



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*

Tuesday, April 24, 2018

6:00 PM

Assembly Chambers

WORK SESSION 5:00-5:50 PM Critical Secondary Water Supply Evaluation

[18-092](#)

work session materials - critical secondary water source

Environmental Superintendent Shilo Williams introduced Rebecca Venot with CRW who presented the evaluation on the critical secondary water supply.

REGULAR MEETING

This meeting recessed at 11:28 p.m. on April 24 and reconvened on April 25 at 6:00 p.m.

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

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

IV. CORRESPONDENCE/AGENDA CHANGES

Mayor Hunter noted that ordinance 2018-13 transient lodging tax was not on the agenda, it was pulled by the sponsors for further legal review and that school funding would be discussed at a special meeting on May 2nd. Item K was moved prior to item E.

[18-093](#)

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 (five minute time limit)

[18-087](#)

Special Reports: 1) Hospital RFP Consultants, Steve Huebner and Sarah Cave, and 2) Harrigan Centennial Hall Building Manager, Don Kluting

Hospital RFP Consultants Steve Huebner and Sarah Cave gave an update and a summary of the work that was facilitated from the meeting last week which included guiding principles, prioritized goals for affiliation and description, and of interested parties. Harrigan Centennial Hall Building Manager Don Kluting gave a report on accomplishments in the last year, history of operations including a comparison of the old building, and on the upcoming summer season. Representative Johnathan Kreiss-Tompkins gave an update on the Legislative Session that was starting to come to a close.

VII. PERSONS TO BE HEARD

Valorie Nelson told of concerns of time restrictions for the public and was opposed to time limits. Kevin Mosher had concerns with general tax and fee increases. Matt Donohoe stated concerns with time restrictions and commercial fishing specifically trolling in Sitka. Jeremy Downie encouraged the Assembly to look at budget cuts and creative ways for budgeting. Dale Bartelds had concerns of taxes on fishing. Ann Bills had concerns with roads, funding of a new fire truck, salaried employees, secondary water system, and budget cuts in general. Rachel Roy, Executive Director of Chamber of Commerce told of upcoming event, Chamber luncheon, and of the special report for the May 8th assembly meeting. Debe Brincefield gave support for senior citizens. Carol Odess stated support for the Performing Arts Center (PAC). Mike Davidson had concerns with increased utility costs and questioned the customer fee associated with it. Pat Kehoe stressed the value of the PAC. Karen Lucas requested a Town Hall meeting to help resolve issues. Benjamin Miyasato encouraged pedestrian awareness especially in crosswalks. Richard Wein told of concerns with Alaska Airline flight cuts, fishing, state funding, taxes, and fees. Linda Marlin stated concerns of utilities, garbage pickup, and costs. Jennifer Carter had concerns of a PAC closure. Roger Schmidt thanked the Assembly and spoke in support of education and the PAC.

VIII. REPORTS

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

Administrator - Brady reported on his presentation to Rotary and a prescription drug take back event.

Liaison Representatives - Miyasato reported on the Historic Preservation Commission meeting. Dr. Wein reported that at the Port and Harbors meeting the need for a float plane dock was emphasized, Local Emergency Planning Commission meeting, and Health Needs and Human Services Commission meeting. Potrzuski and Dr. Wein reported on the Gary Paxton Industrial Park Board of Directors meeting.

IX. CONSENT AGENDA

A motion was made by Potrzuski that the Consent Agenda consisting of item A

be **APPROVED**. The motion **PASSED** by a unanimous voice vote.

- A [18-089](#) Approve the minutes of the March 27, 29, and April 5 Assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

- B [18-090](#) ~~Approve Health Needs and Human Services Commission member, Jennifer Herrera, to serve as an official City and Borough of Sitka liaison to the H.O.P.E. Coalition~~ **PULLED**

Knox wondered what the representation entailed and wished for more information. Wein reminded of the approval and application from when Ms. Herrera joined the Health Needs and Human Services Commission stating that she offered to be the representative and suggested inviting her back to speak since some Assembly members had questions.

A motion was made by Eisenbeisz that this Item be POSTPONED to the next regular assembly meeting and invited Ms. Herrera and Mr. Osborne to speak to the appointment. The motion PASSED by the following vote.

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

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- C [18-088](#) Appoint: 1) Wayne Unger to a two-year term on the Gary Paxton Industrial Park Board of Directors, and, 2) Stephen Morse to an unexpired term on the Library Commission

Wein pointed out that Mr. Unger was an employee of Silver Bay Seafoods who were lease holders at Gary Paxton Industrial Park, noted that there was interest in the park, and mentioned any potential conflict. Mayor Hunter thanked the applicants.

A motion was made by Miyasato 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:

- D [ORD 18-14](#) Amending Chapter 4.09 "Sales Tax" of the Sitka General Code by deleting Section 4.09.100.Y "Exemption for Persons who have Reached the Age of Sixty-Five", adding new Section 4.09.130 "Annual Sales Tax Rebate for Persons who have Reached the Age of Sixty-Five" and amending Section 4.09.420 "Definitions"

Testifying in support of the ordinance were: Susan Brandt-Ferguson, Sam Skaggs, Kay Kreiss, Anders Marius, Levi Albertson, Elias Erickson, Kent Barkau, Anne Pollnow, Wendy Alderson, Pat Kehoe, John Holst, Aaron Swanson, Jennifer Carter, Jim Steffen, Darryl Rehkopf.

Testifying in opposition to the ordinance were: Carin Adicks, Matt Donohoe, Kevin Mosher, Edward Phillips, Shirley Robards, Gail Roderick, Pat Svletlack, Bonnie Richards, Valorie Nelson, Alene Henning, Grace Larsen, Verna Peterson, Patricia

Alexander, TJ Thomslandson, Beverly Brill, Debe Brincefield, Edward Young, David Sam, Karen Lucas, Blossum Twitchell, Ann Bills, Marjie Esquiro, Ralph Vigilante, Ken Creamer, Leo Evans.

Jeremy Downie asked the assembly to look at the projected cost analysis of removal of the exemption and show that to the public. Brandon Carter thought to review all different types of taxes rather than just the senior exemption.

Assembly Deliberation: Potrzuski offered history of Citizens' Taskforce and reminded the property tax increase that did not pass. He stated that the economic reality was that the exemption was unsustainable. Knox included previous Assembly history and noted that revenue was needed to fund services. He relayed of the abuse he had heard with this program. Wein was not in support and thought the ordinance was flawed along with the current records of exempt cards. He reminded of the opt out option and had concerns with the means test of the rebate. Wein thought this was a small percentage of the exemptions and others should be looked at. Bean felt there were other ways to find revenue and ways to reduce the budget. He stated that abuse of this system should not be considered in this decision. Miyasato said that the seniors spent a lot of money which supported the community and this may show a message to shop elsewhere. Mayor Hunter was trying to make Sitka sustainable and spread the economic needs across all diversity.

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

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

No: 3 - Miyasato, Bean, and Wein

Due to the amount of public in the audience for item K, the assembly changed the agenda.

A motion was made by Miyasato to bring item K up for discussion. The motion PASSED by the following vote.

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

K [ORD 18-19](#)

Amending Title 4 "Revenue and Finance" of the Sitka General Code by adding a new Chapter 4.27 "Severance Tax"

A motion was made by Miyasato to EXTEND to 11:00 p.m. The motion PASSED by the following vote.

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

Citizens in opposition to the ordinance were: Pete Roddy, Craig Shoemaker, Tim Ryan, Matt Donohoe, Gavin Feiffer, Bert Bergman, Carolyn Nichols, Richard Riggs, Matt Stromer, Matt Kinney, Fabian Grutter, John Holst, Jeff Farvour, Jaqueline Cedar, Justin Peeler, Eric Jordan, Kent Barkau, Ed Phillips, Ralph Vigilante, Adrienne Wilber, Frank Balovich, Liz Ellingsen, Dale Bartelds, Tyler Green, Kevin Mosher, Rachel Roy, Ann Bills, Chad Winnop, Bonnie Richards, Hailey LaDuke, Wendy Alerson.

A motion was made by Bean to EXTEND to 11:30 p.m. The motion PASSED by the following vote.

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

Miyasato was not in support and noted no positive public comment was received. Bean suggested a sunset clause. He stated the intent was to avoid harbor rate increases of 300%. Wein, Potrzuski, and Mayor Hunter were not in support and wondering of ways to sustain the harbor. Mayor Hunter stressed the need to find an equitable way for sustainability. Wein, Potrzuski, and Eisenbeisz agreed the timing of this ordinance was not good. Eisenbeisz would rather see a harbor users rate increase. Knox was not in favor and mentioned the short distance between ports where fish would be sold elsewhere to avoid this tax.

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

Yes: 1 - Bean

No: 6 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Knox, and Wein

E [ORD 18-15](#)

Amending Sitka General Code Title 19 "Building and Construction"

Wein stated the ordinance was reviewed at the last meeting and thought it was reasonable.

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

F [ORD 18-09](#)

Adjusting the FY18 Budget (Landslide Study Project)

Municipal Administrator Keith Brady updated that the ordinance would allow for a more detailed report than other entities that would be mapping, this would be specific areas, and there was a timeframe to completing this prior to school being back in session in the fall. Eisenbeisz wondered about other options that would cost less. He relayed the importance of a study in this area. Wein agreed and thought the study may be done in steps, first determine if it is a landslide area, then proceed with mitigation separately. He would like more information. Bean voiced his opposition, and wondered after the study was done, depending on what the outcome was, what steps would be put in place. Municipal Attorney Brian Hanson gave his recommendation to funding this study and told of the urgency as the risk manager for the city. Knox wondered the potential risk if the study was not completed and an event took place given the indicators of risk in the area. He worried about slowing down the process and thought staff looked at this thoroughly. Mayor Hunter noted the critical infrastructure and evacuation areas and thought it was important to protect with the possible legal liability that it should be acted on.

A motion was made by Bean to POSTPONE this item to the May 8, 2018 assembly meeting. The motion PASSED by the following vote.

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

No: 1 - Miyasato

G [ORD 18-10](#)

Adjusting the FY18 Budget (Raw Water Infrastructure Enhancement Project)
possible executive session

Kevin Mosher wondered if this item had to do with the work session on Critical

Secondary Water Source.

A motion was made by Potrzuski to go into executive session to discuss with the Municipal Attorney legal matters affecting the municipality regarding bulk water sales and invite in if desired, and when ready, Utility Director Bryan Bertacchi, Public Works Director Michael Harmon and Director of the Gary Paxton Industrial Park Garry White. The motion PASSED by the following vote.

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

The Assembly was in executive session from 6:39 p.m. to 7:03 p.m.

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

Mayor Hunter was in support of these funds from the Bulk Water Fund to investigate ways to enhance the delivery system. Knox agreed. He and Bean thanked the Gary Paxton Industrial Park Board of Directors and Executive Director. Wein was hopeful to get answers from the investigation and stated he did not like the veil.

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

H [ORD 18-11](#)

Adjusting the FY18 Budget (SEACAD-JAG Grant)

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

I [ORD 18-12](#)

Adjusting the FY18 Budget (TWIC Reader/Software)

Bean explained the Federal requirement of a Transportation Worker Identification Credential (TWIC) card. Harbormaster Stan Eliason clarified that these readers were portable, however, were coming out of the CPET funds and would not be used for Gary Paxton Industrial Park.

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

XII. NEW BUSINESS:

New Business First Reading

J [ORD 18-18](#)

Amending Title 18 "Property Acquisition and Disposal" and Title 19 "Building and Construction" of the Sitka General Code by modifying Chapter 18.12 "Real Property Disposal", Chapter 18.16 "Tidelands Lease Procedure", and Chapter 19.07 "Demolition or Removal of Municipally Owned Buildings"

Travis Hudson told of the importance of including citizens of selling property and offered changes.

Eisenbeisz noted this ordinance was first reading which would allow for two more

weeks of public comment. Municipal Administrator Brady offered that he was given direction to sell property to have on the tax rolls and that outside council was consulted. Mayor Hunter reminded the Interim Administrator also suggested this. Municipal Attorney Brian Hanson gave background dating back to at least 2012. An analysis took place and the opinion of the code section was that required voter approval was unconstitutional. Wein thought that timing was everything and that initiatives acted as a check and balance; the citizens offered an opinion. He felt the public would be losing something. Mayor Hunter clarified with Hanson, the existing code stated that it was mandatory voter approval, whereas advisory votes could take place on any issue. Miyasato was in support and heard from citizens that the city needs to sell land that they own. He thought this may aid the need in affordable housing. Mayor Hunter and Potrzuski reminded of the oath of office each assembly member took that states they would support and defend the Constitution of the United States of America, the Constitution of the State of Alaska, and the Laws and Ordinances of the City and Borough of Sitka in that order.

A motion was made by Potrzuski to MOVE THE PREVIOUS QUESTION. The motion PASSED by the following vote.

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

No: 1 - Wein

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

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

No: 1 - Wein

L [ORD 18-16](#)

Adjusting the FY18 Budget (Safety Equipment/Dump Trailer)

Wein, Bean, and Eisenbeisz wondered the rationale behind the type of armor and scopes, and although in support, had differing opinions on types. Police Chief Jeff Ankerfelt stated that he was worried for staff safety. He would not rather wait until next fiscal year. Eisenbeisz inquired of local vendors. Ankerfelt would research the bids submitted.

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

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

M [ORD 18-17](#)

Adjusting the FY18 Budget (Cell Service Enhancement Project)

Utility Director Bryan Bertacchi told of this revenue opportunity. The electric department would install poles for GCI to lease in order to place cellular equipment on them.

The motion was made by Potrzuski that this Ordinance be APPROVED on FIRST READING. The motion PASSED by the following vote.

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

Additional New Business Items

N [RES 18-06](#)

Increasing Grid, Eliason Harbor Load Zone and Work Float Charges and Fees

Jeff Farvour was in support of the resolution.

Harbormaster Stan Eliason and Deputy Harbormaster Charles Hackett identified the reason for the increase and that it should be reassessed in a year.

Wein stated the rates were reasonable. Knox noted that there were no work float or drive down float rates and the grid rate had remained the same since at least 2009.

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

O [18-091](#)

Discussion/Direction of a Sac Roe Moratorium

A motion was made by Bean to impose a moratorium with conditions that the state of Alaska recognize and adopt herring as a forage fish and an ecosystem based management tool. No action was taken.

Eric Coonradt encouraged the assembly to obtain accurate information prior to making a decision. Charles Bingham asked the assembly to consider the economic impact outside the fishery. Speaking in opposition to taking action on a moratorium were: Wayne Unger, Tim Ryan, and Justin Peeler. Speaking in support of a moratorium was: Patricia Alexander, Roby Littlefield, Peter Bradley, Patrick Bean, Paulette Moreno (telephonic), Kitty Sopow, Patty Dick, Hope Merritt, Trista Patterson, and Katlink.

Miyasato told of concerns dating back to 2011 in which he testified at the Board of Fish. Bean asked the assembly to consider a moratorium, stated he collected 1,000 signatures that herring should be considered a forage fish and brought it to the Board of Fish. Wein noted that herring needed to be discussed. Potrzuski agreed and wondered if a resolution was needed. Mayor Hunter stated concerns of the future of herring and questioned if a committee could be put to work on the subject. Knox voiced that this topic needed more public disclosure and if it were referred to committee it could come back for a vote. Hanson answered that he didn't think the assembly could impose a moratorium, but noted that the assembly could resolve this to whomever has the authority.

Public comment on refer to committee: Jennifer Alley urged the Assembly to act on this. Kitty Sopow agreed. Charles Bingham would like to see a resolution.

Wein was in support of refer to committee to allow for more public comment. Miyasato was in support to allow the public to view, read, and discuss more thoroughly. Eisenbeisz encouraged the committee to look at all user groups and thought to include Alaska Department of Fish and Game. Bean agreed, and added the importance of input from the fleet. Mayor Hunter asked for volunteers. The committee would comprise of Potrzuski, Bean, and Wein.

A motion was made by Eisenbeisz to REFER TO COMMITTEE. The motion PASSED by the following vote.

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

XIII. PERSONS TO BE HEARD:

Kevin Mosher gave his observations regarding ordinance 2018-18 and 2018-09. Patricia Alexander thanked the assembly for listening and looking at the sac roe fishery. Charles Bingham informed that if there were concerns of walkability in Sitka, he would listen to concerns and report to his walking college fellowship program. Travis Hudson spoke to community outreach and suggested a draft ordinance that allowed more public comment. Verna Peterson thanked the assembly for serving. Jennifer Alley encouraged the assembly to support the sac roe moratorium.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

April 25 (meeting continuation)

A motion was made by Miyasato to ADJOURN. Hearing no objection, the meeting ADJOURNED at 10:05 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk