

#

## **CONSENT AGENDA**

### **POSSIBLE MOTION**

---

**I MOVE TO APPROVE THE CONSENT AGENDA  
CONSISTING OF ITEMS A & B**

I wish to remove Item(s) \_\_\_\_\_

**REMINDER – Read aloud a portion of each item being  
voted on that is included in the consent vote.**

#

#

Should this item be pulled from the Consent Agenda the following motion is suggested:

## **POSSIBLE MOTION**

**I MOVE TO** approve the minutes of the May 26 and May 28 Assembly meetings.



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Minutes - Draft

### City and Borough Assembly

*Mayor Gary Paxton*  
*Deputy Mayor Steven Eisenbeisz,*  
*Vice Deputy Mayor Kevin Mosher,*  
*Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor Christianson*

*Municipal Administrator: John Leach*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

---

Tuesday, May 26, 2020

6:00 PM

Assembly Chambers

---

#### REGULAR MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

**Present:** 6 - Christianson, Eisenbeisz, Wein, Paxton, Mosher, and Nelson

**Absent:** 1 - Knox

#### IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

**20-113** Reminders, Calendars, and General Correspondence

#### V. CEREMONIAL MATTERS

None.

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

**A 20-111** Special Reports: 1) U.S. Senator Dan Sullivan, and, 2) Alaska Trollers Association: Wild Fish Conservancy Lawsuit

Senator Dan Sullivan reported on past, present, and future legislation with regards to the CARES Act funding. He gave amounts, told of source of funding, and noted the challenges. He went over the Paycheck Protection Program (PPP) history and legislation that was moving forward as changes to the program. He gave information on

legislation to try and stabilize the global energy crisis, oil prices, ocean clean up, Coast Guard, tourism, infrastructure, inefficient infrastructure permitting, and revenue replacement for municipalities. He thanked the Assembly and his team who had been working around the clock and encouraged Sitkans to reach out to his team.

Wein told about Sitka's bond, refinancing and infrastructure needs. Nelson noted the delay in knowing what the financial impacts would be of the COVID-19 pandemic. Paxton relayed the daycare program challenges and needs.

Municipal Administrator John Leach thanked the Senator and his staff. He told of infrastructure needs and gave examples of Green Lake Hydro, Marine Service Center, and a haulout.

President of Alaska Trollers Association (ATA) Matt Donohoe told of the Wild Fish Conservancy Lawsuit. He gave details of a treaty negotiation and the closure of the outside waters to king salmon fishing. ATA Board Member Jim Moore reported on the hiring of an attorney, the finance concerns, and the lack of funds.

## VII. PERSONS TO BE HEARD

Karen Lucas voiced concern for the youth population with regards to drug addition and told of the need of a treatment center. Paulette Moreno told of the concern and need for the fishing industry. She urged for help for businesses and different groups in the community and noted the importance of food sharing and security.

## VIII. REPORTS

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

Administrator - Leach told of correspondence of collection notices and delinquent taxes owed.

Attorney - Hanson reported on the effects on the city with regards to changes in the court system due to the COVID-19 pandemic. He shared of his participation in the Alaska Municipal Attorneys Association meetings.

## IX. CONSENT AGENDA

**A motion was made by Nelson that the Consent Agenda consisting of item A be APPROVED. The motion PASSED by unanimous consent.**

**B 20-112** Approve the minutes of the May 12 Assembly meeting

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

## X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

## XI. UNFINISHED BUSINESS:

**C ORD 20-26** Amending Title 2 "Administration", Chapter 2.04 "City and Borough

Assembly", Section 2.04.010 "Agenda"

Nelson noted the time it took to get through reports toward the beginning of the meeting and felt they should be toward the end of the agenda as they were a lower priority. Christianson was in support of moving the reports toward the end of the meeting. Eisenbeisz wondered if reports were needed. Wein noted the importance of boards and commission reports and that it was a small portion of the meeting.

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

**Yes:** 4 - Christianson, Paxton, Mosher, and Nelson

**No:** 2 - Eisenbeisz, and Wein

**Absent:** 1 - Knox

## XII. NEW BUSINESS:

### D ORD 20-27 Amending Title 2 "Administration", Chapter 2.20 "Fire Department", Section 2.20.010 "Establishment"

Paxton ruled no conflict for Eisenbeisz who was a paid volunteer with the Fire Department. Wein stated the Sitka General Code referred to a Fire Chief and Assistant Fire Chief but that the assistant position had not been funded. He felt that eliminating the official title which was in code still gave flexibility that was needed to have an efficient Fire Department. Paxton noted that Interim Fire Chief Dave Miller had been filling both positions. Mosher felt it was cleaning up the code. Christianson was not in support, didn't feel that it saved money, and said the Fire Chief had been covering for other positions. Nelson was in support since the assistant position wasn't funded. Eisenbeisz told of the Assistant Fire Chief duties that included training for the department, which he stated was important. He said that with the longevity in the department, it wasn't a current issue, but that it could be in the future.

Interim Fire Chief Dave Miller spoke and offered historical background by telling of many hours of overtime, the need for the position, and he encouraged the hiring of an assistant.

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

**Yes:** 3 - Wein, Mosher, and Nelson

**No:** 3 - Christianson, Eisenbeisz, and Paxton

**Absent:** 1 - Knox

### E ORD 20-30 Authorizing the City to obtain a loan from the Alaska Municipal Bond Bank in a principal amount not to exceed \$7,000,000 to refinance for savings the City's outstanding loan from the Alaska Energy Authority; authorizing the issuance to the Bond Bank of a junior lien electric revenue refunding bond of the City to evidence and secure the loan; authorizing the Municipal Administrator and Chief Finance and Administrative Officer to enter into a loan agreement with the Bond Bank setting forth the terms and conditions of the loan and the refunding bond; and establishing an effective date

Chief Finance and Administrative Officer Jay Sweeney provided a summary and noted cost savings. He told of the funded accounts involved and of the break even estimate.

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

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

**Absent:** 1 - Knox

**F RES 20-19**

Accepting Coronavirus relief funds in the amount of \$14,057,653.37 for costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19), from the Alaska Department of Commerce, Community and Economic Development and authorizing the Municipal Administrator to execute the finalized grant agreement (*1st and final reading*)

Wein gave an explanation regarding the first step of accepting the funding and of next step of a grant agreement with the state. Christianson noted the restrictions on the spending of the funds. Paxton informed that there would be a fund set up to allow citizens and businesses to receive money and that it would be determined on how to allocate the funds.

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

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

**Absent:** 1 - Knox

**G ORD 20-31**

Making supplemental appropriations for Fiscal Year 2021 (*CARES Act Funding - Utilities and Moorage Accounts*)

Municipal Attorney Brian Hanson told of the conditions and stated the drafted ordinances wouldn't be implemented unless funds were received.

Wein wondered how the specific amount was derived and how many utility and moorage accounts were in arrears. He felt that the total amount was too high. Nelson relayed the amounts that could be given and didn't feel that 100% of people would apply for the grant. She told of stringent criteria to apply. She offered that a budget adjustment could be made for the funding that wasn't given. Christianson confirmed that the amount was derived from if every account applied for funding, however did not feel that it would all be spent especially with the short application period. Paxton urged that input was needed from citizens and businesses which would reveal the amount needed. He stated that staff would be looking at it strategically. Eisenbeisz offered he was not in support of using the funding for a moorage subsidization. Mosher noted the purpose to be a fair and equitable way to use the money and stated that there were some citizens that lived on boats.

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

**Yes:** 5 - Christianson, Wein, Paxton, Mosher, and Nelson

**No:** 1 - Eisenbeisz

**Absent:** 1 - Knox

**H ORD 20-28** Establishing the CARES Act Utilities Subsidization Program

Christianson expressed this was a way to fairly disperse funds and felt it could be simple to apply for. He noted that it was also supportive of the city. He explained the language which was taken from the CARES Act. Christianson reminded that all communities were in the same situation and that there was a small risk of not passing an audit. Nelson felt that dispersing the funds would be possible by June 30. Wein spoke in support. He relayed the criteria. He told of concerns of being audited and passing that audit. He reminded that the monies for different programs were being stipulated and there would be no double dipping. Eisenbeisz wondered how to work with businesses that may have received and used Payroll Protection Program on utilities. Paxton felt that staff could sort it out.

