



CITY AND BOROUGH OF SITKA

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

Minutes - Final

City and Borough Assembly

Mayor Matthew Hunter
Deputy Mayor Bob Potrzuski
Vice-Deputy Mayor Steven Eisenbeisz
Tristan Guevin, Kevin Knox
Aaron Bean, and Aaron Swanson

Municipal Administrator: Mark Gorman
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Thursday, March 16, 2017

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Swanson, Guevin, Potrzuski, Hunter, Knox, and Bean

Absent: 1 - Eisenbeisz

IV. PERSONS TO BE HEARD

None.

V. NEW BUSINESS:

- A 17-040** Administrative report containing overview of long term fiscal and capital improvement plans, proposed capital expenditures, and resulting proposed user fee increases and changes in working capital for each of the eight Enterprise Funds (*continued discussion from March 16, 2017*)
- Chief Finance and Administrative Officer, Jay Sweeney, stated the goal for the evening was to review the eight Enterprise Funds: Electric, Water, Wastewater, Solid Waste, Harbors, Airport Terminal Fund, Marine Service Center, and Gary Paxton Industrial Park.
- Sweeney explained Enterprise Funds differed from the General Fund in several ways: 1) they were established to operate as a business; 2) they levied user fees for the provision of some service; and 3) user fees were established by the Assembly at rates necessary to generate cash flow sufficient to pay for ongoing operating expenses and to accomplish long-term fiscal and infrastructure plans.

Assembly members chose to review the following Enterprise Funds: Electric, Water, Wastewater, Solid Waster and Harbors. It was decided to postpone further discussion of the remaining Enterprise Funds (Airport Terminal Fund, Marine Service Center, and Gary Paxton Industrial Park) until the next budget meeting on April 6.

A motion was made by Potrzuski to POSTPONE continued discussion of item A and POSTPONE items B, C, & D to Unfinished Business at the April 6 Special Meeting. The motion PASSED by the following vote.

Yes: 6 - Swanson, Guevin, Potrzuski, Hunter, Knox, and Bean

Absent: 1 - Eisenbeisz

- B 17-042** Discussion/Direction/Decision on proposed Enterprise Fund operating outlays
This Item was POSTPONED to April 6.
- C 17-043** Discussion/Direction/Decision on proposed Enterprise Fund capital outlays
This Item was POSTPONED to April 6.
- D 17-044** Discussion/Direction/Decision on proposed Enterprise Fund user fee increases
This Item was POSTPONED to April 6.
- E 17-045** Discussion/Direction/Decision of the FY2018 Enterprise Funds, Internal Service, Special Revenue, Trust Funds or General Fund and as they relate to other Funds, the School District, and the Sitka Community Hospital (*Assembly action may be taken*)

Municipal Administrator, Mark Gorman, provided an update on the FY18 budget deficit. He summarized the changes made at the March 9th budget meeting: adding an appropriation for the RIDE of \$25,000, restored funding of \$38,000 for Senior Center transportation/vehicle cost, and a reduction of \$63,000 in the electric subsidization fund. In addition, Gorman noted some other changes that had occurred: a decrease in revenue sharing of \$128,859 and an increase of \$111,451 in senior citizen property tax exemptions. Gorman shared he had received comments from SEDA Board members concerned about the proposed 10% reduction in funding. As a result of those conversations, Gorman offered to bring this concern to the Assembly and advocate for different avenues to restore some of the cuts for non-profits. Gorman suggested two possibilities: 1) use some of the money put aside for utility assistance, and, 2) use money from the Visitor Activities Enhancement Fund.
- F [17-046](#)** Update and Discussion/Direction on the Municipal Administrator selection process (*possible executive session*)

A motion was made by Swanson to go into executive session to discuss subjects that may tend to prejudice the reputation and character of Municipal Administrator candidate, Patrick Jordan, and invite in Human Resources Director, Mark Danielson, and Patrick Jordan, if desired. The motion PASSED by the following vote.

Yes: 6 - Swanson, Guevin, Potrzuski, Hunter, Knox, and Bean

Absent: 1 - Eisenbeisz

The Assembly was in executive session from 8:28pm to 8:36pm.

A motion was made by Swanson to reconvene as the Assembly in regular session. The motion **PASSED** by a unanimous voice vote.

A motion was made by Potrzuski to remove Patrick Jordan from the Municipal Administrator candidate list. The motion **PASSED** by the following vote.

Yes: 6 - Swanson, Guevin, Potrzuski, Hunter, Knox, and Bean

Absent: 1 - Eisenbeisz

VI. PERSONS TO BE HEARD:

None.

VII. EXECUTIVE SESSION

See Item F.

VIII. ADJOURNMENT

A motion was made by Knox to **ADJOURN**. Hearing no objections, the meeting **ADJOURNED** at 8:38pm.

ATTEST: _____
Sara Peterson, CMC
Municipal Clerk