

CONSENT AGENDA

POSSIBLE MOTION

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

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
December 10 Assembly meeting.



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, December 10, 2019

6:00 PM

Assembly Chambers

WORK SESSION 5:00 PM

19-255 Work Session: Lincoln Street Paving Project

Interim Municipal Administrator Hugh Bevan and City Engineer Cliff Richter provided a review of the Lincoln Street Paving project.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

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

Absent: 1 - Eisenbeisz

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

19-265 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

Chamber of Commerce Executive Director Rachel Roy, and Director of Visit Sitka Laurie Booyse, invited the public to attend the Chamber luncheon on December 11 at the St. Michael's Cathedral. In addition, Booyse noted work had begun on the 2020 visitor guide.

VIII. REPORTS

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

Interim Administrator - Bevan stated he had made an offer to Assessor candidate Larry Reeder. Reeder had accepted contingent upon Assembly approval. Bevan reminded a candidate for the Library Director would be interviewed December 13 and told of a conference call with lobbyist Blank Rome and Larry Markley.

Attorney - Hanson spoke to his work with the foreclosure process.

Liaison Representatives - Knox reported on the recent Parks and Recreation Committee meeting. Wein spoke to the Tree and Landscape Committee and Health Needs and Human Services Commission meetings. Christianson reported on the Gary Paxton Industrial Park Board of Directors meeting.

Clerk - Peterson told of the December meeting schedule, reviewed openings on the Boards and Commissions, and told of job opportunities for the 2020 Census.

IX. CONSENT AGENDA

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

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

Absent: 1 - Eisenbeisz

A 19-256 Approve the minutes of the November 12 and November 26 Assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

B 19-257 Approve a liquor license renewal application for Alejandro Vazquez dba Agave Restaurant at 236 Lincoln Street Suite 107

This item was APPROVED ON THE CONSENT AGENDA.

C 19-258 Approve a liquor license renewal application for Ludvig's Bistro Inc. dba Ludvig's Bistro at 256 Katlian Street

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

- D 19-259** Approve a new retail marijuana store license application for AKO Farms, LLC at 1210 Beardslee Way

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

- E 19-262** Approve the Acting Administrator list for 2020: Melissa Haley, Michael Harmon, Dave Miller, and Sara Peterson

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

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- F 19-260** Reappoint Dave Gordon to a three-year term on the Port and Harbors Commission

Assembly members thanked Gordon for reapplying to serve.

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

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

Absent: 1 - Eisenbeisz

- G 19-261** Reappoint Joseph D'Arienzo to a three-year term on the Tree and Landscape Committee

Assembly members thanked D'Arienzo for reapplying.

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

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

Absent: 1 - Eisenbeisz

XI. UNFINISHED BUSINESS:

- H ORD 19-40** Making supplemental appropriations for Fiscal Year 2020 (GPIP Outside Counsel)

Wein spoke in opposition. He stated he had followed the issue closely, read the documents, attended meetings and didn't feel the additional money to be justified. Mosher reminded the appropriation request was for work that had been completed.

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

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

No: 2 - Wein, and Nelson

Absent: 1 - Eisenbeisz

XII. NEW BUSINESS:**New Business First Reading**

- I ORD 19-41 Making supplemental appropriations for Fiscal Year 2020
(Administration - Personnel / Contract Services)**
- Wein reminded funds for the lobbying firm were going to be paid with the salary previously budgeted for the Community Affairs Director position. He requested the Assembly receive regular updates from the firm, Paxton agreed. Knox expressed concern over the elimination of the Community Affairs Director position and wondered how those duties of that position were being handled.

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

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

Absent: 1 - Eisenbeisz

- J ORD 19-42 Clarifying the Sitka General Code by amending Title 4 "Revenue and Finance" Chapter 4.09 "Sales Tax" and amending Title 15 "Public Utilities" Chapter 15 "Electric Utility Policies" (*Clerical Inaccuracies*)**
- Municipal Clerk Sara Peterson explained the ordinance was needed to correct inaccuracies discovered in the Sitka General Code. She stated references to the Transient Lodging Tax, previously named as the Hotel, Motel, and Bed and Breakfast Transient room, were incomplete throughout the Sales Tax chapter. In addition she said missing amendments had been identified in subsection 15.01.020.F, referenced in the enactment portion of Ordinance 2019-26, regarding the one-month date shift of seasonal electric rates.

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

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

Absent: 1 - Eisenbeisz

Additional New Business Items

- K 19-263 Approve a Consent to Assignment of a lease for 725 Siginaka Way**
- Municipal Attorney Brian Hanson explained the subject property was leased by a couple who currently operate a coffee shop on the property. He said the current lessee desired to assign the lease to another party.

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

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

Absent: 1 - Eisenbeisz

- L 19-264 Authorize the Municipal Administrator to reject a bid from Little Susitna for**

refrigeration repairs at the Marine Service Center and execute a contract with Wyatt Refrigeration in the amount of \$99,980 to replace the primary condenser unit at the Marine Service Center

Interim Municipal Administrator Hugh Bevan provided background, told of needed repairs, and the budget. He explained on October 30, three bids had been received. Wyatt Refrigeration, however, did not include a bid bond and the other two, Little Susitna and Permacold Engineering, were substantially over budget; all bids were determined to be non responsive. A second round of bidding was advertised with \$160,000 declared as the budget in bid documents. On November 13, the only bid received and opened was from Little Susitna restating their original price of \$198,000. Bevan recommended the Little Susitna bid be rejected because their price exceeded that of the price listed in re-bid documents and a contract be executed with Wyatt Refrigeration.

Nelson wondered why Little Susitna's first bid of \$198,000 was determined to be non responsive when it was below the budget of \$200,000. Bevan explained \$200,000 was budgeted, however, the actual budget available was \$162,390 which took into account expenses already incurred - e.g. engineering, advertising, and then a contingency. Nelson wondered if in the first round of bidding the budgeted amount was made available. Bevan stated the amount was indicated in the second round, not the first.

Municipal Attorney Brian Hanson stated it was his understanding that in the first round there were two non responsive bidders and one that was over budget. No one had qualified in the first round.

Christianson reminded the City reserved the right to reject bids. Wein wondered why the budgeted amount wasn't indicated in the first round and why Wyatt Refrigeration had not submitted a bid the second time. Bevan commented Wyatt Refrigeration was frustrated with the process.

A motion was made by Mosher to authorize the Interim Municipal Administrator to reject a bid from Little Susitna for refrigeration repairs at the Marine Service Center and execute a contract with Wyatt Refrigeration in the amount of \$99,980 to replace the primary condenser at the Marine Service Center. The motion PASSED by the following vote.

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

No: 1 - Nelson

Absent: 1 - Eisenbeisz

M RES 19-27

Authorizing the City and Borough of Sitka to join the Alaska Remote Seller Sales Tax Commission for the purpose of developing, implementing, and enforcing a remote sellers sales tax code and designating a City representative to the Commission

Cosponsors Christianson and Knox spoke to the resolution. Christianson stated the City did not have the ability to administer this program on our own, that Alaska Municipal League had developed a group to serve as the statewide reporting and collection point, and it was important for Sitka to receive the realized income from internet sales. Not entering into the agreement could result in a \$300,000 loss. Knox agreed and stressed the importance for the City to be involved.

Mosher was supportive of moving forward. Nelson expressed concern with making a

decision, was uncomfortable not knowing the fee, and suggested the item be postponed. Wein commented he had reviewed the packet materials and while supportive of receiving tax monies from online sales, was hesitant to move forward without having his questions answered. Municipal Attorney Brian Hanson stated he had reviewed the documents, held conversations with the finance staff, spoke with other legal departments, and didn't believe there to be any red flags.

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

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

No: 2 - Wein, and Nelson

Absent: 1 - Eisenbeisz

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 7:05 p.m.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk