

CONSENT AGENDA

POSSIBLE MOTION

**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
June 28 Assembly meetings.



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
Acting Municipal Attorney: Brian Hanson*

Tuesday, June 28, 2016

5:00 PM

Assembly Chambers

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. 16-121 Discussion/Direction/Decision on a ballot proposition for a millage increase

Municipal Administrator, Mark Gorman, told of the budget shortfall situation and went over the timeline.

Assessor, Wendy Lawrence, spoke of the deficit, reappropriation and reductions of FY16, FY17 and FY18. She spoke of recommendations from the Citizens' Taskforce, revenue options, and told of risks of further funding cuts from the State. She went over three mill rate types: budget-driven, capped, revenue-capped and told of statewide trends. She told of similar communities noting that Sitka was the lowest in all areas of taxes. Ms. Lawrence referenced the Homestead Exemption. She answered questions and clarified the difference of capped and budget-driven types.

Gorman suggested parameters of a capped amount and would continue discussion in a special meeting prior to the July 12 regular meeting. Eisenbeisz inquired of impact to renters.

VI. ADJOURNMENT

A motion was made by Hunter to ADJOURN. Hearing no objections, the meeting adjourned at 5:55 p.m.

ATTEST: _____
Melissa Henshaw
Acting Municipal Clerk



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*Municipal Administrator: Mark Gorman
Acting Municipal Attorney: Brian Hanson*

Tuesday, June 28, 2016

6:00 PM

Assembly Chambers

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

16-124 Reminders, Calendars and General Correspondence

V. CEREMONIAL MATTERS

None.

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

VII. PERSONS TO BE HEARD

None.

VIII. REPORTS

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

Mayor - Attended Yes In My Back Yard conference through a scholarship. She was

able to receive answers from questions of the Planning and Community Development Department, and joined their panel. Had a teleconference with AML Board of Directors and the Governor's Chief of Staff noting the need to create a sustainable State budget, she encouraged community to support it and AML would also. She attended the Chamber committee meeting.

Administrator - Gorman noted the PSEA contract had been ratified for three years. Attended the change of command for the USCG Maple, told of the new fire truck, mentioned the 2016 PILT was \$663,000 questioning if it would be offset less by Secure Rural Schools funding and told of the revenue short fall from lack of reimbursement of emergency expenditures from the landslides.

Attorney - Brian Hanson, Acting Municipal Attorney, praised the work of the Legal Assistant, Reuben Yerkes, and Contract Attorney Rachel DiNardo Jones.

Clerk - Melissa Henshaw, Acting Municipal Clerk, told of current board/commission vacancies, election precincts, and candidate filing information.

IX. CONSENT AGENDA

A motion was made by Hunter that the Consent Agenda consisting of Item A be APPROVED. The motion PASSED by a unanimous voice vote.

A. 16-118

Approve the minutes of the June 14 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

B. RES 16-10

Supporting the City's application to the Statewide Transportation Alternatives Program (TAP) for construction of the Sitka Seawalk Phase II

Gorman clarified the intent of continued operation of the lightering facility was to extend tourists to all sections of downtown, which would allow visitor services to be more comprehensive, safer, and accessible.

Michael Harmon, Public Works Director, told of this phase extension, that he would like to develop an estimated annual or replacement cost, and told of the life span.

A motion was made by Swanson to APPROVE this Resolution on first and final reading. The motion PASSED by the following vote.

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

C. 16-123

~~Grant preliminary approval of a proposed land sale of Mineral Survey 1587 to Christopher Lillehoff~~ PULLED

This item was PULLED from the agenda prior to the start of the meeting. No action was taken.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

D. 16-119

Reappoint 1) Scott Wagner to a two-year term on the Gary Paxton Industrial Park Board of Directors, 2) Charles Howlett to a three-year term on the Local Emergency Planning Committee, and approve Michael Scarcelli (non-voting, ex-officio member) to the Sitka Community Hospital

Board

Eisenbeisz told of the importance of this seat as well as the alternate. Gorman stated recruitment was ongoing for the Deputy Finance Director which may be involved with the Board in the future.

A motion was made by Miyasato 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 16-21** Repealing Chapter 7.20 "Marijuana Advisory Committee", and creating Chapter 7.40 "Local Regulatory Authority", formally dissolving the existing local regulatory authority and its framework and designating the City Assembly as the permanent Local Regulatory Authority, and creating Chapter 7.50 "Licensing", detailing the procedure of the City Assembly in reviewing, approving and protesting marijuana licenses

Gorman introduced contract Attorney, Rachel DiNardo.

A motion was made by Swanson 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:

- F. 16-122** Approve the standard marijuana cultivation facility license for Northern Lights Indoor Gardens, LLC

Guevin noted that the Planning Commission had reviewed and unanimously recommended the conditional use permit for this facility. Hunter noted the amount of documents and appreciated the comprehensiveness of the application.

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

New Business First Reading

- G. ORD 16-06S** Renaming and amending Chapter 4.40 of the Sitka General Code, "Uncollectable Accounts and Bad Debt Write-Offs" and amending Sections 4.40.010 "Definitions", 4.40.020 "Policies", and 4.40.030 "Records and Reporting" and adding Sections 4.40.040 "Write-Off of Uncollectable Accounts", 4.40.050 "Utility Debts Remain with Real Property", and 4.40.060 "Authority to Offset"

Gorman mentioned this ordinance was before the Assembly February 23 and was postponed for changes. Hunter noted the city does not currently have a comprehensive credit and collection policy. He told of the vast instances of cross

debt accounts, the challenges for the city to collect on them, and that this ordinance would allow policy to be in code.

Gorman noted the ability to write off uncollectable accounts. Potruzski wondered of the impact on rental properties. Chief Finance and Administrative Officer, Jay Sweeney, stated this ordinance sets the framework for staff and that it stemmed from the Municipal Solutions recommendation. He told of challenges to collecting information and advocated for payment in advance. Discussion on including phone calls in the ordinance occurred. Gorman recommended to keep procedure out of Code. Although staff collect utility service information that is detailed, Hunter noted that services other than utilities do not have a form for collecting information. Eisenbeisz was in support of payment in advance. Gorman mentioned possible future implementation of automated payment or pay as you go options.

Potruzski spoke in support of the ordinance. Guevin was not in support without a plan in place for residents that would not be able to pay due to Sitka's high cost of living and had concerns with advertising of individual's names. Sweeney stated that a program of voluntary donated funds for utility accounts was close to being implemented. Hunter pointed out the "shall" to "may" change and stated as a citizen he would not support a business that was not paying their taxes or other accounts. Sweeney informed that current Code allowed a judgement to advertise sales tax and property tax debt.

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

Yes: 6 - McConnell, Hunter, Swanson, Miyasato, Eisenbeisz, and Potruzski

No: 1 - Guevin

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

H. 16-120 Legal matter - Baranof Island Brewing Company loans

A motion was made by Potruzski to go into Executive Session with Chief Finance and Administrative Officer Jay Sweeney under the statutory categories of discussing subjects that tend to prejudice the reputation and character of any person and to discuss matters, the immediate knowledge of which, would adversely affect the finances of the City and Borough of Sitka and invite in when ready: Suzan Hess and Rick Armstrong of Baranof Island Brewing Company and John Emmi, Lisa Laudon and Scott Laudon.

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

The Assembly went into Executive Session from 7:10 p.m. to 8:57 p.m.

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

A motion was made by Potrzuski to authorize staff to negotiate with the Armstrong's and their investors on the restructuring of their loan. The motion PASSED by the following vote.

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

XV. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:59 p.m.

ATTEST: _____
Melissa Henshaw
Acting Municipal Clerk