

CONSENT AGENDA

POSSIBLE MOTION

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

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
May 22 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, May 22, 2018

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Miyasato, Eisenbeisz, Hunter, Knox, Bean, and Wein

Telephonic: 1 - Potrzuski

IV. CORRESPONDENCE/AGENDA CHANGES

18-103 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)

18-104 Special Reports: 1) Hospital RFP Consultants, Steve Huebner and Sarah Cave and 2) CBS Department Head - Planning Director, Michael Scarcelli

Sitka Community Hospital CEO Rob Allen gave an update of the upcoming board meeting, implementation process of Cerner, and that the hospital was unaffected by the lack of funding from State of Alaska Medicaid. He went over the April financials.

Consultant Sarah Cave gave a Sitka Community Hospital RFP report noting the due date for proposals was May 18th, five proposals were submitted, and gave an overview of them. She stated there was an orientation session with the proposal evaluation team and that the review and evaluation process would be complete for the June 5th special meeting.

Planning Director Michael Scarcelli gave an update of short, mid, and long term goals for the department including lease management, ADU's, code changes, development standards, notices, cemetery rezoning, hazard mitigation update, use tables, CLG grants, and services for homeless and transitional housing.

VII. PERSONS TO BE HEARD

Alene Henning thanked staff and assembly. She told of concerns with cell phone use while driving. Steve Hutchinson articulated the need for and asked of support from the assembly for homelessness and transitional housing. Gayle Young, Sitka Homeless Coalition spoke of homelessness, supporting facilities/groups, and the project of looking for a facility for warm and safe shelter in the winter months for the homeless. Lance Ewers asked for support of a future homeless shelter. Executive Director of the Greater Sitka Chamber of Commerce Rachel Roy reported on the Visit Sitka program, the September 22nd end of season celebration, and future planning. Karen Lucas stated that homelessness needed resolution and support. Richard Wein told of pacific salmon treaty meeting, closure of fishery, needs of the fleet, and wondered the fate of salmon fishing and how that would affect the city.

VIII. REPORTS

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

Mayor - Hunter reported on a wilderness medicine course he took and encouraged hosting of trainings, etc. in Sitka as an economic boost.

Administrator - Brady reported on the raw water inspection, May 8th operation Van Winkle, an Ask the Administrator event at the Library on May 30th at 6:00 p.m., the Crescent Harbor Phase I matching grant request was funded, and that Sitka Public Library was in need of adult reading buddies.

Attorney - Hanson told of upcoming out of office dates.

Liaison Representatives - Knox reported on Planning Commission and Sitka Tribe of Alaska Council meetings. Wein reported on the Local Emergency Planning Committee, Health Needs and Human Services Commission, Gary Paxton Industrial Park Board of Directors, and Tree and Landscape Committee meetings.

Other - Bean reported on the Salmon Symposium.

IX. CONSENT AGENDA

A motion was made by Knox that the Consent Agenda consisting of items A, B, C, and D be APPROVED. The motion PASSED by the following vote.

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

- A 18-105** Approve the minutes of the April 12, 17, May 2, and May 8 Assembly

This item was APPROVED ON THE CONSENT AGENDA.

- B RES 18-08** Authorizing a \$11,800 grant application to the Department of Homeland Security and Emergency Management (DHS&EM) for a Local Emergency Planning Committee grant

This item was APPROVED ON THE CONSENT AGENDA.

- C RES 18-10** Authorizing the application for grants to the Alaska Department of Fish and Game under the Alaska Sustainable Salmon Fund and to the United States Fish and Wildlife Service under the Fish Passage Program for design and construction of the Peterson Street Stormwater Rehabilitation Project

This item was APPROVED ON THE CONSENT AGENDA.

- D ORD 18-21** Adjusting the FY18 Budget (SEACAD Justice Assistance Grant) *1st reading*

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- E 18-107** Appoint Chris Ystad to a three-year term on the Port and Harbors Commission

Chris Ystad gave history noting he would like to be more involved with the industry.

Knox thanked Josh Arnold for his service as a outgoing member and Chris Ystad for volunteering.

A motion was made by Bean 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:

- F ORD 18-24** Amending Title 9 "Health and Sanitation" of the Sitka General Code by adding a new Chapter "Tobacco Distribution to Persons Under the Age of Twenty-One"

Doug Osborne, Chair of the Health Needs and Human Services Commission was in support of the amendment.

Municipal Attorney Brian Hanson stated the effective date amendment was not a substantive change and that this ordinance could be voted on second and final reading. Eisenbeisz was not in support of the amendment.

A motion was made by Wein to AMEND the effective date to August 22, 2018. The motion PASSED by the following vote.

Yes: 4 - Miyasato, Potrzuski, Knox, and Wein

No: 3 - Eisenbeisz, Hunter, and Bean

Amanda Roberts and Holly Marban spoke in support of the ordinance.

Doug Osborne noted the state fined the employee selling tobacco underage, and with this ordinance, the fine would be imposed on the business owner. Mayor Hunter clarified that the state fines the employee and local authority would fine the business. Bean wondered if the state would be notified when a fine was issued and of enforcement. Osborne told that a memorandum of understanding would be implemented with the state. Wein had concerns with enforcement. Municipal Attorney Brian Hanson clarified that the vendor would be fined, was unsure if a report would go to the state when there was a local violation, but noted that there could be. He stated that local law does not supersede state law. Eisenbeisz told of a conversation he had with a retailer and there were concerns with the vendor being held responsible. He was in support of fining the employee. Hanson answered that by not checking identification, it did not mean they were in violation. Knox stated that this ordinance was an avenue to minimize the transfer of tobacco to certain ages, it was a way to widen social circle gaps with regards to tobacco use, and was attempting to curb initiation of tobacco use. Bean felt like it was taking control of people's lives and that it should not be an assembly decision. Wein noted that tobacco was toxic in any dose, and thought it was a small beginning that wasn't unreasonable. Miyasato was in support and encouraged education. Eisenbeisz would like to tighten the enforcement of this ordinance. Potrzuski agreed with Knox, thought it was a step in the right direction, and was in support. Mayor Hunter struggled with some aspects of the ordinance. He felt like enforcement needed to be clarified and fines should be split with employee, however understood the benefits. He stated it came in line with the purchase age of marijuana and alcohol. Knox thought the fine of businesses was a deterrent. Hanson noted this fined the license vendor/retailer only and not if an overage person gave tobacco to someone under the age of 21.

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

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

No: 1 - Bean

G ORD 18-13S

Amending Chapter 4.24 "Hotel, Motel and Bed and Breakfast Transient Room Tax" of the Sitka General Code by amending the heading to "Transient Lodging Tax" and modifying the provisions by changing structure references to "lodging", and incorporating package plans

Wein wondered why a new revenue fund was being created and if the Performing Arts Center (PAC) would be eligible for funding. Mayor Hunter clarified that the Visitor's Activity Enhancement Fund was a current fund, not a new fund, and funding for the PAC with this would be for the assembly to determine. Eisenbeisz read a section where the assembly may direct the transfer of any amount to any fund noting that the PAC would apply. Knox summarized this was to address new industry that current code did not address, and made clear that short term rentals applied along with package rates. Miyasato, previously not in support, was now and felt this was reasonable.

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

Yes: 5 - Miyasato, Eisenbeisz, Potrzuski, Hunter, and Knox

No: 2 - Bean, and Wein

H ORD 18-22 Authorizing the lease of Alaska Tideland Survey 1571 to Samson Tug and Barge Company, Inc.

Wein voiced concern with the length of lease term, rate, and that the consumer price index was used to determine changes in lease amounts as opposed to assessed value. He thought to change verbiage to maximize ability to obtain funding. Bean agreed except that by doing business with these entities, he felt it was good for the community and was in support of the ordinance. Municipal Attorney Brian Hanson mentioned he had been tasked with looking into the leasing policy and noted the historical inconsistencies the city had with regards to leases. He stated city staff was looking at this topic and would continue to look at it.

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 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

I ORD 18-23 Amending Title 6 "Business Licenses and Regulations" of the Sitka General Code by revising Chapter 6.19 "Regulation of Commercial Operators Selling Organized Excursions or Renting Equipment for Organized Excursions" Section 6.19.030 "Permit required for commercial operations involving organized excursions when such operations occur in certain areas" Subsection C "Limitations"

John Dunlap, Sitka Sound Ocean Adventures was in support of the ordinance and fee structure, even though it was a significant increase.

Bean wondered if parking meters would work for this in this area. Brady noted this ordinance was specifically for vendors but that parking meters had been discussed for public use in the crescent harbor parking lot and it may be looked at in the future. Mayor Hunter said this ordinance clarified the need for the businesses to have specific locations to make it easier to do business for the few spots in demand. Don Kluting, Harrigan Centennial Hall Manager gave an overview of the commercial operator parking lot area, noted this would allow to charge for the space, and for operators to continue to conduct business. Knox commented that it was a seasonal term. Kluting stated this added an additional fee for the huge demand in the small parking lot.

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 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

J ORD 18-20 Adjusting the FY18 Budget (Secure Rural Schools, Pass Thru Grants)

A motion was made by Knox 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

K ORD 18-25 Adopting Budgets for the Fiscal Year July 1, 2018 through June 30, 2019

Wein noted that the Municipal Administrator would pass this budget regardless of if the assembly did not. He thought to postpone as to not close out any opportunity to make adjustments. Bean was not in support. He had concerns of the cost of living, rates that were built into the budget, and could not support continued debt. Mayor Hunter told of concerns with increase of cost of living and noted that he had not heard from citizens of any services that should be cut. Bean stated that a reduction was still needed across the board, equally based on a percentage. Miyasato told that a lot of time was spent on it and there had been chance and opportunity to come up with other revenue sources. Knox reminded that the budget could be adjusted in the future and that the merits had been debated. He would like to see this move forward in order to give staff the ability to implement. Potrzuski reminded he asked for specifics on what to cut. He agreed with Miyasato of time involved, opportunity, and that he was also in support.

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

Yes: 4 - Miyasato, Potrzuski, Hunter, and Knox

No: 3 - Eisenbeisz, Bean, and Wein

XII. NEW BUSINESS:

L RES 18-09

Adopting the document named the Sitka Comprehensive Plan 2030 and authorizing an annual plan review

Charles Bingham stated he had participated in the comprehensive planning process and highlighted transportation and land use. He would have liked to see more with regards to climate change, however urged the assembly to pass it.

Community Affairs Director Maegan Bosak and Planning Director Michael Scarcelli came forward and tol of their staff time input into this. Bosak stated they had been working on this plan for two and a half years and had over 200 opportunities to discuss it. Scarcelli mentioned the consultant and all the board and commission members that participated in the process. Miyasato appreciated the long range planning of this document. Wein reminded that it was a guide and not to be taken as a literal document. He questioned why the process of approval was changed from an ordinance to a resolution. Municipal Attorney Brian Hanson recommended a resolution rather than an ordinance to be consistent with the language in the Charter. Mayor Hunter thanked staff, was hopeful of how affordable housing would be addressed, and liked the logical path to use municipal land to the best possible use. Scarcelli thanked the community for being involved. Bosak was looking forward to the annual plan review to report on accomplishments. Bean confirmed the draft copy to the final copy had no significant changes. Bosak answered that the economic development chapter was for the need to develop lands and industrial properties rather than residential; essentially aligning the zoning to make better use of the properties and therefore opportunities. Bosak reiterated the yearly review of the resolution stating that it would go to the Planning Commission then be forwarded to the Assembly. Miyasato thanked staff. He stated this was a guide, and encouraged the public and those that may run for office to read through it.

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 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, Bean, and Wein

M 18-108

Approve the Municipal Attorney providing assistance on an initiative application regarding additives in the water system

Municipal Attorney Brian Hanson gave history, reviewed the initiative process, and stated that the initiative application needed assistance. He noted the Charter and Sitka General Code section 2.40.040, that the assembly may direct the municipal attorney to assist in the wording of the petition. Therefore, in order to provide assistance, the approval of the assembly was necessary. Mayor questioned the time it would take of Hanson and thought it could make the process more straightforward. Bean was in support of the assistance. Knox, thought to broaden the scope to any initiative not just this particular one. Eisenbeisz thought the attorney should offer, within reason, assistance on the initiative. Potrzuski was in support and pleased with process.

A motion was made to approve the Municipal Attorney to provide assistance on an initiative application regarding additives in the water system. The motion PASSED by the following vote.

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

No: 1 - Miyasato

XIII. PERSONS TO BE HEARD:

Charles Bingham reminded his involvement in the walking college fellowship program, that he was working on a walking action plan, and recruiting volunteers to assist. Executive Director of the Greater Sitka Chamber of Commerce Rachel Roy invited the assembly to the chamber luncheon.

XIV. EXECUTIVE SESSION**N 18-106**

Legal matter - contract claim

A motion was made by Miyasato to go into executive session with the Municipal Attorney to discuss a legal matter affecting the municipality, as a result of a contract claim, the immediate knowledge of which would adversely affect the finances of the municipality, and invite in Public Works Director Michael Harmon and Municipal Engineer Dan Tadic. The motion PASSED by the following vote.

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

The assembly met in executive session from 9:39 p.m. to 10:17 p.m.

Potrzuski left the meeting at 10:17 p.m.

A motion was made by Knox to RECONVENE as the Assembly in regular session. The motion PASSED by unanimous voice vote of six members.

XV. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 10:19 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk