

CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEM A**

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
September 24 and 27
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 Valorie Nelson,
Aaron Bean, Kevin Knox, Dr. Richard Wein, Kevin Mosher*

*Interim Municipal Administrator: Michael Harmon
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, September 24, 2019

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Eisenbeisz, Knox, Bean, Wein, Paxton, and Nelson

Absent: 1 - Mosher

IV. CORRESPONDENCE/AGENDA CHANGES

None.

19-208 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)**

None.

VII. PERSONS TO BE HEARD

None.

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

Mayor - Paxton thanked staff for their role in helping make Southeast Conference a successful event.

Interim Administrator - Harmon relayed he had emailed a three week action plan to the Assembly, noted Public Works engineering staff was assisting Garry White with the technical analysis of a ramp for the haulout, thanked Electric Department staff for the quick response to bringing power back on after the Green Lake Road landslide event, stated there was a turbidity event over the weekend, and provided an update on the recruitment process for several department heads.

Attorney - Hanson reported he had been involved in ongoing litigation matters and working on the airport leasing project.

Liaison Representatives - Knox reported on the Port and Harbors Commission meeting.

Clerk - Peterson reviewed board and commission vacancies, told of the upcoming meeting schedule and provided an overview of polling locations for the October 1 Municipal Election.

Other - Wein reported on his attendance at the UAS Advisory Board meeting and noted it was a valuable asset. Nelson reported on her attendance at the White House Regional State Leadership Day.

IX. CONSENT AGENDA

- A 19-209** Approve the minutes of the September 5, 10, and 12 Assembly meetings

A motion was made by Knox that this Item be APPROVED. The motion PASSED by unanimous consent.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

XI. UNFINISHED BUSINESS:

None.

XII. NEW BUSINESS:

- B 19-210** Discussion / Direction / Decision of the Administrator's annual recommended transfer to the Public Infrastructure Sinking Fund

Chief Finance and Administrative Officer Jay Sweeney explained the goal of the Public Infrastructure Sinking Fund (PISF) legislation, in 2012, was to maintain a stable balance in the General Fund and to ensure that any extra cash built up in the General

Fund was transferred to the PISF for use in paying infrastructure repair. Sweeney reported since the passing of the legislation in 2012, \$5,740,539 had been transferred to the PISF while maintaining an average General Fund balance of \$15,011,848. The highest amount transferred in any year was \$1,650,000 in 2015; the smallest amount was \$0 in 2017. The average amount transferred had been \$820,077. Sweeney believed the legislation had successfully achieved its original intent. He noted in FY2020, the City faced a variety of risks that could serve to lower the balance of the General Fund, in particular, the need to pay funds to the federal government out of the Sitka Community Hospital sale escrow funds, which were a portion of the General Fund balance. Sweeney estimated the escrow amount to be between \$2,000,000 and \$4,000,000. In addition, he noted other legislation-driven requirements such as the liquidity reserve had risen. Therefore, he recommended no transfer to the PISF in FY2020. Sweeney reminded that the nature of the annual analysis ensured that if too conservative of a balance was transferred, it would be part of the balance identified for transfer in subsequent years. In addition, he reminded the Assembly was not restricted to transferring money into the PISF just once a year; a transfer could occur at any time. Controller Melissa Haley noted there was currently \$500,000 in the PISF.

A motion was made by Knox to transfer \$0 based on the recommendation of the Interim Municipal Administrator. The motion PASSED by the following vote.

Yes: 5 - Eisenbeisz, Knox, Bean, Paxton, and Nelson

No: 1 - Wein

Absent: 1 - Mosher

C 19-211 Discussion / Direction on Assembly per diem (\$200) for municipal business held in Sitka

Consensus of the Assembly was to not pay per diem of \$200 per day for municipal business held in Sitka.

D 19-212 Approve the Assembly Position Subcommittee recommendations from the September 16 meeting for the following positions: Library Director, Electric Utility Director, Fire Chief, Assistant Fire Chief, Fire Engineer, and Grounds; Maintenance Specialist

Interim Administrator Harmon relayed Fire Chief Miller had asked that the Assistant Fire Chief request be removed and brought forward at a future date. At the September 16 subcommittee meeting, the motion to recommend the hire of an Assistant Fire Chief failed. Eisenbeisz reminded Sitka General Code 2.20 required the position of Assistant Fire Chief. He recommended it be removed from the Code if the Assembly was not in support of the position. Wein expressed appreciation of the subcommittee work and noted it allowed for a greater understanding of the work employees do.

A motion was made by Knox to approve the recommendations of the Assembly Position Subcommittee as outlined in the draft meeting minutes of September 16, 2019 and forward to the Interim Administrator.

***recommend the hire of a Library Director**

***recommend the hire of an Electric Utility Director**

***recommend the hire of a Fire Chief**

***recommend the hire of a Fire Engineer only if a vacancy occurs within the next month**

***recommend the hire of a Grounds Maintenance Specialist**

The motion PASSED by the following vote.

Yes: 6 - Eisenbeisz, Knox, Bean, Wein, Paxton, and Nelson

Absent: 1 - Mosher

E 19-213 Approve Interim Administrator's Transition Team

Interim Administrator Harmon recognized those employees who were helping fill some of the vacant department head duties: Erin Clay (Electric), Sharon Joseph (Human Resources), Joanna Perensovich (Library), Amy Ainslie (Planning) and, Shilo Williams (Public Works). Wein expressed appreciation to the employees. Harmon explained his approach was to maintain continuity.

Nelson suggested Bob Dryden be considered for the position of Interim Utility Director. Bean and Wein suggested his resume be evaluated. Eisenbeisz stated he was uncomfortable recommending interim appointments to the Administrator. Eisenbeisz noted it was beyond his role as an Assembly Member. Municipal Attorney Hanson reminded the Charter prohibited the Assembly from appointing department heads; it was under the purview and the power of the Administrator to appoint department heads then subsequently the assembly approved those appointments.

No action taken.

F 19-214 Discussion / Direction on the Administrator recruitment process

Paxton said the topic of Interim Administrator would be discussed September 27. Nelson stated the need for the Assembly to decide on an Administrator. She reminded the Planning Director candidate was waiting for the Assembly to decide prior to making her decision on whether or not to accept the position. Nelson noted the absence of a Planning Director was affecting development.

XIII. PERSONS TO BE HEARD:

Bob Dryden spoke to his prior service at the Electric Department, spoke unfavorably of a chain of command system and micromanagement, and urged the Assembly to get the City back to a cooperative organization.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:12 p.m.

ATTEST: _____

**Sara Peterson, MMC
Municipal 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 Valorie Nelson,
Aaron Bean, Kevin Knox, Dr. Richard Wein, Kevin Mosher*

*Interim Municipal Administrator: Michael Harmon
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Friday, September 27, 2019

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Knox, Bean, Wein, Paxton, Mosher, and Nelson

Absent: 1 - Eisenbeisz

IV. NEW BUSINESS:

A 19-204 Municipal Administrator applicant interview - Craig Cugini

The Assembly interviewed candidate Craig Cugini from 6:03 p.m. to 7:30 p.m.

B 19-205 Discussion / Direction / Decision regarding Municipal Administrator candidate interviews (Craig Cugini and John Leach) and next steps (*possible executive session*)

Mayor Paxton thanked the Assembly for their work interviewing the candidates.

A motion was made by Bean to go into executive session to discuss subjects that may tend to prejudice the reputation and character of Municipal Administrator Candidates Craig Cugini and John Leach. The motion PASSED by the following vote.

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

No: 1 - Knox

Absent: 1 - Eisenbeisz

Knox reminded the Assembly had informally agreed to wait on making a decision until all members were present.

Shannon Haugland of the Daily Sitka Sentinel asked the Assembly to give a summary after coming out of executive session.

The Assembly was in executive session from 7:44 p.m. to 8:10 p.m.

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

Mayor Paxton announced consensus of the Assembly to offer the position of Municipal Administrator to John Leach.

Knox reiterated he was more comfortable having this discussion with the full body present. Bean thanked both candidates and reminded the Planning Director candidate was waiting to make a decision on whether or not to accept the job based on the actions of the Assembly with regards to hiring an Administrator. Wein stated it would have been nice to have Assembly Member Eisenbeisz present however the will of the body was clear.

A motion was made by Bean to direct the Municipal Attorney to negotiate an offer with John Leach as discussed in executive session. The motion PASSED by the following vote.

Yes: 6 - Knox, Bean, Wein, Paxton, Mosher, and Nelson

Absent: 1 - Eisenbeisz

C 19-207

Discussion / Direction / Decision on future plans for a long-term Interim Administrator (*if needed*)

Mayor Paxton noted there were individuals in Sitka willing to serve as a long-term Interim Administrator. In addition, he noted Don Moore, an applicant from out of town, was willing to serve. Paxton stated Moore would come to town with no biases. Nelson stated she had reached out to former Administrator Hugh Bevan; he was experienced and it would be a cost savings as opposed to bringing in someone from out of town. Bean concurred. Knox hoped for a decision to be made after hearing whether or not John Leach had accepted.

A motion was made by Nelson to direct Human Resources, through the Interim Administrator, to contact Hugh Bevan to see if he's interested in serving as the Interim Administrator (until such time John Leach assumes duties as Municipal Administrator) and request Bevan submit a letter of intent. Item to be discussed under new business at the October 8 Assembly meeting. The motion PASSED by the following vote.

Yes: 6 - Knox, Bean, Wein, Paxton, Mosher, and Nelson

Absent: 1 - Eisenbeisz

V. PERSONS TO BE HEARD:

None.

VI. EXECUTIVE SESSION

See item B.

VII. ADJOURNMENT

A motion was made by Mosher to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:25 p.m.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk