



# 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*

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Tuesday, October 9, 2018

6:00 PM

Assembly Chambers

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#### REGULAR MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

Outgoing Assembly members Hunter, Potrzuski, and Miyasato presided through Unfinished Business. New Assembly members Paxton, Mosher, and Nelson were sworn in at the beginning of New Business and presided through the remainder of the evening. Knox participated telephonically however experienced technical difficulties and was only able to participate on items C and D.

**Present:** 9 - Miyasato, Eisenbeisz, Potrzuski, Hunter, Bean, Wein, Paxton, Mosher, and Nelson

**Telephonic:** 1 - Knox

#### IV. CORRESPONDENCE/AGENDA CHANGES

[18-197](#)

Reminders, Calendars and General Correspondence

No agenda changes.

#### V. CEREMONIAL MATTERS

[18-185](#)

Sitka Community Hospital Long Term Care - Quality Achievement Award

Mayor Hunter read and presented certificates of appreciation to Sitka Community Hospital Long Term Care staff for receipt of the Alaska Nursing Home Excellence in Quality Award.

**VI. SPECIAL REPORTS: Government to Government, Municipal Boards/Commissions/Committees, Sitka Community Hospital, Municipal Departments, School District, Students and Guests (five minute time limit)**

[18-188](#)

Sitka Community Hospital - Rob Allen, CEO

Sitka Community Hospital Chief Executive Officer Rob Allen thanked the Assembly for recognizing the SCH Long Term Care staff, updated the Assembly on the Cerner project, August financials, and completed/scheduled audits and surveys.

**VII. PERSONS TO BE HEARD**

Max Rule spoke to the reinstated senior sales tax exemption and implementation concerns. Ann Bills voiced support for the previous senior sales tax exemption program. Alene Henning noted she routinely witnessed citizens at the roundabout using their cell phones while driving.

**VIII. REPORTS**

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

Administrator - Brady reminded with the passing of proposition 1 in the Municipal Election, the senior sales tax exemption would be reinstated after certification of the election results. He stated any person, 65 years of age or older, who was a resident of Sitka could show their state issued driver's license or identification at Sitka retailers. Brady noted seniors would be required to show state issued identification at City Hall (Utility Counter) for exemption on utility and harbor bill sales tax. Brady noted it was National Public Power Week. In closing, he reported applications were being accepted for the utility cost subsidization program.

Liaison Representatives - Miyasato reported on the recent Police and Fire Commission meeting.

Clerk - Peterson read through the Board vacancies.

**IX. CONSENT AGENDA**

**A** [18-189](#)

Approve the minutes of the September 20, 25, and 27 Assembly meetings

**A motion was made by Potrzuski that this Item be APPROVED. The motion PASSED by a unanimous voice vote.**

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

See item G.

**XI. UNFINISHED BUSINESS:**

- B**     [ORD 18-43](#)     Making Supplemental Appropriations for Fiscal Year 2018 (*Personnel PERS, Solid Waste Fund Operations, MIS Operations*)

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

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

**Non-voting:** 4 - Knox, Paxton, Mosher, and Nelson

- C**     [ORD 18-44](#)     Making Supplemental Appropriations for Fiscal Year 2019 (*Legal Department - Legal Fees*)

**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

**Non-voting:** 3 - Paxton, Mosher, and Nelson

- D**     [18-191](#)     Approve the Municipal Clerk's Certificate of Election

**A motion was made by Bean to formally accept the Certification of Election for the October 2, 2018 Regular Municipal Election according to the results set forth in the attached election certification prepared by the Municipal Clerk and request that the official tally be included in the minutes as part of the permanent record. The motion PASSED by the following vote.**

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

**Non-voting:** 3 - Paxton, Mosher, and Nelson

- E**     [18-192](#)     Recognize outgoing Assembly members - followed by a short recess

Deputy Mayor Eisenbeisz recognized Matthew Hunter, Robert Potrzuski, and Benjamin Miyasato for their service. Hunter, Potrzuski, and Miyasato offered words of thanks.

**XII. NEW BUSINESS:**

- F**     [18-193](#)     Oath of Office - Newly Elected Officials

Mayor Gary Paxton took his oath of office followed by Assembly Members Kevin Mosher and Valorie Nelson.

Mayor Paxton shared his intentions on how meetings would be conducted.

- G**     [18-190](#)     Reappoint Loyd Platson to a three-year term on the Police and Fire Commission

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

**Yes:** 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

**Non-voting:** 4 - Miyasato, Potrzuski, Hunter, and Knox

**H**      [RES 18-21](#)

Supporting the State of Alaska Department of Transportation and Public Facilities pursuing funding for the Sitka Rocky Gutierrez Airport Terminal Building Improvements Project

Public Works Director Michael Harmon came forward to explain the project and answer questions of the Assembly. Nelson noted a clerical error on line 16.

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

**Yes:** 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

**Non-voting:** 4 - Miyasato, Potrzuski, Hunter, and Knox

**I**      [RES 18-22](#)

Authorizing the Administrator to procure a letter of commitment from the State of Alaska for the acquisition of Parcel 1-9208-000 for a new Sitka Seaplane Base Facility on Japonski Island eligible for an Airport Improvement Program Grant from the Federal Aviation Administration (FAA)

Dave Gordon, seaplane owner and operator, spoke to the importance of the project.

**A motion was made by Eisenbeisz to AMEND line 14 to strike the words "with no support funding". The motion to AMEND PASSED by the following vote.**

**Yes:** 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

**Non-voting:** 4 - Miyasato, Potrzuski, Hunter, and Knox

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

**Yes:** 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

**Non-voting:** 4 - Miyasato, Potrzuski, Hunter, and Knox

**J**      [ORD 18-49](#)

Making supplemental appropriations for Fiscal Year 2019 (*Seaplane Base Project*)

Wein suggested it may be worthy to consider development of a port authority.

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

**Yes:** 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

**Non-voting:** 4 - Miyasato, Potrzuski, Hunter, and Knox

**K**      [ORD 18-50](#)

Amending Title 3 "Procurement Policy" of the Sitka General Code by modifying Chapter 3.16 "Procurement Policy" Section 3.16.060 "Exceptions to Competitive Requirements"

Chief Finance and Administrative Officer Jay Sweeney stated this was a housekeeping ordinance. He noted federal regulations had been updated to tighten procurement standards and guidelines for expending government funds.

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

**Yes:** 6 - Eisenbeisz, Bean, Wein, Paxton, Mosher, and Nelson

**Non-voting:** 4 - Miyasato, Potrzuski, Hunter, and Knox

**L**     [18-195](#)     Rescheduling: November 13 meeting to November 8 due to Assembly and Staff attendance at the Alaska Municipal League Conference

It was noted the November 13 Assembly meeting needed to be rescheduled due to Assembly and staff attendance at the Alaska Municipal League Conference the week of November 12. The Assembly concurred with rescheduling the meeting to November 8.

**M**     [18-196](#)     Scheduling: Assembly Visioning Session

Mayor Paxton announced he wished to hold an Assembly visioning session on Saturday, November 17 from 9am to noon with John Holst as the facilitator. Paxton stated this would be a time for team building and setting priorities.

**N**     [18-194](#)     Assignments: Deputy Mayor, Vice-Deputy Mayor and Assembly Liaisons

Steven Eisenbeisz was nominated and appointed as Deputy Mayor. Aaron Bean and Valorie Nelson were nominated for Vice-Deputy Mayor. A roll call vote was taken. Voting for Bean: Eisenbeisz and Bean. Voting for Nelson: Mosher, Paxton, Wein, Nelson. Nelson prevailed with 4 votes.

The following liaison appointments were made:

Gary Paxton Industrial Park Board - Mosher  
Health Needs and Human Services Commission - Wein  
Historic Preservation Commission - Nelson  
\*Sitka Community Hospital Board - Wein/Eisenbeisz  
Investment Committee - Wein  
Library Commission - Wein  
Local Emergency Planning Commission - Nelson  
Parks and Recreation Committee - Knox  
Planning Commission - Bean/Knox  
Police and Fire Commission - Nelson/Mosher  
Port and Harbors Commission - Knox  
Tree and Landscape Committee - Eisenbeisz/Wein  
SEDA - Paxton  
Sitka Tribe of Alaska - Mosher/Bean  
School Board - Mosher/Nelson

\*Assembly Members Eisenbeisz and Wein wished to serve as liaison for the Hospital Board. A roll call vote was taken. Voting for Eisenbeisz: Wein. Voting for Wein: Paxton, Bean, Mosher, Eisenbeisz, Nelson. Wein prevailed with 5 votes.

**XIII. PERSONS TO BE HEARD:**

Shirley Robards spoke to the reinstated senior sales tax exemption and encouraged the Assembly to implement the previous program.

#### **XIV. EXECUTIVE SESSION**

- O [18-187](#) Update on the Sitka Community Hospital RFP phase 3 process and due diligence
- The Municipal Clerk noted outside legal counsel Sandy Johnson and Sitka Community Hospital RFP Consultant Steve Huebner wouldn't be joining the session.

**A motion was made by Paxton to go into Executive Session to discuss communications with outside legal counsel, Sandy Johnson, the Municipal Attorney and Municipal Administrator regarding phase 3 of the Sitka Community Hospital RFP process, specifically roles in the phase 3 process and due diligence, matters the immediate knowledge of which would adversely affect the finances of the municipality and invite in Chief Finance and Administrative Officer, Jay Sweeney, and invite Sitka Community Hospital RFP Consultants Sarah Cave and Steve Huebner to participate telephonically. The motion PASSED by the following vote.**

Yes: 5 - Paxton, Wein, Mosher, Bean and Eisenbeisz

No: 1 - Nelson

Non-voting: Knox, Miyasato, Potrzuski, and Hunter

The Assembly was in executive session from 8:15pm to 9:50pm.

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

Mayor Paxton named the negotiating team members: Keith Brady, Sarah Cave, Steve Huebner, Brian Hanson, Sandy Johnson, Jay Sweeney, Robert Allen, and Dr. Roger Golub. In the future, he stated his expectation was to discuss as much in open session as possible. The Assembly requested staff have the negotiating team report back to the Assembly in the upcoming month to discuss the status of negotiations and plans moving forward.

#### **XV. ADJOURNMENT**

**A motion was made by Nelson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:50pm.**

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