

CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEMS A, B, C, D, & E**

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
November 12 and November 26 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

Interim Municipal Administrator: Hugh Bevan
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson

Tuesday, November 12, 2019

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 5 - Christianson, Wein, Paxton, Mosher, and Nelson

Absent: 2 - Eisenbeisz, and Knox

IV. CORRESPONDENCE/AGENDA CHANGES

None.

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)**

School Board Member Eric Van Cise provided an update on the work of the Board, school enrollment, and various programs within the District. He told of a budget work session tentatively scheduled for December 18.

19-236

Sitka Community Playground

Members of Sitka Community Playground Steering Committee members Lynne Brandon, Bridget Hitchcock, and Monique Anderson announced the Playground had

received a facility excellence award from the Alaska Recreation and Parks Association. A video of the project was shared and the award presented to the Mayor on behalf of the City and Borough of Sitka.

VII. PERSONS TO BE HEARD

None.

VIII. REPORTS

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

Interim Municipal Administrator - Bevan noted a group from the Electric Department was focused on analyzing reservoirs and spoke to his response regarding the Humpback Whale Critical Habitat Proposed Rule.

Municipal Attorney - Hanson relayed he had been working on a multitude of projects.

Liaison Representatives - Mosher reported on his attendance at the School Board meeting, Christianson on the recent Investment Committee and Library Commission meetings, and Wein on the Health Needs and Human Services Commission and Planning Commission meetings.

IX. CONSENT AGENDA

A motion was made by Mosher that the Consent Agenda consisting of items A & B be APPROVED. The motion PASSED by the following vote.

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

Absent: 2 - Eisenbeisz, and Knox

A 19-238 Approve the minutes of the October 22 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

B 19-237 Approve a liquor license renewal application for DPJT, Inc. dba Nugget Restaurant at 600 Airport Road Suite A

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

C 19-239 Reappoint James Poulson to a three-year term on the Parks and Recreation Committee and appoint Sarah Lawrie to a three-year term on the Parks and Recreation Committee

Wein thanked the applicants for applying.

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

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

Absent: 2 - Eisenbeisz, and Knox

D 19-240 Reappoint Deb Miller and Lisa Moore to three-year terms on the Tree and Landscape Committee

Paxton and Wein thanked the applicants for reapplying.

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

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

Absent: 2 - Eisenbeisz, and Knox

E 19-241 Reappoint Michael Reif to a three-year term on the Investment Committee

Wein and Christianson thanked Reif for reapplying.

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

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

Absent: 2 - Eisenbeisz, and Knox

F 19-242 Appoint Gregg Olson to a three-year term on the Police and Fire Commission

Olson came forward and spoke to his qualifications.

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

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

Absent: 2 - Eisenbeisz, and Knox

XI. UNFINISHED BUSINESS:

G ORD 19-38 Making supplemental appropriations for fiscal year 2020 (Homeland Security Grants)

Police Chief Robert Baty explained two grant awards had been received. In order to expend the grant funds, a supplemental appropriation was needed. Controller Melissa Haley clarified this was not an operating appropriation but rather an appropriation for a fixed asset. She added that the differentiation of appropriation was required by Charter.

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

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

Absent: 2 - Eisenbeisz, and Knox

H 19-221 Update and Discussion / Direction on the possibility of Closed Captioning for Assembly meetings

Municipal Attorney Brian Hanson stated the City was obligated to provide this service upon receiving a citizen request. Hanson recommended staff meet with the requestor to ensure their needs were being met.

Consensus of the Assembly was to provide the service with a computerized option as demonstrated by the IT Director.

I 19-224

Approve the Purchase and Sale Agreement, and related documents, for the utility dock transaction between the City and Borough of Sitka and Hanson Maritime Company

Interim Municipal Administrator Hugh Bevan commented in 1999 when Sitka took over the Gary Paxton Industrial Park (GPIP) site from the Alaska Pulp Corporation (APC), one of the first actions the Sitka Economic Development Association took was to hire a consultant who had experience in developing industrial parks. Bevan shared there were two take-aways from that study: 1) the average build time for a park was 20 years, and, 2) 80% of the businesses would come from existing industry in Sitka.

Lee Hanson addressed the Assembly and stated he agreed with the sale agreement as written. Assembly members expressed support for the project. Wein noted there was no mention of eminent domain in the sale agreement, wondered if the City planned to exert eminent domain over the Hanson dock, and what those reasons may be. Municipal Attorney Brian Hanson relayed both parties had spent a great deal of work on the agreement since it was before the Assembly last. Consequently, changes had been made (e.g. mooring easement, and any reference to the mooring easement, were gone) and the agreement was back for approval. He noted there was no reference to eminent domain in the agreement citing Lee Hanson was not agreeable. Lee Hanson preferred to let it (eminent domain) come up, if that were to ever happen, in the future and allow the process to happen at that point. Attorney Hanson reminded that just because there was no reference to eminent domain in the agreement that it released the City's right to eminent domain. Wein also wondered why the right of first refusal was not included in the agreement. Attorney Hanson said it was not considered and hadn't been the charge of the GPIP Board. Christianson didn't feel strongly about including right of first refusal and didn't want to belabor the process with additional meetings. Wein inquired about "areas of concerns" when the property was transferred from APC to the City, which extended 500 feet off shore. Attorney Hanson stated it was his understanding those areas were no longer a concern at the Park.

A motion was made by Wein to include in the agreement that the City and Borough of Sitka have the right of first refusal. The motion FAILED by the following vote.

Yes: 2- Wein and Nelson

No: 3 - Paxton, Mosher, and Christianson

Absent: 2 - Knox and Eisenbeisz

From the public, Jeremy Serka, relayed the haulout would soon be lost at Halibut Point Marine and expressed concern selling the dock without a plan for a haulout. Mike Nurco noted there wasn't a comprehensive plan for the GPIP site and encouraged the Assembly to consider all options (e.g. haulout) before moving forward with the sale agreement. Garry White, Director of the GPIP Board, stated the Board was supportive of a haulout and looking for ways to fit it into the Park.

Nelson believed it important to protect the City. Bevan shared that plans of a haulout at GPIIP were being discussed and he was confident there was space for Lee Hanson's business venture and the haulout.

Mosher clarified that if the sale agreement were approved Lee Hanson could have his operation and a haulout would still be a possibility for another party. Attorney Hanson confirmed that the concern all along had been what kind of conflicts might be created for a haulout ramp if the property were sold to Hanson Maritime. Attorney Hanson relayed that provisions had been placed in the sale agreement that recognized there could be conflicts and that those conflicts would be resolved by strictly following the rules of the road and allowing the haulout to be properly used.

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

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

Absent: 2 - Eisenbeisz, and Knox

XII. NEW BUSINESS:

New Business First Reading

- J ORD 19-39** Amending Title 2 "Administration" of the Sitka General Code by modifying Chapter 2.38 "Gary Paxton Industrial Park" at Section 2.38.110 "Gary Paxton Industrial Park Director Designated Appointment"

Interim Municipal Administrator relayed the contractor, SEDA, would be responsible for managing and marketing. The City would be responsible for engineering and maintenance. Garry White, SEDA Director, spoke in support of the ordinance.

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

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

Absent: 2 - Eisenbeisz, and Knox

Additional New Business Items

- K 19-243** Approve the promotion of Amy Ainslie from Planner I to Planning Director

Interim Municipal Administrator Bevan relayed there were currently five department head vacancies. After having worked with Ainslie, he believed Ainslie to be an applicant worthy of promoting. Wein concurred and believed Ainslie would do a wonderful job and grow into the position. Nelson wondered of the salary. Bevan reported it was lower than what had been budgeted.

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

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

Absent: 2 - Eisenbeisz, and Knox

- L 19-244** Discussion / Direction / Decision of the engagement letter and fee proposal submitted by Blank Rome Government Relations, LLC to perform Congressional lobbying and agency coordination on behalf of the City and Borough of Sitka

Interim Municipal Administrator Hugh Bevan explained funding for this agreement would come from the unexpended salary due to the vacancy of the Community Affairs Director. His recommendation was Blank Rome focus on three issues: renovation of the Green Lake powerhouse, infrastructure to serve Japonski Island, and opportunities to restructure the Blue Lake Bonds to our advantage. Mosher disclosed he worked for Shee Atika but was unaware of the firm. Assembly members expressed support with the caveat that current fiscal year funds available for the Community Affairs Director position be reappropriated for lobbying efforts.

Cedar Mayo spoke in opposition to entering into the agreement.

A motion was made by Mosher to accept the terms of the engagement letter submitted by Blank Rome Government Relations, LLC to perform Congressional lobbying and agency coordination on behalf of the City and Borough of Sitka, authorize Mayor Paxton to execute the document noting that funds expended for Blank Rome Government Relations is contingent on not filling the position of Community Affairs Director this fiscal year. The motion PASSED by the following vote.

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

Absent: 2 - Eisenbeisz, and Knox

- M 19-245** Discussion / Direction / Decision on moving forward with the Marine Service Center Action Plan

Interim Municipal Administrator Hugh Bevan stated after reviewing the July 2019 Assembly approved Marine Services Center (MSC) Action Plan he was concerned the Action Plan was not a viable solution. The Action Plan envisioned a \$2.8 million budget to perform the needed work on the seawall - insufficient funding according to a 2011 condition assessment which estimated total reconstruction costs to be between \$6.7 million to \$8.3 million. It was his recommendation that the Assembly hold a work session to discuss in detail and decided on whether to keep the MSC or sell. Staff could then come back with recommendations for the preferred option.

The Assembly agreed to a work session in the near future.

- N 19-246** Reschedule the second regular meeting in December due to the Christmas Eve holiday

Consensus of the Assembly was to reschedule the second regular meeting of the month to December 23.

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

- O 19-247 1) Legal Matter - Alaska Public Entity Insurance Proposed Assignment Agreement, and, 2) Financial Matter - Baranof Island Brewing Company Debt Collection

A motion was made by Mosher to go into executive session to discuss a legal matter affecting the municipality, i.e., a proposed assignment of claims to the City and Borough of Sitka insurer Alaska Public Entity Insurance against various other insurers related to the cases and claims arising out of the Kramer Avenue landslide of 2015. The motion PASSED by the following vote.

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

Absent: 2 - Knox and Eisenbeisz

The Assembly was in executive session from 8:25 p.m. to 8:55 p.m.

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

A motion was made by Nelson to direct the Municipal Attorney to proceed with the assignment of claims with Alaska Public Entity Insurance as discussed in executive session. The motion PASSED by the following vote.

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

Absent: 2 - Knox and Eisenbeisz

A motion was made by Nelson to go into executive session with Chief Finance and Administrative Officer Jay Sweeney to discuss matters related to Baranof Island Brewing Company debt collection, the immediate knowledge of which would adversely affect the finances of the City and Borough of Sitka. The motion PASSED by the following vote.

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

Absent: 2 - Knox and Eisenbeisz

The Assembly was in executive session from 9:00 p.m. to 9:30 p.m.

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

A motion was made by Nelson to direct the Interim Administrator to negotiate a possible agreement with intentional investors and give him the authority to sign said agreement. The motion PASSED by the following vote.

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

No: 1 - Wein

Absent: 2 - Knox and Christianson

XV. ADJOURNMENT

A motion was made by Nelson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:32 p.m.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
330 Harbor Drive
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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*

*Interim Municipal Administrator: Hugh Bevan
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, November 26, 2019

6:00 PM

Assembly Chambers

WORK SESSION - 5:00 PM FY 21 Budget Process

19-249 FY21 Budget Process

Interim Municipal Administrator Hugh Bevan shared ideas for the FY21 budget process and schedule.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Christianson, Eisenbeisz, Knox, Wein, Paxton, and Mosher

Absent: 1 - Nelson

IV. CORRESPONDENCE/AGENDA CHANGES

19-250 Reminders, Calendars, and General Correspondence

V. CEREMONIAL MATTERS

19-251 Proclamation - Small Business Saturday

Deputy Mayor Eisenbeisz read a proclamation in recognition of Small Business Saturday, November 30.

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

19-252 Sitka Health Summit Coalition - Robert Wood Johnson Foundation 2019 RWJF Culture of Health Prize

Sitka Health Summit Coalition members Doug Osborne, Loyd Platson, Tina Bachmeier, and Denise Ewing reported to the Assembly on the \$25,000 cash award Sitka received from the Robert Wood Johnson Foundation - 2019 RWJF Culture of Health Prize. Sitka was one of five communities in the nation to win the award.

VII. PERSONS TO BE HEARD

Maegan Bosak, Director of Marketing and Communications for SEARHC, provided an update on Sitka's Integrated Health Care team: November marked the first meeting of the Sitka Community Health Council Committee, Joint Commission Certification for Mt. Edgumbe Medical Center, Behavioral Health, outpatient clinics, and Home Health was completed, recognition was given to SEARHC Registered Nurse Teresa Remington who recently earned the national infusion nurse certification, and it was announced the Health Insurance Marketplace open enrollment period for obtaining or changing insurance plans through the Affordable Care Act ends December 15.

VIII. REPORTS

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

Mayor - Paxton reported on his attendance at the Alaska Municipal Conference.

Interim Administrator - Bevan told of the construction phase soon to begin at Crescent Harbor. He reported the project was to be completed before the herring fishery.

Attorney - Hanson provided a summary of the sessions he attended at Alaska Municipal League.

Liaison Representatives - Mosher reported on the Planning Commission meeting, Christianson on the Library Commission retreat, Wein on SEDA, Port and Harbors Commission, and the Sitka Community Health Council meeting. Knox and Christianson spoke to the sessions they attended at Alaska Municipal League.

Clerk - Peterson told of the December meeting schedule.

Other - Wein stated a Tree and Landscape Committee meeting was scheduled for December 3. The subject of the meeting was the Lincoln Street Improvement Project.

IX. CONSENT AGENDA

A 19-253 Approve a liquor license renewal application for Bayview Pub LLC at 407 Lincoln Street, Suite 201

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

Yes: 6 - Christianson, Eisenbeisz, Knox, Wein, Paxton, and Mosher

Absent: 1 - Nelson

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- B 19-254** Appoint Denise Ewing to a three-year term on the Health Needs and Human Services Commission

Wein thanked Ewing for her willingness to serve.

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

Yes: 6 - Christianson, Eisenbeisz, Knox, Wein, Paxton, and Mosher

Absent: 1 - Nelson

XI. UNFINISHED BUSINESS:

- C ORD 19-39** Amending Title 2 "Administration" of the Sitka General Code by modifying Chapter 2.38 "Gary Paxton Industrial Park" at Section 2.38.110 "Gary Paxton Industrial Park Director Designated Appointment"

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

Yes: 6 - Christianson, Eisenbeisz, Knox, Wein, Paxton, and Mosher

Absent: 1 - Nelson

XII. NEW BUSINESS:

New Business First Reading

- D ORD 19-40** Making supplemental appropriations for Fiscal Year 2020 (GPIP Outside Counsel) 1st reading

Municipal Attorney Brian Hanson explained this was an additional appropriation beyond the \$20,000 appropriation approved previously. Eisenbeisz noted in the future he hoped for better efficiencies to save money. Hanson reminded of the length of time the utility dock sale had taken and the changes that had been made to the project over time. Hanson stated approximately 145 hours had been spent on the project which he believed to be reasonable and necessary to complete the project. He stated the additional appropriation being requested was for work already done. Further, he stated outside counsel would finish the remainder of the work would be pro bono - completion of the subdivision and closing of the transaction. Interim Municipal Administrator Hugh Bevan also reminded of the number of iterations made by the GPIP Board and Administration over the last 12 months and was no fault of the Legal Department. Christianson spoke in support and noted the project had been a moving target likening it to that of building a house- when changes were made the costs were higher. Wein spoke in opposition and didn't believe the City was well served nor was the idea of the project that was conveyed.

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

Yes: 5 - Christianson, Eisenbeisz, Knox, Paxton, and Mosher

No: 1 - Wein

Absent: 1 - Nelson

Additional New Business Items

E RES 19-26 Supporting the No Action Alternative in the Alaska Roadless Rulemaking Process

Interim Municipal Administrator Hugh Bevan noted Sitka had to be able to do work associated with its hydroelectric systems including a future powerline corridor across Baranof Island to Takatz Lake without excessive permitting expense due to Roadless Rule regulations and stated the final resolution of the Roadless Rule must make accommodations for such activities.

Speaking in support of the resolution were Linda Behnken, Joel Hanson, Jay Stelzenmuller, Lance Preston, Andrew Thoms, Elizabeth Borneman, Larry Edwards, Michael Thompson, John Skeele, Lynn Wilbur, and Marsh Skeele. Behnken recommended clarifying amendments be made.

Theresa Helem spoke in opposition to the resolution.

A motion was made by Knox to AMEND the resolution: on line 66 remove the word "wholesale", on line 70 add the words "alternative 1" after the words "2001 Roadless Rule", and on line 73 remove the word "full" and replace with "any". The amendment PASSED by the following vote.

Yes: 5 - Christianson, Wein, Eisenbeisz, Knox, and Mosher

No: 1 - Paxton

Absent: 1 - Nelson

Knox read a list of communities wishing to keep the Roadless Rule in tact. Paxton stated the Alaska Congressional Delegation was in favor of removing the Roadless Rule and believed communities would still have control. He mentioned Andrew Thoms of the Sitka Conservation Society was working on some collaborative efforts to reach solutions.

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

Yes: 5 - Christianson, Eisenbeisz, Knox, Wein, and Mosher

No: 1 - Paxton

Absent: 1 - Nelson

XIII. PERSONS TO BE HEARD:

Chamber of Commerce Executive Director, Rachel Roy, reminded of Small Business

Saturday November 30 and commented on the Visit Sitka quarterly report included in correspondence.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Mosher to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:57 p.m.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk