

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
June 18, 23, 25, 30, and July 7
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

Thursday, June 18, 2020

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Nelson, Knox, and Mosher participated by videoconference.

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

IV. CORRESPONDENCE/AGENDA CHANGES

None.

V. PERSONS TO BE HEARD

Karen Lucas told of the Sitka Community Working Group and concept to acquire the former Presbyterian Church as a community center. The group would like to rehabilitate the church to help the most vulnerable population in Sitka and have it be owned by the City or Sitka Tribe of Alaska (STA). The facility would be managed by a non-profit, be self-sustaining, and provide food and shelter to those it serves. Nancy Furlow spoke in support of establishing the project Ms. Lucas spoke of and urged the Assembly to do the same. Harriet Bealeal spoke in support of a Sitka Community Center as spoke of by Ms. Lucas. Sergeant Gary Cranford introduced Robert Moelder a new Police Officer. Jennifer Alley encouraged the Assembly to extend funding to STA. Galen Paine spoke in support of acquiring the former Presbyterian Church for a community center.

VI. NEW BUSINESS:

A 20-120 Discussion / Direction / Decision on CARES Act funding program design and

associated applications

Municipal Administrator John Leach provided an overview of the CARES Act Working Group and their work thus far. Leach stated Sitka was scheduled to receive \$14,036,874 in CARES Act funding and reviewed the specific funding categories. Further, Leach reviewed the areas in which the CARES Act Working Group was looking for guidance on.

Christianson spoke favorably of the groundwork and offered comments. Eisenbeisz also spoke in support of the framework and wondered of the amount set aside for Category 4: City Impact/Mitigation Spending (\$1.75M). Leach noted some of the funding was set aside for COVID-19 testing of community members. Christianson shared some of the challenges with testing. In addition, he reminded a requirement was the money needed to be spent by the end of the year. Knox, a working group member, shared thoughts for moving forward and reminded it was complicated. He said there were two different tracts to move forward with for businesses qualifications - 1) more robust with exact impacts shared or 2) a simple application process to disseminate funding quickly. Wein noted the importance of determining need and commented it was difficult to determine based on information provided. Wein wished to see the funding used efficiently and said what was missing were projects that would exist after the pandemic was over. He reminded the funding could address help with the community center. Wein also wished to see ventilation systems replaced and improved in public buildings. He wondered how to make efficient use of the money with lasting effects. Paxton spoke favorably of the framework and applications. He suspected the full amount of money set aside for utilities may not be needed. Mosher reminded the funding was intended for the entire community, spoke in support of keeping the process simple, and not to be used on specific projects - e.g. community center. Nelson thanked the working group for their thorough work and shared opinions on the categories.

Eisenbeisz wondered of the definition of "spent." Chief Finance and Administrative Officer Jay Sweeney stated it needed to be distributed, a check written, by December 31, 2020. Sweeney also clarified the money had to be used for COVID-19 relief. He explained all expenditures of CARES Act funding had to mitigate adverse impacts of COVID-19 pandemic on the municipality. Paxton believed the community center to be an interesting opportunity.

Christianson suggested the Assembly discuss the categories and agree on funding for each. Wein said it was difficult to determine if need was unknown.

A motion was made by Christianson to AMEND moving \$750,000 from category 4 to category 3. The amendment PASSED by the following vote.

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

No: 1 - Wein

Public Comment

Loyd Platson spoke in support of a community center. Jennifer Alley spoke in opposition to the categories. Eric Van Cise School Board Clerk spoke to category 4 and of the benefits of AmeriCorps volunteers. He told of the technology used and the need to be prepared to enhance learning and lasting benefits for students. Karen Lucas stated counselors were lacking in the School District and advocated for the positions. Nalami James spoke to categories, advocated for a homeless shelter, and suggested flat coverage for utilities. Connie Sipe a Sitka Legacy Fund member provided

recommendations to the categories, noted the work required to vet the applications, and offered to help streamline the process.

A motion was made by Wein to AMEND adding category 7: The motion FAILED by the following vote.

Yes: 2 - Paxton, and Wein

No: 5 - Christianson, Eisenbeisz, Nelson, Knox, and Mosher

A motion was made by Christianson to accept the overall structure as put forth by the CARES Act Working Group and associated amounts for Category 1: Utility/Moorage Assistance of \$4.5M; Category 2: Business and Non-Profit Grants for \$5M; Category 3: New City Funded Programs for \$2.5M; Category 4: City Impact/Mitigation Spending for \$1M; Category 5: Sitka School District Request for \$430K; Category 6: Contingency \$627,653 as AMENDED. The motion PASSED by the following vote.

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

No: 1 - Wein

Leach was looking for guidance in category 2 and offered to bring back a proposal with more developed criteria. Wein thought to include a disclaimer. Nelson thought there was no need to split category two as there was enough wiggle room. She stated to look at applications and noted that the funding was to assist with impacts from COVID-19, not make everyone whole.

Garry White, SEDA Executive Director and a member of the CARES Act Working Group spoke to data of businesses in Sitka estimating potential applicants for category 2. He mentioned that there was no way to track revenue at this time or FTE's. He agreed with Eisenbeisz to use estimated numbers and if need be reallocate funding.

Christianson was not in support of distributing funding for those businesses that had unpaid financial obligations and felt they should be paid prior to receiving a grant. Knox told of the working group discussion if the funding was leverageable.

Chief Finance and Administrative Officer Jay Sweeney gave his perspectives of giving grants to entities in Sitka with the proviso that the grant you receive may be offset by debt owed city. He stated it wasn't disallowed and felt it was reasonable use of the funding. He stated there was no specific guidance on if allowed to give CARES Act funding for debt incurred prior to March 15. Municipal Attorney Brian Hanson offered his logic that funding was given to offset what they would have typically received if the pandemic did not occur in which they could have paid their bills. He felt under that circumstances, it was fair and the risk should be taken to allow an offset. His opinion was that the city shouldn't terminate eligibility for having a past due debt.

Mosher did not feel that an applicant should be prohibited from receiving funds if they had a past due balance. Knox would like to see the Assembly entertain the idea brought forward by Connie Sipe of the Sitka Legacy Fund.

VII. PERSONS TO BE HEARD:

Karen Lucas spoke to community center support and clarified it was not a homeless

shelter but rather a multi-use social service center. Duce Audette a resident of Presbyterian church neighborhood wondered of the impacts of a community center in the neighborhood. He advocated to slow the process down. Dr. Wein reported the Kelmscott Chaucer as one of the most beautifully printed books listed in our history. He stated only 425 were printed and made from linen and noted there was still beauty in the world.

VIII. EXECUTIVE SESSION

None.

IV. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:20 p.m.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
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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

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

Tuesday, June 23, 2020

6:00 PM

Assembly Chambers

REGULAR 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.

20-131 Reminders, Calendars, and 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)**

20-121 Special Report: Alaska's Chief Medical Officer, Dr. Anne Zink (via videoconference)

Municipal Administrator John Leach thanked Dr. Zink for her time. Dr. Anne Zink shared data specific to Sitka for COVID-19 testing. She noted that there was not 100% accuracy on testing but that all positives should be treated as such. She encouraged

social distancing, wearing a mask, and keeping social circles small to avoid spreading the disease. She told of contract tracing and tracers, investigations, and mandatory reporting. She noted that Alaska was the 8th most tested state with the lowest rate. She answered Assembly member's questions surrounding testing with regards to positive and negative results and the timeline.

Wein said that Alaska was lucky to have Dr. Zink and thanked her for her difficult job.

VII. PERSONS TO BE HEARD

Garry White Chair of University of Alaska Southeast Sitka Campus Advisory Council informed of the potential close down of southeast campuses in FY2022. He extended an invitation for an Assembly Member to sit on the Council. Doug Osborne told of an online petition to remove the statue of Baranov in front of Harrigan Centennial Hall. He asked the Assembly to consider the removal. Harriet Miyasato Beleal, Nancy Furlow, Paulette Moreno, Tom Gamble, Chandler O'Connell, Bob Sam, Scott Maxwell, and Nicholas Galanin spoke in support of removal of the Baranov statue. Andrew Hames, Brian Hames, and Roger Hames spoke to the history of the statue, that it was a gift and asked that if it were removed, it go to a museum. Valorie Nelson spoke as a member of the public and told of concerns of the divisiveness of the statue.

VIII. CONSENT AGENDA

A motion was made by Nelson that the Consent Agenda consisting of items A, B, and C be APPROVED. The motion PASSED by the following vote.

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

A 20-123 Approve the minutes of the June 9 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

B 20-124 Approve a new liquor license application and premises diagram application for Harbor Mountain Brewing Company at 1209 A Sawmill Creek Road

This item was APPROVED ON THE CONSENT AGENDA.

C 20-125 Approve an application for the renewal of a retail marijuana store license for Anna M. Cleaver dba Weed Dudes at 1321 Sawmill Creek Road Suite J & K

This item was APPROVED ON THE CONSENT AGENDA.

D RES 20-22 Setting the millage rates for the fiscal year July 1, 2020 through June 30,

A motion was made by Wein that this resolution be APPROVED on FIRST AND FINAL READING with the clerical change in the total amount of assessed value as \$1,178,465,990. The motion PASSED by the following vote.

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

IX. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

E 20-126 Appoint Jeff Budd to an unexpired term on the Library Commission

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

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

X. UNFINISHED BUSINESS:

F ORD 20-32 Making supplemental appropriations for fiscal year 2020 (*Secure Rural Schools Support*)

Eric Van Cise Sitka School Board Clerk spoke in support of funding the schools and wondered of the splitting of funds historically.

Wein stated the Secure Rural Schools Act was dual purpose to be used for both schools and roads. He noted the monies that would be given to the School District from the CARES Act funding. Nelson was not in support and stated that roads needed funding. Mosher spoke in support of the 50/50 split. Christianson felt that the funding was needed for schools and that counselors were needed. Paxton was in support although noted the need for funding roads in the future.

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

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

No: 2 - Wein, and Nelson

G ORD 20-33 Amending Title 4 "Revenue and Finance" of the Sitka General Code by revising Chapter 4.09 "Sales Tax" relating to exemption certificate

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

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

XI. NEW BUSINESS:

New Business First Reading

H ORD 20-34 Making supplemental appropriations for fiscal year 2021 (*Airport Terminal Improvement Project*)

Public Works Director Michael Harmon noted the intent to remodel the airport in a partnership with TSA to upgrade their secured area. He stated this grant enabled improvement and would speed up the processing of luggage.

Wein noted the 5% match for city.

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

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

I ORD 20-35 Making supplemental appropriations for fiscal year 2021 (*COVID-19 Re-appropriation*)

Municipal Administrator John Leach explained to carry funding forward in next fiscal year for FEMA, reimbursement needed to be appropriated. He explained that it could be used for emergency isolation, personal protection equipment, meals, overtime wages - anything directly related to the emergency that would then be submitted for reimbursement.

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

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

Additional New Business Items

- J 20-127** Discussion / Direction of a request to purchase a portion of Tract A11 of Whitcomb Heights Subdivision encompassing approximately 41,000 square feet near the corner of Cushing Street and Kramer Avenue
- Planning Director Amy Ainslie gave an overview of the request to purchase 41,000 square feet of a parcel in the Whitcomb Heights subdivision. She spoke to the process of competitive bid that would need to take place and relayed that the Planning Commission felt it was appropriate to sell. Chief Finance and Administrative Officer Jay Sweeney noted if sold the proceeds would go to the Permanent Fund but that the costs from selling the property could be used from the Benchlands Capital Project Fund. Public Works Director Michael Harmon spoke to the multiple landslide reports, and the two in final form. He told of infrastructure.
- Wein felt it should be a request for proposals (RFP) process and wondered of the cost to the city. Christianson was in support of selling, but wondered if it would be better to sell the entire parcel and not a portion. Eisenbeisz thought to sell the entire parcel and noted the buyer could reimburse the costs of surveying and subdividing. Paxton was in agreement with the RFP process and having the owner pay to install utilities. Nelson felt to proceed with caution because of the history in the vicinity. She was in agreement to sell the entire lot and an RFP.
- K 20-129** Discussion / Direction on the disposition of unpaid personal property taxes
- Municipal Administrator John Leach reminded he had informed the Assembly of the unpaid amounts in 2019 and that any balance less than \$200 could be written off by the Finance Director while the Administrator had authority to write off anything over \$200 and under \$1,000 if deemed uncollectible. He noted two of the listed account owners were working toward promissory notes. He asked for Assembly direction for the remaining debts. Municipal Attorney Brian Hanson relayed that the Sitka General Code sets policy and that a case by case assessment needed to be done. He noted he worked on collection items weekly.
- Nelson disclosed she was a member of one of the entities. She stated she would like more transparency as to who the parties are of outstanding balances owed to the city. Christianson wondered of including these amounts into next year's bills and roll it forward. Wein felt uncollected debts were a problem that needed to be solved city wide. Mosher agreed a precedent should be set and the debts collected.
- L 20-128** Appeal of the denial of a public records request filed by Nick Feronti for Northern Justice Project, LLC (*possible executive session*)

Municipal Attorney Brian Hanson spoke to practice and procedure for this quasi-judicial hearing and he explained the appeal of a denial of a public records request. He noted that a decision needed to be made and that the burden of proof was on the city. He stated the Mayor's role during the procedure and confirmed that the next step if the Assembly denied would be superior court.

Hearing

Appellant/Staff presentation of evidence and argument: Nick Feronti of the Northern Justice Project spoke to the denial as wrongfully denied. He told of transparency and the theory for public access to government as a fundamental right and gave context of new criminal charges. He spoke to the process and urged the Assembly to look at the denial letter. Hanson told of the process for public records requests and of practice and procedures. He noted that the vast majority of records were disclosed however there were a few occasions of denials. He explained the law enforcement interference exception in the Sitka General Code and the distinguishing pending versus active cases.

Appellant/Staff response or clarifying statements: Feronti called on witness, Ryan Silva. Silva answered questions of his employment history, misconduct of the Sitka Police Department, a lawsuit, an investigation, and privacy. Feronti stated irrelevancies and speculation. He suggested erring on the side of releasing the documents. Hanson strongly urged the Assembly to deny the appeal. He reiterated that the documents involved an investigation that was started by the Sitka Police Department then continued by the Alaska State Troopers. He told of the importance of witnesses needing privacy and that confidentiality was needed during active cases.

Deliberation by Assembly: Mosher spoke in support to deny the appeal and stated that Hanson's argument was clear and logical. Christianson concurred and stated the request was asking for records for an ongoing investigation that the Troopers were conducting. Wein stated the question was, what was allowed by law and as to whether the denial was justified by law. He spoke to reasonable doubt and wondered if the decision to disclose reasonably interfered with the prosecution. He didn't feel there was enough information and that records should be disclosed. Nelson spoke in support of disclosure. Eisenbeisz spoke in support to deny the request and noted the difference in a pending criminal investigation and a pending criminal case. He believed that if it were a pending criminal case, it should be released, however, he viewed an investigation differently.

A motion was made by Knox to deny the appeal. The motion PASSED by the following vote.

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

No: 2 - Wein, and Nelson

XII. PERSONS TO BE HEARD:

Mary Ferguson spoke of disappointment of the denial of the appeal for the records request release. She spoke to the lack of transparency. Rachel Moreno spoke in support of school funding and counselors in the School District. George Paul spoke to political differences and spoke in support to leave the Baranov statue and the canoe in front of Harrigan Centennial Hall. He urged to support government to government relationships and asked to open the Library. Tom Gamble recommended mediation for

quasi-judicial items. He would like encourage the Assembly to invoke change and told of a previous equity summit he hosted and was planning another August 8. Ryan Silva spoke in disappointment in the denial of the records request and felt there wasn't enough information.

XIII. REPORTS

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

Assembly Liaisons - Christianson reported on the Gary Paxton Industrial Park Board of Directors meeting. Wein reported on the Tree and Landscape Committee.

Clerk - Henshaw told of the vacancies to fill for the regular municipal election to be held October 6.

Other - Eisenbeisz reported on the City Seal Redesign process. Wein attended and reported on the Advisory Board meeting for University of Alaska Southeast.

XIV. EXECUTIVE SESSION

M 20-130 Financial matter: Alaska Pure Sea Salt - Forbearance Agreement

A motion was made by Christianson to go into Executive Session with Chief Finance and Administrative Officer Jay Sweeney under the statutory categories of discussing subjects that ten to prejudice the reputation and character of any person and to discuss matters, the immediate knowledge of which, would adversely affect the finances of the City and Borough of Sitka and invite in, if and when ready, Jim Michener of Alaska Pure Sea Salt. The motion PASSED by the following voice vote.

Yes: 7 - Christianson, Knox, Wein, Paxton, Nelson, and Mosher

No: 7 - Eisenbeisz

The Assembly was in executive session from 9:30 p.m. to 9:50 p.m. Jim Michener was in executive session from 9:40 to 9:50 p.m.

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

A motion was made by Nelson to direct the Administrator and staff to draw up the forbearance agreement as discussed in executive session with Alaska Pure Sea Salt. The motion PASSED by the following vote.

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

XV. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:52 p.m.

ATTEST: _____

**Melissa Henshaw, CMC
Acting Municipal Clerk**



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
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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

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

Thursday, June 25, 2020

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Wein arrived at 6:01 p.m.

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

Absent: 2 - Knox, and Nelson

IV. PERSONS TO BE HEARD

None.

V. NEW BUSINESS:

A 20-132

Annual evaluation for Municipal Attorney Brian Hanson (*requests evaluation to be held in executive session*)

A motion was made by Mosher to go into executive session under the statutory categories of discussing subjects that 1) may tend to prejudice the reputation and character of an individual, and, 2) may have an adverse effect upon the finances of the City and Borough of Sitka and invite in, when ready, Municipal Attorney Brian Hanson. In addition, pursuant to customary practice, I move to exclude the Municipal Administrator and Acting Municipal Clerk. The motion PASSED by unanimous consent.

The Assembly was in executive session from 6:01 p.m. to 6:34 p.m.

A motion was made by Christianson to reconvene as the Assembly in regular

session. The motion **PASSED** by unanimous consent.

Paxton stated that the Municipal Attorney, Brian Hanson received a satisfactory evaluation and thanked him for his work.

B 20-133

Quarterly evaluation for Municipal Administrator John Leach (*requests evaluation to be held in executive session*)

A motion was made by Mosher to go into executive session under the statutory categories of discussing subjects that 1) may tend to prejudice the reputation and character of an individual, and, 2) may have an adverse effect upon the finances of the City and Borough of Sitka and invite in, when ready, Municipal Administrator John Leach. In addition, pursuant to customary practice, I move to exclude the Municipal Attorney and Acting Municipal Clerk. The motion PASSED by unanimous consent.

The Assembly was in executive session from 6:35 p.m. to 7:16 p.m.

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

Paxton announced the Assembly gave Leach a satisfactory report and thanked him especially during these difficult times relating to the COVID-19 pandemic.

VI. PERSONS TO BE HEARD:

None.

VII. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Seeing no objection, the meeting ADJOURNED at 7:18 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
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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

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

Tuesday, June 30, 2020

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Knox and Nelson participated by videoconference.

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

Absent: 2 - Eisenbeisz, and Mosher

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

V. PERSONS TO BE HEARD

None.

VI. NEW BUSINESS:

A 20-135 Appoint an Assembly Member to the University of Alaska Southeast Sitka Campus Advisory Council

Paxton relayed that the University of Alaska Southeast (UAS) budgets would be seen by the Legislative Finance Committee. He also noted the importance of the UAS campus for the community. Wein stated he had attended the last two meetings and noted the feeling of a sense of urgency. He offered to be the Assembly member to participate in the Council. He told of his concerns of detriment to the community if the Sitka campus was lost and if the campus were to be absorbed into the University of

Fairbanks which would be considered in the fall. Christianson thought that if it continued to look as though the campus would be cut back, then more response would be needed from the community as a whole. Christianson and Nelson were in support of Wein being appointed. Nelson stated she had been a member years ago and there used to be an Assembly member who sat on the council.

Garry White stated the council typically met twice a year but that they would meet more frequently until October.

A motion was made by Christianson to appoint Dr. Wein to the University of Alaska Southeast Sitka Campus Advisory Council. The motion PASSED by the following vote.

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

Absent: 2 - Eisenbeisz, and Mosher

B 20-134

Discussion / Direction / Decision regarding a contract to construct, maintain, and operate a haulout and shipyard at the Gary Paxton Industrial Park with Sitka Industrial Marine Shipyard, LLC (SIMS) formerly WC Enterprises

Municipal Administrator John Leach gave an overview, noting that staff was back before the Assembly as directed after entering into negotiations. He gave history of the process of the notification in November, Halibut Point Marine's haulout closure, the request for proposal (RFP), two bids received and scored, and WC Enterprises (Sitka Industrial Marine Shipyard, LLC - SIMS) was selected. He updated that SIMS recommended process for the haulout could not be completed with existing infrastructure. The negotiated contract was taken to the Gary Paxton Industrial Park (GPIP) Board of Directors where it was approved with the stipulation of legal review due to the funding profile change. He stated the change was outside the confines of the original bid. He would know mid September if the grant would be received.

Garry White SEDA Executive Director stated the terms were similar to others out at GPIP which controls the development. He noted that grant funds were a great opportunity, but it complicated this process. He said GPIP approved the terms with the stipulation that legal review it.

Christianson agreed that the addition of possible grant money was a huge change and felt that because of the grant uncertainty, it was a reason to slow down or reject the bid. He asked staff to make this a priority moving forward if the RFP's were rejected. Nelson spoke in opposition to the city managing the haulout. She had concerns from the beginning and felt another RFP should be issued after the grant situation was known. Wein spoke in support of the city starting the process and while moving forward, to then draw ideas in and develop it that way. He stated the RFP was a waste of time. He noted the need to reject these terms. He felt the submitters of the RFP could be involved in the future planning process and stated with more minds in the room, it offered a better solution. Paxton stated the contract was at a point of non responsiveness. He requested to have a plan on how to go out to bid and a plan if the grants were not received. He noted the need to have a haulout next summer, but that it was important to get the project done right even if it took longer. He commented to staff that the process needed to be high priority.

Public Comment: Dan Cooper of SIMS told of complications with the possibility of grant funding. He said he had asked throughout the process if they were outside the RFP terms and would like an extension to correct them. Michael Nurco would like to see the process move forward without recent replies to the RFP's. He suggested to

have set ground plans for what the boatyard needed. He encouraged the Assembly to slow down and would like to thank SIMS for their efforts. Baker Hensley stated he had submitted the proposal that wasn't selected and suggested that both RFP's get rejected. He thought to issue a request for information. He recommended a user group on shipyard needs. Amy Underhill commented of the need of a local shipyard and the difficulties of taking boats to get hauled out elsewhere. She stated that a lot of work had gone into the RFP's.

A motion was made by Wein to reject all bids. The motion PASSED by the following vote.

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

Absent: 2 - Eisenbeisz, and Mosher

VII. PERSONS TO BE HEARD

None.

VIII. EXECUTIVE SESSION

None.

IX. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Seeing no objection, the meeting ADJOURNED at 6:45 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Acting Municipal Clerk



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
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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, July 7, 2020

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Knox and Nelson participated by videoconference.

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

Absent: 2 - Christianson, and Eisenbeisz

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

V. PERSONS TO BE HEARD

Gayle Young voiced concern for the homeless population in Sitka and expressed the need for a homeless shelter.

Wayne Dye believed there should be an enterprise fund for road maintenance. In addition, he suggested the idea of a fuel tax to pay for road maintenance.

Richard Wein recognized Father Dwight of St. Gregory's Catholic Church, thanked him for his service to Sitka, and wished him well at his next assignment.

VI. NEW BUSINESS:

- A [20-136](#) Discussion / Direction / Decision on CARES Act funding program design and associated grant applications

Municipal Administrator John Leach reviewed the work to date of the CARES Act Working Group and the funding design. He noted the categories were utility/moorage assistance (\$4.5 million); business and non-profit grants (\$5 million); new City funded programs (\$2.5 million); City impact/mitigation spending (\$1 million); School District (\$430,000); and a contingency (\$627,653).

Knox told of an email he had shared explaining in more detail category 3 - new City funded programs, reminded there were details that still needed to be worked out, and that daycare facilities throughout Alaska were operating at reduced numbers due to COVID-19 restrictions and having to use reserves for operations. Wein offered comments related to each of the categories, expressed disappointment with the work product, and stressed the need for additional budgeted amounts for food security and transitional employment program which were subcategories of category 3. Mosher spoke in support of the proposed budget and reminded, while not perfect and more details were needed, it was important to move forward and distribute the money. Paxton noted the importance of using the money to address immediate needs and thanked the Working Group. Nelson expressed the need for equitability, wished to have more information regarding the numbers provided for registered businesses, and wondered how COVID-19 had created a daycare emergency.

Margaret Hart spoke to the need for childcare in Sitka.

A motion was made by Mosher to approve the budget as proposed by the CARES Act Working Group. The motion PASSED by the following vote.

Yes: 4 - Knox, Wein, Paxton, and Mosher

No: 1 - Nelson

Absent: 2 - Christianson, and Eisenbeisz

VII. PERSONS TO BE HEARD

None.

VIII. EXECUTIVE SESSION

None.

IV. ADJOURNMENT

A motion was made by Mosher to ADJOURN. Hearing no objections the meeting ADJOURNED at 7:05 p.m.

ATTEST: _____

**Sara Peterson, MMC
Municipal Clerk**