



# 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, June 12, 2018

6:00 PM

Assembly Chambers

---

#### REGULAR MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

**Present:** 5 - Miyasato, Eisenbeisz, Hunter, Knox, and Wein

**Absent:** 1 - Bean

**Telephonic:** 1 - Potrzuski

#### IV. CORRESPONDENCE/AGENDA CHANGES

Mayor Hunter announced agenda changes: 1) Roberta Littlefield's application for the Historic Preservation Commission would be considered at the June 26 meeting and 2) Item L, the Trident Seafoods Corporation lease, had been pulled.

[18-116](#)

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)

[18-115](#)

Special Reports: 1) Hospital RFP Consultant - Steve Huebner and 2) Update from Sitka Community Hospital

Hospital RFP Consultant Steve Huebner stated a letter had been emailed to the respondents announcing the Assembly's decision of June 5 that all five proposers would move forward to phase 2 contingent upon their approval to make their proposal public. All respondents were made aware of the July 11-12 site visits and oral presentations scheduled for August 13 with a final decision of the Assembly on August 28. Huebner noted some of the respondents had expressed concern with the Assembly's decision to change the RFP process.

Rob Allen, Sitka Community Hospital (SCH) Chief Executive Officer, and Steve Hartford, SCH Director of Operations, provided an update. Allen shared Cerner staff was visiting to prepare for implementation of the electronic health records program; SCH had record revenue levels in May; cash levels were stable; census levels had increased; Cheri Hample had been hired as the new clinic manager; and surgeon, Dr. Melissa DeWolfe, had signed a one year contract with SCH.

## VII. PERSONS TO BE HEARD

Alene Henning reported an increased use of cell phones and speeding at the roundabout. She urged the Assembly to reconsider their decision to eliminate the senior citizen sales tax exemption.

## VIII. REPORTS

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

Mayor - Hunter reported he and Administrator Brady had met recently with US Forest Service representatives to explore possible areas for collaboration between the two entities.

Administrator - Brady reported on the quarterly "Ask the Administrator" event, attended the Gary Paxton Industrial Park Dock grand opening, presented an inaugural plaque to the crew of the Star Legend, attended the June 12 public BBQ in celebration of the 75th anniversary of USCG helicopter operations, reminded harbor autopay users that the City was changing credit card systems to be in compliance with federal guidelines and that users would need to reenroll autopay information, and noted the senior citizen sales tax exemption would be changing to a needs based program effective July 1.

Liaisons - Knox reported on the work of the Planning Department regarding the Hazard Mitigation Plan, Miyasato on the Police and Fire Commission, Eisenbeisz spoke to the recent Hospital Board meeting, and Hunter reported on the Library Commission.

Clerk - Peterson announced the upcoming vacancies on the Assembly and School Board to be filled at the Municipal Election in October. In addition, Peterson reviewed the candidate filing period dates.

## IX. CONSENT AGENDA

A [18-111](#) Approve the minutes of the May 22 Assembly meeting

**This item was APPROVED ON THE CONSENT AGENDA.**

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

**Absent:** 1 - Bean

- B**     [RES 18-11](#)     Authorizing a grant application to the Edward Byrne Memorial Justice Assistance Grant (JAG) Program

**This item was APPROVED ON THE CONSENT AGENDA.**

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

**Absent:** 1 - Bean

- C**     [RES 18-12](#)     Setting the millage rates for the fiscal year July 1, 2018 through June 30, 2019

Wein spoke to portions of the memo from Assessor Wendy Lawrence.

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

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

**Absent:** 1 - Bean

**X.     BOARD, COMMISSION, COMMITTEE APPOINTMENTS**

- D**     [18-113](#)     Appoint 1) Christopher Wright to a three-year term on the Parks and Recreation Committee and 2) Amy Zanuzoski to a three-year term on the Local Emergency Planning Committee and Reappoint 1) Ana Dittmar and Roberta Littlefield to three-year terms on the Historic Preservation Commission

It was noted Roberta Littlefield's application would be considered at the June 26 meeting. Miyasato thanked the applicants for their willingness to serve.

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

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

**Absent:** 1 - Bean

**XI.    UNFINISHED BUSINESS:**

- E**     [ORD 18-21](#)     Adjusting the FY18 Budget (SEACAD Justice Assistance Grant)

**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 Wein

**Absent:** 1 - Bean

- F**     [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" (*postponed from the May 8 Assembly meeting*)

**A motion was made by Miyasato that this Ordinance be POSTPONED INDEFINITELY. The motion PASSED by the following vote.**

**Yes:** 4 - Miyasato, Eisenbeisz, Hunter, and Wein

**No:** 2 - Potrzuski, and Knox

**Absent:** 1 - Bean

## **XII. NEW BUSINESS:**

### **New Business First Reading**

- G**     [ORD 18-29](#)     Amending Title 18 "Property Acquisition and Disposal" and Title 19 "Building and Construction" of the Sitka General Code by authorizing an advisory vote and modifying Chapter 18.12 "Real Property Disposal", Chapter 18.16 "Tidelands Lease Procedure", and Chapter 19.07 "Demolition or Removal of Municipally Owned Buildings"

Cosponsors Hunter and Miyasato stated the ordinance would change the mandatory voter ratification to an advisory vote and increase 1) the threshold for the sale or disposal of real property from \$500,000 to \$5 million and 2) the threshold for the lease of real property from \$750,000 to \$7.5 million. Wein recommended a three tiered approach to the ordinance depending upon the subject property: 1) notify/notice the Assembly 2) may seek an advisory vote and 3) shall seek an advisory vote. In addition he stated he had requested an inventory of municipal lands that was tentatively scheduled to be available in July. Without the inventory, he felt he could not make an informed decision on the values proposed in the ordinance. Knox encouraged the public to offer opinions on the proposed thresholds and noted the importance of the constitutionality issues at hand. Hunter and Potrzuski concurred with Knox.

**A motion was made by Miyasato that this Ordinance be APPROVED on FIRST AND FINAL READING.**

**A motion was made by Eisenbeisz to POSTPONE this Item to the 1st regular meeting in August to allow for completion of the lands inventory. The motion FAILED by the following vote.**

**Yes:** 2 - Eisenbeisz, and Wein

**No:** 4 - Miyasato, Potrzuski, Hunter, and Knox

**Absent:** 1 - Bean

**An AMENDMENT was made by Wein to revert back to the original ordinance amounts of \$500,000 and \$750,000. The motion FAILED by the following vote.**

**Yes:** 1 - Wein

**No:** 5 - Miyasato, Eisenbeisz, Potrzuski, Hunter, and Knox

**Absent:** 1 - Bean

**The main motion, to APPROVE this Ordinance on FIRST READING, PASSED by the following vote.**

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

**No:** 1 - Wein

**Absent:** 1 - Bean

**H**     [ORD 18-26](#)

Amending Title 15 "Public Utilities" of the Sitka General Code to increase water rates at Section 15.05.240 "Service Connection Charge" and Section 15.05.620 "Rates and Fees"

Kevin Mosher urged the Assembly to cease all rate increases.

A discussion of the Assembly ensued. Members while sympathetic to rate users, expressed the need to maintain existing infrastructure and plan for future projects such as a secondary water source. Wein wondered if the proposed secondary water source project was the best decision and desired additional information.

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

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

**No:** 1 - Wein

**Absent:** 1 - Bean

**I**     [ORD 18-27](#)

Amending Title 15 "Public Utilities" of the Sitka General Code to increase wastewater treatment rates at Section 15.04.100 "Service Connection Charge" and Section 15.04.320 "Rates and Fees"

While difficult decision, Assembly members reiterated the need for increasing rates. Eisenbeisz believed capital projects were the impetus for increasing rates and suggested the Assembly consider reducing the number of projects.

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

**Yes:** 5 - Miyasato, Potrzuski, Hunter, Knox, and Wein

**No:** 1 - Eisenbeisz

**Absent:** 1 - Bean

**J**     [ORD 18-28](#)

Amending Title 15 "Public Utilities" of the Sitka General Code to increase solid waste collection rates at Sections 15.06.020 "Solid Waste Disposal Policy and Rates", 15.06.035 "Rates for Treatment and Collection", 15.06.045 "Special Refuse and Treatment Charges" and changing the title of 15.06.045 to "Transfer Station Drop-Off Charges and Special Refuse Collection Charges"

Matt Donohoe and Kevin Mosher spoke in opposition.

Wein suggested the Assembly explore alternatives for solid waste disposal to reduce

costs. Assembly members reiterated the political and social pressures felt by increasing rates.

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

**Yes:** 5 - Miyasato, Potrzuski, Hunter, Knox, and Wein

**No:** 1 - Eisenbeisz

**Absent:** 1 - Bean

### **Additional New Business Items**

**K**     [18-110](#)     Consideration and award of the request for proposals submitted for the available funds (\$42,000) in the Fisheries Enhancement Fund

Matt Donohoe and Pat Kehoe spoke to the proposal submitted by Chinook Futures Coalitions, Inc., Linda Behnken provided an overview of the Alaska Longline Fisherman's Association proposal, and Lisa Busch of Sitka Sound Science Center explained their proposal.