Municipal Administrator John Leach relayed concerns from the auditors but that a needs test had not been described.

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

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

**Absent:** 1 - Knox

**I ORD 20-29** Establishing the CARES Act Moorage Costs Subsidization Program

Eisenbeisz stated he was not in support as written. He felt that moorage should be included in the rent and lease section. Mosher noted the citizens that were live aboard. Christianson offered the fishing community would be the biggest beneficiary but that there were live aboards and others that had boats in the harbor. Wein was in support for moorage assistance but had concerns with the language and the possibility of applicants receiving funding if they had already through a separate program.

Municipal Attorney Brian Hanson told of the requirement for the applicant to certify they had not received funding. Municipal Administrator John Leach noted the fisheries would be eligible for this funding and there was money allocated from the state as well.

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

**Yes:** 5 - Christianson, Wein, Paxton, Mosher, and Nelson

**No:** 1 - Eisenbeisz

**Absent:** 1 - Knox

**XIII. PERSONS TO BE HEARD:**

None.

**XIV. EXECUTIVE SESSION**

None.

**XV. ADJOURNMENT**

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:43 p.m.

ATTEST: \_\_\_\_\_  
Melissa Henshaw, CMC  
Deputy Clerk



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Minutes - Draft

### City and Borough Assembly

*Mayor Gary Paxton*  
*Deputy Mayor Steven Eisenbeisz,*  
*Vice Deputy Mayor Kevin Mosher,*  
*Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor Christianson*

*Municipal Administrator: John Leach*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

---

Thursday, May 28, 2020

6:00 PM

Assembly Chambers

---

#### SPECIAL MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

Knox participated by videoconference.

**Present:** 7 - Christianson, Eisenbeisz, Knox, Wein, Paxton, Mosher, and Nelson

#### IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

#### V. PERSONS TO BE HEARD

George Paul thanked the media for Assembly meeting coverage. He stated the newspaper had been given to residents at no cost and suggested subsidizing the newspaper office to give to their employees.

#### VI. NEW BUSINESS:

#### A 20-114 Discussion / Direction / Decision on the establishment and membership of the CARES Act Working Group

Municipal Administrator John Leach summarized the memo and told of the working group established after the May 19 work session. He noted there were sectors who did not feel they were adequately represented and thus decided to bring the establishment and membership of the CARES Act Working Group before the Assembly for approval. He reminded the intent was to have the working group do preliminary work and bring

forward for assembly approval.

Christianson was in support of the working group that was established by the Administrator. He reminded the group could provided a framework and then turn it over to the assembly. Nelson suggested one additional assembly member to make a total of three. Mosher spoke in support. Wein reminded the assembly had accepted funds and the city was responsible for decisions made. He suggested it was the assembly's responsibility to design and disburse the CARES Act money and to allow for public testimony from community members. Eisenbeisz spoke in support of the Administrator's working group. Paxton concurred and believed there should be assembly oversight. Knox spoke in support of a diverse group e.g. for-profit, non-profit.

Christianson reminded there had been suggestions for using the money that were not allowed. He said the working group could vet the requests. Wein stated the working group process eliminated interaction and communication with requestors. Nelson noted the motion was to establish the working group and develop a framework to operate within. Eisenbeisz shared the working group could craft the framework and make suggestions and recommendations to the assembly.

George Paul spoke in support of Wein's proposal of the assembly disbursement and allowing for public testimony.

**A motion was made by Nelson to approve the working group\* as proposed by the Municipal Administrator. The motion PASSED by the following vote.**

**\*Working group members: John Leach, Garry White, Lisa Gassman, Kevin Mosher, Kevin Knox, Jay Sweeney, Melissa Haley, Brian Hanson, and Melissa Henshaw**

**Yes:** 6 - Christianson, Eisenbeisz, Knox, Paxton, Mosher, and Nelson

**No:** 1 - Wein

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

None.

#### **VIII. EXECUTIVE SESSION**

None.

#### **IX. ADJOURNMENT**

**A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 6:30 p.m.**

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