



City of Hoonah

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COMMITTEE AS A WHOLE MEETING MINUTES

January 5, 2017

7:00pm

In Council Chambers

Agenda:

I. Call to Order-7:00pm

II. Roll Call- G. Skaflestad-present, S. Savland-present, E. Phillips-present, M. Erickson-present, A. Wilson-present, S. McConnell-present. Mayor Skaflestad, Administrator Gray and members of the public also present.

III. Agenda Revisions- Per Mayor's request, added tunnel bluffs to the end of the agenda.

IV. Committee Updates- None

V. Items of Business:

- a) **Sales Tax Update-** Administrator Gray discussed adding an exemption to the possible sales tax ordinance to include exemptions for businesses that have presold tours for this year. They can be exempt from paying sales tax on those items if they bring in proof of a contract. Council was given a copy of the flyer that the city plans on mailing out for their approval. Councilmember Wilson asked if that was something we were even allowed to do. It would be better if the flyer had both pros and cons, shouldn't be giving out information that's one sided. It's making it seem to the public that we are all in support when we all aren't. Councilmember Phillips- The economy in Hoonah is going down and the fiscal gap is only going to get bigger, Should be educating the public on the state and federal cuts that are causing the huge deficit. Councilmember Skaflestad- I agree we shouldn't be out there soliciting votes but we need to get the information out so that people understand. Councilmember Savland- We should take the asking for your support off the flyer and just detail out what services will be kept or cut with or without the increase. Mayor Skaflestad- in 2014 we had a 2.3 million dollar budget to our current budget of 1.4 million and that definitely shows due diligence on the councils part with a cut of 30%. As a city we are doing the best we can to continue to provide services even with that much of cut over the years. It's required by state statute that we provide a certain amount of money to the school, with the cuts from the state funding we no longer have the minimum contribution let alone the additional money the school is asking for. Councilmember McConnell- Show the services that the city won't get without the additional sales tax (Pool, reduction in police, youth center). Vice Mayor Erickson- We need to review the flyer more and help the Mayor and Administrator with what should be sent out to the public.

Councilmember Wilson- I think that 3% is good on alcohol tax but we are shorting ourselves with only 3% on tobacco. They should be separated. It's reasonable to charge our residents what Juneau charges. Councilmember Skaflestad agreed. Mayor Skaflestad- The alcohol and tobacco tax doesn't need to go before the public for a vote because it is an excise tax. There are restrictions on the alcohol tax but not the tobacco.

Council asked Administration to rewrite the current sales tax ordinance with the additions of the state statute and bring to council. Also would like the mail out to be reworked and bring to next CAAW for consideration.

Moved by McConnell, Seconded by Skaflestad to bring an ordinance to council with the 3% alcohol and \$1.00 per pack tobacco excise tax.

1. **Public Comment** – Jon Kveum: Was reading over the report from the Economic Development Committee and it was stated that the Police Department is 50% of the budget but only 15% in other communities. What's being done about that? Mayor Skaflestad: Other communities have other revenue to fund public safety like excise tax, property tax etc. We don't have that here. Comparisons to other towns are very difficult and those places are suffering from the lack of public safety.
- b) **Leash Law Ordinance-** Mayor- There is two separate sections in the code that contradict and repeat themselves. Moved by Skaflestad, Seconded by McConnell to repeal Chapter 6.8 and got with Chapter 6.12
- c) **Marijuana Control Board Report-** We doesn't have to do anything other set up a tax rate. It doesn't have to go to a vote of the people since it passed in the state. Erickson- From what I understand you need a lab to test and you can't transport it? Mayor- Test lab and sample issues have been solved. Councilmember Erickson- We should consider it. Look at all the options and discuss it. Mayor-It's not legal to smoke on the street or in public places per state statute. Councilmember McConnell- This needs to go to a much wider audience than the 6 people in this room. Moved by Erickson, Seconded by Skaflestad to keep in CAAW until next meeting.
 1. **Public Comment** – Dan Fanning- If you are a legal cultivator then it will allow the cultivator to transport samples by plane or ferry. There are 48 businesses currently active or started the process in the Southeast. For every 100 pounds is going to equal roughly 50, 000 in tax. Roughly \$240, 000 to state.
- d) **2017 CIP List** – These are the administration recommendations. Marine Industrial Center is the top priority. Would be adding a place for freight to be delivered. Would like a spot for barges to be able to unload. Sewer project at ISP needs to be dealt with. They are prioritized due to the ones that are most likely to be funded. Mayor- If we are going to develop the water front we need to get started on it. It's going to get harder and harder to do. Moved by Wilson, Seconded by Phillips to forward to council for approval.
- e) **Animal Control Kennel Privatization** - Mayor- Due to budgetary cuts one of the things that is required to do by ordinances. It's too expensive to have our police department dealing with dogs, would like to put it out for the private section. Moved by Phillips, Seconded by Skaflestad to bring a proposed plan to privatize animal control function to council.

8:50- Meeting recessed to look over information
9:00- Meeting back in session
- e) **Tunnel Project Update** – Mayor- The council had agreed to most terms in the original settlement with a few subtle changes. One of those changes was to remove the word settlement. The removal of that word was taken personally causing the current email to be sent out stating that since we weren't agreeing to their terms then here is a bill for the remaining. Found out the board and the attorney for HIA has not been informed about some details including the HIA board not even seeing our revised agreement. Attorney would like 3 council members that are willing to sit on a sub-committee and meet with 3 members of their board. Councilmember Wilson, Phillips and Erickson volunteered.

Mayor Skaflestad accepted and will appoint them to the committee. The original agreement the council only wanted very minor amendment to include changes in some language and the identification of property. Councilmember Wilson- Would like to have both agreements at the meeting so that the board can be shown the minor details the council wanted changed from the original. The council is all in support and wants a strong tribal government in our community. Administrator Gray- We are asking for the Beachfront property to be cleaned up and returned to the city, Commercial Lot #2 in the harbor, Old Clinic on Raven and the rock Quarry by the Coutlee's. In exchange we were offering them additional land, around 10 acres, by the airport.

III. Adjourn- 9:15