

CONSENT AGENDA

POSSIBLE MOTION

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

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
December 26th Assembly meeting.



CITY AND BOROUGH OF SITKA

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

Minutes - Draft

City and Borough Assembly

*Mayor Matthew Hunter
Deputy Mayor Steven Eisenbeisz,
Vice Deputy Mayor Bob Potrzuski,
Aaron Bean, Kevin Knox, Dr. Richard Wein,
Benjamin Miyasato*

*Municipal Administrator: Keith Brady
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, December 26, 2017

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 7 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

IV. CORRESPONDENCE/AGENDA CHANGES

17-202 Reminders, Calendars and General Correspondence

No agenda changes.

V. CEREMONIAL MATTERS

None.

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

None.

VII. PERSONS TO BE HEARD

Jennifer Herrera, Sitka Against Family Violence (SAFV) Director introduced herself and thanked the Assembly for their support. Christopher Brewton encouraged the

Assembly to market the previously passed ordinance 2017-39S that added Commercial Electric Rate Temporary Incentive Program to the Sitka General Code. He suggested public education, offered an alternate incentive rate proposal, and told of options. Doug Osborne mentioned a petition for raising the minimum legal age to purchase tobacco from 19 to 21, told of other national and local supporting groups, and gave history of the policy.

VIII. REPORTS

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

Mayor - Hunter mentioned he watched the boat parade and encouraged boats to participate next year.

Administrator - Brady clarified that most of the city's projects were either at budget or under budget. He asked the Assembly rather than have a work session prior to Assembly meetings to hold them on the third Tuesday of the month. He stated there were sales tax collection and exemptions, building capital improvements including the school and hospital, and fiscal/debt policy work sessions impending.

Liaisons - Potrzuski reported on the Gary Paxton Industrial Park Board of Directors. Wein reported on the Health Needs and Human Services Commission meeting. Bean spoke of the Port and Harbors Commission meeting and the Historic Preservation Commission meeting.

Other - Wein told of upcoming Hospital Board vacancies.

IX. CONSENT AGENDA

- A 17-200** Approve the minutes of the December 5 and December 12 Assembly meetings

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

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- B 17-201** Reappoint Dan Littlefield to a three-year term on the Building Department Appeals Board

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

Yes: 7 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

XI. UNFINISHED BUSINESS:

- C ORD 17-37S** Adjusting the FY18 Budget (*Donation to St. Michael's Cathedral renovation project*) - possible executive session

Potrzuski was in support of the ordinance stating it was an iconic building that drew

visitors by the thousands. Municipal Attorney Hanson mentioned a letter received from a Madison, Wisconsin, non-profit organization called the Freedom from Religion Foundation. He was unsuccessful in contacting the attorney who wrote the letter. He stated it contradicts his opinion. Wein stated that there was a lot of case law in favor, and his opinion to support this ordinance had not changed. Mayor Hunter told of the funding for visitors, was in support of this, and thought that the structure was needed for people to continue to visit Sitka. He had concerns of a lawsuit although did not feel this action would be unconstitutional after reviewing the cases cited in the letter because the funds were strictly going to the outside of the building. Knox inquired of any potential legal issues and would like an open discussion. Hanson answered there was not a threat of lawsuit from the letter received, however there was risk of a lawsuit. Mayor Hunter said he was told by a citizen that they would sue if this passed. Bean stated although this was a historic, iconic building, he was not in support of this ordinance, told of comments from citizens also stating they would take action if this was passed, and felt this was an act of congregation. Potrzuski stated the Russian Bishop's house was an active church and that he did not have concerns with the ordinance.

Wein said an important distinction should be made between the church's function of worshiping from other functions and that the Visitor's Enhancement Fund was open to everyone. Hanson spoke to risk, that there were considerable distinctions to be made, and felt this did not violate the establishment clause. He suggested the Assembly look at the practical and political view along with the economics of it if a lawsuit were to be filed. He gave examples of case law stating it was not case on point. He said there were risks that could be challenged in court. Mayor Hunter thought this was similar to funding that was approved by the Assembly in the past. Hanson stated the funds were to enhance and to promote visitors, and it was a one time donation. Bean thought that by giving this donation, it would advance religion. Hanson told of the divertibility defense argument. Wein gave examples of the defense. Mayor Hunter was in support although had concerns of a lawsuit and it causing attorney costs. Knox agreed stating that this was a worthy cause and thought it supported visitor industry. Miyasato was in support. Wein did not think this ordinance was promoting religious education and was in support of it.

A motion was made by Potrzuski that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion FAILED by the following vote.

Yes: 3 - Miyasato, Potrzuski, and Wein

No: 4 - Eisenbeisz, Hunter, Knox, and Bean

D ORD 17-41

Adjusting the FY18 Sitka Community Hospital Budget (Electronic Health Records Project)

Wein thought the project was needed for billing, told of cost, and stated he would not be supporting the ordinance. Eisenbeisz wondered if it was possible to move forward without this system. Potrzuski thought the current system was antiquated, reminded that they were paying for the Electronic Health Record (EHR) system out of their cash flow, and reiterated the out clause. Mayor Hunter reminded that the hospital was part of the city, thought that the EHR system was needed in order for the hospital to survive, and had been told by employees of concerns with the current system. Knox stated the standard of care included an EHR system, wondered about contradicting benefits of an EHR system, but thought it was a critical step forward.

Steven Hartford, Director of Operations for Sitka Community Hospital stated that the new system would, over the span of seven years, cost \$3.8 million for Cerner with additional costs of \$1.5 million anticipated for implementation that included hardware upgrades, support, and development of system. He stated the amount was less than 2% of the annual budget and felt was critical for total operation which included: business operation, budgeting, billing, patient care, delivery of care, and managing all services. He said every hospital needed an EHR system and that the current system did not function at a level that was needed. Hartford confirmed that Medicare would offset the cost by 30% annually. Wein said that the hospital needed an EHR system, however his concern was that a survivable hospital was needed to utilize the system.

A motion was made by Miyasato that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.

Yes: 6 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, and Bean

No: 1 - Wein

E ORD 17-43 Adjusting the FY18 Budget (*GPIP Site Clean Up Project*)

Potrzuski and Mayor Hunter thought it was important that the lessee be bonded. Eisenbeisz mentioned the importance of the lessee being bonded prior to occupancy.

A motion was made by Potrzuski that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.

Yes: 7 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

F ORD 17-44 Adjusting the FY18 Budget (Pass thru grants, Justice Assistance Grant - Personnel)

A motion was made by Miyasato that this Ordinance by APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.

Yes: 7 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

XII. NEW BUSINESS:

None.

XIII. PERSONS TO BE HEARD:

Tom Gamble told of the Board of Fish proposals and impacts. He requested that the city take note of the Comprehensive Plan to protect: subsistence resource, the government to government relationship with Sitka Tribe of Alaska, and the economic interest of the community. He urged the Assembly to comment on the finfish proposals to mitigate impacts on herring and other wildlife. He stated he was in support of the donation to St. Michael's Cathedral and suggested a statue of Katlian if there was still money in the fund.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:20 p.m.

ATTEST:

Melissa Henshaw, CMC
Acting Municipal Clerk