

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
February 6 and February 11 Assembly
meetings.



CITY AND BOROUGH OF SITKA

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

Minutes - Not Viewable by the Public

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

Thursday, February 6, 2020

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

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

IV. PERSONS TO BE HEARD

None.

V. NEW BUSINESS:

A 20-034

Discussion / Direction / Decision of local support of education to the Sitka School District contained in the proposed FY2021 General Fund Budget and other issues pertaining to the financial support of educational related

A joint meeting was held between the School Board and the Assembly. Interim Municipal Administrator Hugh Bevan at the opening of the meeting, stated school funding was the largest expenditure in the General Fund. The goal was to finalize the number and bring that to the final budget meeting on February 20. Melissa Haley, Controller, reviewed the process and law pertaining to local funding of public education. In addition, she stated the total amount of local support for public education proposed for the FY2021 budget was \$7,618,993 to be disbursed as follows: \$7,161,993 (monthly disbursements); \$250,000 (Secure Rural Schools funding); \$150,000 (school building maintenance); and \$57,000 (performing arts center utility bill).

Wein reminded the City was committing funds without the knowledge of understanding where the City stood financially (e.g. net shed repairs, Green Lake, snow plowing, water line breaks) and wished to see the budget first. Christianson said approval of the

funding would provide certainty for the School District and reminded there would still be difficult decisions to be made regarding staff.

School Board President Elias Erickson thanked the Assembly for the early discussion and spoke to their budgetary process. Amy Morrison, School Board Vice President, stated the School District was the second highest employer in Sitka, spoke to the graduation rate, and student enrollment numbers.

Regarding the proposed amounts for local support, Haley reminded the Assembly could make changes to the budget at any time up until the time the budget ordinance was approved, and thereafter amendments could be made. She clarified, however, that once the City committed to a funding level in the official letter sent to the School District, the City was then locked in and no changes could be made with regards to school funding. It was noted that the Secure Rural Schools funding amount was only an estimate and may change based on the actual amount received.

A motion was made by Knox to direct the Interim Administrator to include in the FY2021 draft Administrator's budget the amount of \$7,618,993 for local support of public education (including, \$7,161,993 to be paid in even monthly disbursements, \$250,000 to be disbursed upon receipt of Secure Rural Schools funding, \$150,000 for reimbursement for maintenance of school buildings, and up to \$57,000 to be used to pay for the performing arts center utility account #5417-002). The motion PASSED by the following vote.

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

No: 1 - Wein

VI. PERSONS TO BE HEARD:

Nelson reminded Blatchely Middle School wrestlers were in need of travel funds and suggested those interested in donating contact the Activities Director at Blatchley.

VII. EXECUTIVE SESSION

None.

VIII. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 6:38 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, February 11, 2020

6:00 PM

Assembly Chambers

WORK SESSION 5:00 P.M.

20-036 Alaska Remote Sellers Sales Tax Commission

Alaska Municipal League Executive Director, Nils Andreassen, and President of the Alaska Remote Sellers Sales Tax Commission, Jeff Rogers, provided an overview of the Commission's work and process moving forward for the collection of online vendor sales tax.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

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

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

20-043 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)

Eric Van Cise, Clerk of the School Board, expressed appreciation to the Assembly for their support, noted the School Board President and Vice President were in Juneau for a lobbying trip, and reviewed events happening in the School District.

20-038 Special Report: Police Chief Robert Baty

Police Chief Robert Baty provided an update on his tenure as Chief. He spoke to department leadership, morale, budgetary savings, and mentorship programs. He reminded recruitment was a problem at the local, state, and nationwide levels.

VII. PERSONS TO BE HEARD

Leo Jimmy provided an update on the formation of the Leo's Hope Advisory Committee.

Joel Hanson spoke to a resolution coming forward to the Assembly regarding the declaration of a climate emergency and mobilization effort.

Rachel Roy, Executive Director of the Chamber of Commerce, told of the annual Chamber Gala, mentioned Senator Murkowski would speak at the Chamber Luncheon February 19, and spoke to the publicity received from the Google commercial aired during the February 2 Super Bowl featuring Sitka.

Shirley Robards spoke to the requirement for resale exemption certificates and wholesale purchases.

Noah Shepard stated he was recently a litigant against the City, was forced to settle, and urged the Assembly to speak with him.

George Paul thanked the Chief of Police for his work, spoke to the high cost of living in Sitka, and said there should be a cruiseship dock in downtown Sitka.

VIII. REPORTS

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

Interim Administrator - Bevan commented the meeting to discuss cost sharing of the City/State Building had been postponed due to technical difficulties and told the second supply barge for Crescent Harbor had arrived.

Attorney - Hanson noted he would be on vacation February 14-24.

Liaison Representatives - Knox reported on the Parks and Recreation Committee meeting, Wein on the Planning Commission, and Christianson on the Library Commission.

Clerk - Peterson reviewed the upcoming meeting schedule, board/commission vacancies, and stated online response for 2020 Census would March 12.

Other - Wein reminded the Sitka Fine Arts Camp Director was speaking at the February 12 Chamber lunch. Eisenbeisz reported on the Alaska Municipal League

teleconference he attended regarding ferry service.

IX. CONSENT AGENDA

- A 20-037** Approve the minutes of the January 23 and January 28 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:

- B ORD 20-03** Amending the official Sitka Zoning Map to rezone 4513, 4521, and 4533 Halibut Point Road from Industrial District (I) to General Commercial and Mobile Home District (C-2)

Wein spoke in support and urged the Assembly to think about maximizing returns on private service opportunities. Nelson disclosed she was a nearby property owner and there was no conflict of interest.

A motion was made by Knox 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

- C ORD 20-02S(A)** Amending Title 6 "Business Licenses And Regulations", Title 19 "Building and Construction", and Title 22 "Zoning" of the Sitka General Code by modifying Chapter 6.12 "Mobile and Manufactured Homes and Mobile and Manufactured Home Parks", Chapter 19.09 "Residential Code", Chapter 22.08 "Definitions", Chapter 22.16 "District Regulations", Chapter 22.24 "Special Use Permits" and adding Sections 6.12.205 "Construction Requirements For Tiny Houses and Tiny Houses On Chassis", Section 22.08.798 "Tiny House", and Section 22.08.799 "Tiny Houses On Chassis" (1st reading)

Planning Department Project Manager Scott Brylinsky spoke to the changes in the substitute ordinance: added definition of "chassis"; added exception clarifying that "tiny house on chassis" did not include recreational vehicles, self-propelled vehicles, and fifth-wheel trailers; added clarification that International Residential Code requirements for a "tiny house on chassis" apply from joists up; added provision addressing structural requirements for chassis.

Wein wondered of the liability issue. Municipal Attorney Hanson reminded when a governmental body created code, in particular permitting for land use, those were discretionary and governmental actions that had immunity from liability. In review of the proposed ordinance he had no concerns with the legality of the code nor any unusual liability. Christianson and Mosher spoke in support. Eisenbeisz wondered of the

specific siding requirements and stated it seemed limiting when trying to increase housing options. Brylinsky clarified Section 6.12.205(F) pertained to tiny houses on chassis. He stated vinyl was less stable, degraded in UV more rapidly, and held mildew.

Speaking in support of the ordinance from the public was Michelle Putz, Andrew Thoms, Chandler O'Connell, and George Paul. Rachel Roy wondered why plastic siding was not allowed.

An amendment was made to delete lines 414-422. Speaking from the public in opposition to the amendment were Andrew Thoms and Michelle Putz.

Assembly members discussed the amendment. Nelson believed the ordinance process was being rushed. Building Official Pat Swedeen clarified oriented strand board was not allowed. Knox stressed the need for quality construction. Brylinsky stated a house built without section F (amendment) would still fall under the International Building Code and standards.

A motion was made by Eisenbeisz to AMEND the Ordinance by deleting lines 414-422:

F. In the interest of providing durable affordable housing, tiny houses on chassis shall:

- 1. Not employ oriented strand board or similar resin/woodshard or wood particle sheeting materials in any structural building component; and**
- 2. Have roofs a minimum of 2 in 12 pitch and employ as roofing materials shingles or metal roofing (no rolled roofing); and,**
- 3. Employ wood, cement board, or metal siding (no vinyl or plastic siding).**

The motion PASSED by the following vote.

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

No: 2 - Mosher and Paxton

A motion was made by Mosher to APPROVE the substitute Ordinance on FIRST READING AS AMENDED. The motion PASSED by the following vote.

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

XII. NEW BUSINESS:

D 20-044 Approve hire offer for Jessica Ieremia as Library Director

Acting Library Director Joanna Perensovich thanked the Assembly for their support and spoke in favor of Ms. Ieremia. Wein and Christianson offered support.

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

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

E 20-039 Approve a Memorandum of Understanding between the City and Borough of Sitka and the Sitka Cycling Club

Doug Osborne, representative of the Sitka Cycling Club, stated members were looking for more places to ride single track and this proposal, on the Sitka Cross Trail, would provide alternative riding options. The concept was endorsed by the Parks and Recreation Committee and Sitka Trail Works. Osborne noted there would be signage, no trees would be removed, and no structures built.

Those voicing support were Aaron Prussian, Emma Klein, Eric Estrada, Alex Bayne, Jay Lundvick, and George Paul.

A discussion among Assembly members ensued. Wein disclosed he was a member of the Club, however, there was no conflict. Mosher wondered of safety, Nelson of insurance requirements, and Wein of liability issues. Municipal Attorney Hanson told of extensive work on the document and reminded the document was a Memorandum of Understanding (MOU) not a contractual obligation. Hanson noted there were strict directives in the MOU and if not satisfied the MOU could be terminated. Further, Hanson noted the Cycling Club requested they not be required to purchase insurance, therefore, section B(18) stated only if desired, should they obtain and maintain insurance with the understanding the City had no obligation to provide such insurance coverage.

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

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

F 20-041 Discussion / Direction / Decision on the Crescent Harbor High Load Dock repair project (Net Shed)

Interim Administrator Bevan explained last fall a company was hired to perform an inspection on the piling. The report recommended to replace the four key pilings and a vast majority of bracing or put restrictions on structure use. Bevan told of estimated costs (\$500,000) and a deadline for water work of March 15 with regard to marine mammals. Bevan recommended waiting until the fall rather than rush.

Speaking from the public, George Paul, suggested the Assembly try to save money for citizens.

Assembly members discussed the advantages and disadvantages of performing work now or waiting. Some wondered of restrictions that would be put on the dock if repairs weren't made until the fall. Bevan stated no vehicles, no public gatherings, or foot traffic would be allowed. In addition, Bevan reminded this was a 10-15 year repair. Other items would need to be repaired in the future. Christianson wondered if cruise ship tax money could be used and Mosher believed the project to be rushed.

A motion was made by Mosher to delay the project until the fall as referenced in the Interim Administrator's memo. The motion FAILED by the following vote.

Yes: 3 - Christianson, Paxton, and Mosher

No: 4 - Eisenbeisz, Knox, Wein, and Nelson

G ORD 20-06 Making supplemental appropriations for Fiscal Year 2020 (Crescent Harbor High Load Dock Project)

George Paul spoke in opposition of the ordinance stating the City was spending money that didn't exist.

Mosher stated he felt the process was rushed, Nelson said her preference would be for the funding to come out of the FY2021 budget, and Eisenbeisz also spoke in opposition suggesting staff come back with a more complete package. Wein and Christianson wished to have more information before making a final decision. Knox reminded if there was the potential to have the work done sooner rather than later that was his preference citing the high usage of the dock.

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

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

No: 2 - Eisenbeisz, and Mosher

H 20-040 Discussion / Direction / Decision to keep or sell the Marine Services Center and next steps

Interim Administrator Bevan stated the Marine Services Center discussion was the result of an Action Plan approved by the Assembly in July 2019 to determine the highest/best use of the Center. Bevan summarized options for retaining the Center in City ownership and options for selling.

Public Comment

Steven Rhoads, of Seafood Producers Cooperative, reminded of the uses of the Center and spoke to the need for maintaining access to the Center. Bert Bergman, Seafood Producers Cooperative board member, stated he was more favorable of the cold storage as opposed to the dock. Jackie Foss spoke to the need for a working waterfront and retaining the cold storage whether that be in private or City ownership. Scott Saline spoke to information he had obtained from a records request regarding the Center.

Assembly Discussion

Members offered their opinions on retaining or selling. Wein spoke in opposition to selling and said more thought needed to be given to financing the needed repairs and maintenance. Knox wished to have more information and stated he was not interested in the Center leaving public hands. Christianson, Nelson, Paxton, and Mosher voiced support for moving forward with an RFP for sale or lease to explore what the offers might be.

A motion was made by Mosher to move forward with an RFP for sale or lease. The motion PASSED by the following vote.

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

No: 3 - Eisenbeisz, Knox, and Wein

I ORD 20-04 Making supplemental appropriations for Fiscal Year 2020 (Pet Adoption

Fund / GPIP Dock Expense / Permanent Fund Fees)

Controller Melissa Haley explained budgets were often best guesses and sometimes the reality was different. She explained insufficient amounts had been budgeted for pet adoption and operation of the dock at the Gary Paxton Industrial Park. Haley stated in the Permanent Fund, the investment management fees had not been budgeted. In addition, Haley spoke to corrections needed in the Harbor Fund and School bond debt reimbursement.

A motion was made by Knox 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

J ORD 20-05 Amending appropriations for Fiscal Year 2020 (Removing Subsidies for Harbor / School Bond Debt)

A motion was made by Knox 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

XIII. PERSONS TO BE HEARD:

Larry Edwards submitted a grievance over gross misrepresentation of Resolution 2019-26 (Roadless Rule).

George Paul urged the Assembly to shift its philosophy and make the cost of living in Sitka more affordable.

XIV. EXECUTIVE SESSION

K 20-042 Legal Matters / Personnel Matters: Sitka Police Department

A motion was made by Mosher to go into executive session to receive and discuss an update from the Municipal Attorney and outside legal counsel, Michael Gatti and/or Megan Sandone, concerning legal matters affecting the municipality as a result of the lawsuit filed by Ryan Silva on August 23, 2018, the lawsuit filed by Mary Ferguson on October 11, 2018, and the lawsuit filed by Noah Shepard on February 25, 2019, and to discuss Sitka Police Department personnel matters with the Municipal Attorney affecting the municipality or legal consequences of past, present, or future municipal actions, and which by law are required to be confidential, and invite in, if desired and when ready, Chief of Police Robert Baty. The motion PASSED by the following vote.

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

The Assembly was in executive session from 9:17 p.m. to 10:02 p.m.

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

XV. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 10:04 p.m.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk