



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 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

Thursday, April 5, 2018

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

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

Telephonic: 1 - Potrzuski

IV. PERSONS TO BE HEARD

Karen Lucas urged the Assembly to take a stand in opposition to the herring fishery.

V. UNFINISHED BUSINESS:

- A** [18-073](#) Update from Municipal Attorney on direction given at the March 22, 2018 Assembly meeting regarding a secondary potable water supply (the need, source, permitting, risks)

Municipal Attorney Brian Hanson explained a motion was approved at the March 22, 2018 special meeting directing the Administrator to explore all legal options in regards to the City's secondary potable water supply - e.g. the need, source, permitting, risks. Due to the legal nature, Hanson stated he had spoke with staff and researched the topic. His conclusion was a secondary water source was necessary and without one, public health would be in danger and there would be liability concerns.

- B** [18-068](#) Update and Discussion/Direction/Decision from the Municipal Administrator on additional decrement scenarios totaling \$1,000,000 (*operations, nonoperations, hybrid*)

Administrator Brady reviewed the details of his decrement scenarios: \$1 million in operations, \$1 million in nonoperations, and his own recommendations.

VI. NEW BUSINESS:

- C** [18-067](#) Discussion/Direction/Decision of the FY2019 Sitka Community Hospital budget (*Assembly action may be taken*)
- Rob Allen, Chief Executive Officer of Sitka Community Hospital (SCH); Cynthia Brandt, Chief Financial Officer, and SCH Board President Connie Sipe addressed the Assembly and answered questions of Assembly members. The three spoke to the budget process, reviewed the budget at a glance, and explained expense reductions and additions. In conclusion, a review of cash flow and a summary of budget requests and authorization to spend were addressed. No Assembly action was taken.
- D** [18-069](#) Discussion/Direction/Decision of local support of public education to the Sitka School District contained in the proposed FY2019 General Fund and other issues pertaining to financial support of education related activities (*Assembly action may be taken*)
- Mayor Hunter clarified the intent of the agenda item was to discuss and ideally give some direction to the School District. He reminded nothing was final until a budget had been received from the School District. Once received, the Assembly had 30 days to make a determination on the minimum amount of funding. Assembly members shared their thoughts. Wein wished to gather more information before making any decisions. No Assembly action was taken.
- E** [18-072](#) Discussion/Direction/Decision on proposed Enterprise Fund user fees (*Assembly action may be taken*)
- Chief Finance and Administrative Officer Jay Sweeney reminded the Assembly while the Enterprise Funds had been reviewed at a previous meeting, the capital improvements, to be paid for by user fee increases, would be included in the FY2019 budget. Mayor Hunter reviewed proposed rate increases. No Assembly action was taken.
- F** [18-070](#) Discussion/Direction/Decision of the FY2019 General Fund and as it relates to other Funds, the School District, and the Sitka Community Hospital (*Assembly action may be taken*)
- Assembly members further discussed the decrement scenarios brought forward by Administrator Brady. The Assembly offered the following decrements from the General Fund: a reduction of \$18,700 from travel/training; a reduction of partial funding for the Crescent Harbor park bathrooms in the amount of \$150,000; a reduction of \$316,724 for FY2019 funding of the Police CAD/RMS and phone system (financing to instead be made through an internal loan from the Southeast Economic Development Fund over a 5 year period); removing the proposed FTE for the Assistant Fire Chief position, and reducing supplies by \$25,000.
- A motion was made by Miyasato to adopt the following decrements from the General Fund: a reduction of \$18,700 from travel/training; a reduction of partial funding for the Crescent Harbor park bathrooms in the amount of \$150,000; a reduction of \$316,724 for FY2019 funding of the Police CAD/RMS and phone system (financing to instead be made through an internal loan from the Southeast Economic Development Fund over a 5 year period); removing**

the proposed FTE for the Assistant Fire Chief position, and reducing supplies by \$25,000.

A motion was made by Eisenbeisz to AMEND the motion to remove the decrement of \$25,000 in supplies. The AMENDMENT PASSED by the following vote.

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

The MAIN MOTION AS AMENDED PASSED by the following vote.

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

The Assembly directed the Municipal Administrator to bring back scenarios of what a \$200,000 reduction of temporary wages from the General Fund would look like.

VII. PERSONS TO BE HEARD:

Fire Chief Dave Miller reported on the Triennial Mass Casualty Drill held April 4.

School Board President Jennifer McNichol thanked the Assembly for their work. She reminded of the importance of funding and the possible negative ramifications and ripple effects of reducing funding as outlined in the Administrator's decrement memos.

VIII. EXECUTIVE SESSION

None.

IX. ADJOURNMENT

A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:52pm.

ATTEST: _____

Sara Peterson, MMC
Municipal Clerk