the Taskforce members. Member, Cynthia Gibson, provided an overview of the core ideals, goals, services, requirements and community values as identified by the CTF and concluded her presentation with a summary of the CTF final product: the Grand Bargain. Gibson explained the Grand Bargain focused on expenses, revenues and cuts and included the following elements, in no particular order:

1. Eliminating the sales tax on groceries for all Sitkans.
2. Directing 100% of the Fish Tax to the Harbor Fund.
3. Instituting a biennial vehicle registration tax of \$200.
4. Providing significant General Fund support for the Electric Fund to prevent unaffordable increases in electric rates.
5. Investing \$3 million from the General Fund in capital projects per year.
6. Raising new revenues by selling City owned undeveloped land.
7. Raising new revenues by opening a new rock quarry.
8. Raising new revenue by asking the voters to approve an increase of 2 mills in the

property tax rate.

9. Reducing the City's General Fund budget by a total of \$1.7 million over the next three years.

10. Reducing the City's contribution to schools by a total of \$600,000 over the next three years (possibly requiring smaller cuts to prevent school funding from dropping below 92 percent of the cap according to the state funding formula).

CTF members expressed their appreciation to staff and found the Taskforce process to be invaluable. While keenly aware of local and state challenges, members noted they looked for solutions that were sustainable, equitable, and maintained a high quality of life for Sitkans.

Citizen Matt Donohoe spoke in support of a millage rate increase for Sitka and stated it was a possibility the municipality might have to consider bankruptcy.

Assembly members thanked CBS staff and the CTF members for their service and exceptional work.

Citizen Taskforce Members: Rob Allen, Dyan Bessette, Hugh Bevan, Cynthia Gibson, Alene Henning, Maxwell Rule, and Lawrence SpottedBird.

**A motion was made by Guevin to receive the Citizens' Taskforce Report. This formally concluded the assignment of the Citizens' Taskforce. The motion PASSED by the following vote.**

**Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski**

## **VI. ADJOURNMENT**

**A motion was made by Hunter to ADJOURN. Hearing no objections, the meeting ADJOURNED at 5:55pm.**

**ATTEST:** \_\_\_\_\_

**Sara Peterson, CMC  
Municipal Clerk**



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*Municipal Administrator: Mark Gorman  
Municipal Attorney: Robin L. Schmid*

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Tuesday, April 12, 2016

6:00 PM

Assembly Chambers

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#### REGULAR MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

Present: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

#### IV. CORRESPONDENCE/AGENDA CHANGES

Assembly member Eisenbeisz requested item M be discussed before item K. There was no objection.

**16-062** Reminders, Calendars and General Correspondence

#### V. CEREMONIAL MATTERS

**16-053** Athletic Awards - JD Gagner, Josh Geoden, and Sydnee Kimber

Mayor McConnell read and presented Athletic Awards to JD Gagner, Josh Geoden, Sydnee Kimber for their achievements at the 2016 Arctic Winter Games in Nuuk, Greenland.

**16-054** Citation - SHS Boys Basketball Team

A citation was read and presented to the Sitka High School boys basketball team for their heroism and bravery demonstrated on March 23, 2016. The team, while in Anchorage for a tournament, rushed to the aid of and helped residents escape from a burning building.

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

Sitka Tribe of Alaska General Manager, Lawrence SpottedBird, announced a Government to Government dinner was scheduled for May 11, 2016 and would be hosted by the City and Borough of Sitka.

**16-055 Sitka Sound Science Center Update**

Sitka Sound Science Center (SSSC) staff Lisa Busch, Executive Director, and Tori O'Connell, Research Director, provided an update to the Assembly. Busch spoke to the mission and work of the SSSC and thanked the Assembly for their support and for the community of Sitka's interest in science. O'Connell, reviewed the Sitka Geotask Force Summaries and work related to the August 18, 2015 Sitka landslides.

**VII. PERSONS TO BE HEARD**

None.

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

Mayor - reported on the Seatrade Cruise Global event and CBS Investment Committee meeting. Welcomed Sister City visitors from Nemuro Japan, and attended the Comprehensive Plan meeting at the Sitka Public Library, Chamber luncheon with Congressman Don Young, and the Convention and Visitors Services Committee organized by the Chamber.

Administrator - Gorman indicated repairs for the seaplane facility were estimated to cost approximately \$150-\$200,000 and noted a future request may come before the Assembly to take the required funding from the Southeast Alaska Economic Development Fund as a grant. Gorman advised the Assembly of ongoing union negotiations and reported on the recent UAS Advisory Council meeting. He noted the UAS campus was facing a \$600,000 cut, approximately 10% of their budget.

Liaisons - Miyasato spoke to Curt Ledford's resignation from the Library Commission, Hunter reminded there was a Port and Harbors Commission meeting April 13, and Eisenbeisz reported on the recent Gary Paxton Industrial Park Board of Directors meeting.

Clerk - Noted a Government to Government dinner was planned for May 11 and that a tour of the new UV Facility was scheduled for May 19.

**IX. CONSENT AGENDA**

**A motion was made by Hunter that the Consent Agenda consisting of item A & C be APPROVED. The motion PASSED by the following vote.**

**Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski**

**A 16-056 Approve the minutes of the March 22 Assembly meeting**



This item was APPROVED ON THE CONSENT AGENDA.

- B 16-059** Award a professional services contract to PND Engineers, Inc. for the design of the Landfill and Crescent Lift Stations Improvements Project on a time and materials basis for a not to exceed amount of \$139,534

Eisenbeisz spoke to the cost of the projects and wondered if the Crescent lift station was a total redesign or if only certain parts were being replaced. Public Works Director, Michael Harmon, noted the Crescent lift station project was a total redesign and felt both projects were justified and in line with industry standards. David Longtin, Senior Engineer, stated the engineering firm would evaluate using existing equipment where possible.

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

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

- C 16-060** Award a contract to Caselle Software Solutions for the Property Tax and Sales Tax System Upgrade Project for a not to exceed amount of \$80,000

This item was APPROVED ON THE CONSENT AGENDA.

**X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS**

- D 16-057** Reappoint Annabel Lund to a term on the Local Emergency Planning Committee and Appoint 1) Dale Williams to an unexpired term on the Police and Fire Commission, 2) Lorrain Lil to a term on the Library Commission, and 3) Clara Gray to an unexpired term on the Historic Preservation Commission in the category of "STA alternate"

Assembly members thanked the applicants for their willingness to serve.

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

Yes: 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

**XI. UNFINISHED BUSINESS:**

- E ORD 16-05** Amending Sitka General Code Title 10 "Public Peace, Safety and Morals" by adding a new Chapter 10.25 entitled, "Cellular Phone Use While Driving"

Doug Osborne, Chair of the Health Needs and Human Services Commission (HNHS), spoke in support of the ordinance and noted the dangers of distracted driving. Alene Henning also spoke in support of the ordinance and stated she had witnessed many accidents at the Halibut Point Road/Sawmill Creek Road roundabout.

Guevin reported he had received positive feedback from the community. He noted the ordinance was developed by the HNHS Commission and reviewed by the Police and Fire Commission. Both Commissions supported the ordinance. While not perfect, it was a step in the right direction and would result in greater safety for Sitkans. Miyasato agreed.

Eisenbeisz spoke to lines 91 and 92 (vehicle dispatching information for passenger transport or freight or package delivery) suggested this group of individuals should not be using phones while operating vehicles. Swanson stated it didn't matter if this classification was included in the ordinance or not. The Federal Motor Carrier Safety Administration prohibited the use of cell phones by drivers and the fines were considerably higher.

Attorney Schmid explained the ordinance was modeled after state statute and noted the ordinance as a whole would be difficult to enforce. She reminded the Assembly there were other forms of distracted driving outside of cell phone use.

Hunter suggested gentle implementation of the policy rather than too restrictive. He wondered if bicycles should be included, however, noted the difficulty in enforcement.

**A motion was made by Eisenbeisz to AMEND the ordinance by deleting lines 91 and 92 in effect removing the exemption: Vehicle dispatching information for passenger transport or freight or package delivery. The motion PASSED by the following vote.**

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

It was determined the amendment was of a substantive nature and therefore would require a third reading.

**A motion was made by Miyasato that this Ordinance be APPROVED on second reading as AMENDED. Third reading was scheduled for April 26, 2016. The motion PASSED by the following vote.**

**Yes:** 5 - McConnell, Hunter, Miyasato, Guevin, and Potrzuski

**No:** 2 - Swanson, and Eisenbeisz

**F ORD 16-08 Adjusting the FY16 Budget**

**A motion was made by Miyasato that this Ordinance be APPROVED on second and final reading. The motion PASSED by the following vote.**

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

**XII. NEW BUSINESS:**

**New Business First Reading**

**G ORD 16-09 Adjusting the FY16 Budget**

Chief Finance and Administrative Officer, Jay Sweeney, stated there was no increase or decrease in appropriations but rather redirecting them to different sections of the budget.

**A motion was made by Guevin that this Ordinance be APPROVED on first reading. The motion PASSED by the following vote.**

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

**H ORD 16-10**

Amending the City and Borough of Sitka Personnel Policies Handbook to allow the Municipal Administrator, for budgetary reasons, to change daily hours of work and the workweek and establish furlough days

Administrator Gorman explained the ordinance, if approved, would allow the Administrator to recommend furloughs or reduced workweek schedules. The Assembly would need to grant approval if a recommendation was made. Gorman added this ordinance change would not apply to union employees. The authority to make such a change did not currently exist in the enabling ordinance for unions. Gorman noted the seriousness of the budget situation and offered passage of this ordinance would offer a tool to help balance the budget. He stated six furlough days from the entire workforce (union employees included) would save approximately \$200,000 per year.

Hunter and Miyasato agreed this was a tool that could be used to balance the budget if necessary, however, Hunter wished to see it spread across the workforce and not target one group of employees.

Guevin voiced hesitation in relying on furloughs as a budget balancing mechanism. He also expressed the desire to have the effects spread across the entire workforce.

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

**Yes:** 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Potrzuski

**No:** 1 - Guevin

**I ORD 16-11**

Amending Sitka General Code Title 22 "Zoning" by amending Chapter 22.08 "Definitions" by adding Section 22.08.587 "Marijuana", amending Section 22.16.015 "Permitted, Conditional and Prohibited Uses", and amending Chapter 22.24 "Special Use Permits" by adding Section 22.24.026 "Marijuana Conditional Use Permits"

Aaron Bean suggested the Assembly consider not including all zoning districts that were referenced in the ordinance.

Potrzuski stated the Marijuana Advisory Committee and Planning Commission had spent a tremendous amount of time on the issue of a permitted use versus a conditional use and ultimately had recommended starting off with this new industry as a conditional use.

**A motion was made by Miyasato that this Ordinance be APPROVED on first reading. The motion PASSED by the following vote.**

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

**J ORD 16-12**

Amending Chapter 3.16 "Procurement Policy" of the Sitka General Code to allow the Municipal Administrator to create detailed purchasing procedures for municipal staff based on and subject to these policies. Further, this revised policy will allow the Municipal Administrator to update

municipal procurement procedures on a regular basis

Administrator Gorman explained this had been a massive undertaking and was driven by recent audit exceptions in the past year.

Eisenbeisz asked for clarification on the language change in line 196. Gorman noted there wasn't a significant depart from sole source justification. There would still need to be justification as to why it would be in the best interest of the City and ensuring City's resources were being used appropriately.

Eisenbeisz alerted the Assembly to the removal of Section 3.16.080 regarding procurement monitoring. Gorman clarified the tracking mechanism had been removed, however, the intent to promote local purchases remained in the ordinance.

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

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

### **Additional New Business Items**

**M RES 16-07 Supporting community-wide landslide hazard mapping**

Administrator Gorman noted passage of the resolution would allow the City and Borough of Sitka (CBS) to collaborate with other agencies to identify funding opportunities for completion of a community-wide hazard assessment. He added no funding had been included in the CBS FY2017 budget for the assessment.

Assembly members discussed the item. Some felt there may be unforeseen risks such as asking people to abandon their homes. Others expressed the importance of safety and that it was important for people to make informed decisions.

**A motion was made by Hunter that this Resolution be APPROVED on first and final reading. The motion PASSED by the following vote.**

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

**K 16-058 Award a professional services contract to Shannon & Wilson, Inc. for the Gary Paxton Industrial Park (GPIP) Debris Flow/Risk Analysis and Conceptual Design of Protective Works Project on a time and materials basis for a not to exceed amount of \$68,505 utilizing GPIP Fund undesignated working capital**

Administrator Gorman noted the Gary Paxton Industrial Park Board (GPIP) did not support using the Industrial Park funding for this analysis. Gorman clarified that if the GPIP Administration Building were to sell the Industrial Park funding would be reimbursed for the cost. Gorman added there was a desire to sell assets in the GPIP, however, that could not be done until the mapping was complete per the advice of the Municipal Attorney.

Gorman noted this item was separate from that of item M in that it would be more detailed and would likely be able to be accomplished sooner. It would also offer potential mitigation recommendations. Public Works Director, Michael Harmon, explained the community-wide mapping wouldn't be as specific. He reiterated this project would allow for the mapping of the GPIP to be done in a timely manner and

allow for assets of the GPIIP to potentially be sold based on the outcome of the report. Harmon clarified the focus of the study area would be the entire road length of the GPIIP - from approximately Silver Bay to the bridge at Sawmill Creek.

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

**Yes:** 5 - McConnell, Hunter, Miyasato, Guevin, and Potrzuski

**No:** 2 - Swanson, and Eisenbeisz

**L RES 16-06** Submitting a multi parcel State land acquisition request to the State of Alaska

Larry Edwards expressed concern about some of the named parcels and if obtained for future housing and/or economic development he did not wish to see development on a large scale.

Chris Spivey, Chair of the Planning Commission, spoke in support of the resolution.

Administrator Gorman noted the resolution was in response to the Governor wanting to convey land to municipalities. If any of these parcels were conveyed, Gorman noted there would be a robust community discussion on the appropriate uses of the land. He added the intent of this resolution was to get the City and Borough of Sitka (CBS) in line for the land.

Assembly members noted the advantages of having the land in CBS ownership and stated the need for a discussion on the uses of the land if ownership from the state was granted.

**A motion was made by Miyasato that this Resolution be APPROVED on first and final reading. The motion PASSED by the following vote.**

**Yes:** 7 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, Guevin, and Potrzuski

**XIII. PERSONS TO BE HEARD:**

None.

**XIV. EXECUTIVE SESSION**

None.

**XV. ADJOURNMENT**

**A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:22pm.**

**ATTEST:** \_\_\_\_\_  
**Sara Peterson, CMC**  
**Municipal Clerk**