Knox wondered of the definition of enhancement. Municipal Attorney, Brian Hanson, stated there was no statutory definition of enhancement. However, in his research he had found only references made to aquaculture. He stated the history of the Assembly, and past Assemblies, was to include all these applicants as eligible for the program. He found no research to preclude the Assembly from doing so.

**A motion was made by Knox to make \$42,000 in the Fisheries Enhancement Fund available for disbursement. The motion PASSED by the following vote.**

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

**Absent:** 1 - Bean

**A motion was made by Eisenbeisz to award \$10,000 to Alaska Longline Fisherman's Association. The motion PASSED by the following vote.**

**Yes:** 5 - Miyasato, Eisenbeisz, Potrzuski, Knox, and Wein

**No:** 1 - Hunter

**Absent:** 1 - Bean

**A motion was made by Wein to award \$9,500 to Chinook Futures Coalition, Inc. The motion PASSED by the following vote.**

**Yes:** 4 - Miyasato, Eisenbeisz, Potrzuski, and Wein

**No:** 2 - Hunter, and Knox

**Absent:** 1 - Bean

Pat Kehoe, Matt Donohoe, and Sherri Aitken spoke in support of full funding for the Chinook Futures Coalition, Inc. Charles Bingham suggested the Assembly compromise and award \$5,000.

**A motion to AMEND the award to Chinook Futures Coalition, Inc. to \$2,500 was made by Eisenbeisz. The motion FAILED by the following vote.**

**Yes:** 2 - Potrzuski, and Hunter

**No:** 4 - Miyasato, Eisenbeisz, Knox, and Wein

**Absent:** 1 - Bean

**A motion was made by Eisenbeisz to award the remaining \$22,500 to the Sitka Sound Science Center. The motion PASSED by the following vote.**

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

**Absent:** 1 - Bean

Assembly Member Knox gave notice to reconsider the amounts awarded to Sitka Sound Science Center (\$22,500) and Alaska Longline Fisherman's Association (\$10,000) at the June 26 Assembly meeting.

- L**     [18-114](#)     Approve a lease agreement between Trident Seafoods Corporation and the City and Borough of Sitka for Block 4, Lot 6 of the Gary Paxton Industrial Park
- No action taken, item pulled from agenda.

- M**     [RES 18-06A](#)     Increasing Grid, Eliason Harbor Load Zone, and Work Float Charges and Fees (*this amends Resolution 2018-06 approved on April 25, 2018*)
- Harbormaster, Stan Eliason, stated he recommended the elimination of fees for the work float and drive down load zone from September 15 through March 15 thereby encouraging boat owners to conduct major repairs during the off season. This resolution replaces Resolution 2018-06 approved in April 2018.

**A motion was made by Miyasato to APPROVE this Resolution on FIRST AND FINAL READING. The motion PASSED by the following vote.**

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

**Absent:** 1 - Bean

- N**     [18-112](#)     Direct the Administrator to explore Pittman-Robertson funding opportunities and prepare a grant application for potential cabin development on City and Borough of Sitka property
- Cosponsors Hunter and Eisenbeisz summarized the item. Hunter explained Representative Jonathan Kreiss-Tomkins had notified him of a surplus of federal Pittman-Robertson funds available to build infrastructure that improved access to hunting and wildlife viewing. The funds, administered by the Alaska Department of Fish and Game, were collected through taxes on the sale of firearms and ammunition. At a 3:1 match, Pittman-Robertson funds would increase a CBS outlay of \$50,000 to a project total of \$200,000, providing a budget large enough to build two cabins on municipal land. Hunter noted CBS profits were approximately \$4-5,000 per year on the

Tom Young Cabin. Hunter and Eisenbeisz reminded the only action before the Assembly was to direct the Administrator to explore the funding opportunities and prepare a grant application.

**A motion was made by Miyasato to direct the Administrator to explore Pittman-Robertson funding opportunities and prepare a grant application by August 2018 for potential cabin development on municipal land. The motion PASSED by the following vote.**

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

**Absent:** 1 - Bean

### **XIII. PERSONS TO BE HEARD:**

Charles Bingham announced Mark Winne, a food policy expert, was planning a visit to Sitka; reminded the Sitka Farmer's Market started July 7; and urged the Assembly to consider contacting the State of Alaska to explore a collaborative management agreement for the local parks.

Helen Craig reminded the Assembly to speak clearly into the microphones; stated increased rates had created financial hardships for citizens; requested the City build a dog park for Sitkans to bring their dogs to; and stated properly functioning voting booths were needed for the local, state, and federal elections.

### **XIV. EXECUTIVE SESSION**

None.

### **XV. ADJOURNMENT**

**A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:58pm.**

**ATTEST:** \_\_\_\_\_  
**Sara Peterson, MMC**  
**Municipal Clerk**