

CONSENT AGENDA

POSSIBLE MOTION

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

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
January 8 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 Valorie Nelson,
Aaron Bean, Kevin Knox, Dr. Richard Wein, Kevin Mosher*

*Municipal Administrator: Keith Brady
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Tuesday, January 8, 2019

6:00 PM

Assembly Chambers

WORK SESSION 5:00 PM

19-011 Work Session: The Greater Sitka Chamber of Commerce / Visit Sitka

Visit Sitka staff reviewed the convention and visitor services contract and marketing strategy plan.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

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

Absent: 1 - Paxton

IV. CORRESPONDENCE/AGENDA CHANGES

19-010 Reminders, Calendars and General Correspondence

No agenda changes.

V. CEREMONIAL MATTERS

19-001 Service Award - Martha Pearson

Deputy Mayor Eisenbeisz read an award for Martha Pearson in recognition of her service on the Health Needs and Human Services Commission.

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

19-002 Special Report: SCH / SEARHC Strategic Affiliation Process - Sarah Cave and Sandy Johnson

Consultant Sarah Cave reviewed the accomplishments / discussion points from the January 7 Joint Negotiating Team meeting, announced Joint Negotiating Team meetings were scheduled for January 18 and 28, stated a special Assembly meeting was scheduled for January 29 to obtain further direction from the Assembly on critical issues, and stated barring unforeseen circumstances, the Team anticipated bringing documents forward for Assembly approval in February or March, with the closing of the deal by end of fiscal year 2019, at which point Sitka Community Hospital and SEARHC would become one organization.

VII. PERSONS TO BE HEARD

Arthur Kinnan voiced concerns over ownership of his former dog.

Beth Short Rhodes and Stephen Courtright shared information on the newly formed group Families for School Libraries. Rhodes and Courtright expressed concern over the Librarian position cut at Blatchley Middle School.

VIII. REPORTS

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

Administrator - Brady notified he had been invited to attend the State Board of Education meeting to discuss the seaplane base land, announced Scott Brylinsky had joined the team as interim Planning Director, and reported negotiations were going well with the SCH / SEARHC Affiliation Project.

Clerk - Peterson listed Board vacancies and reviewed the upcoming Assembly meeting schedule.

IX. CONSENT AGENDA

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

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

Absent: 1 - Paxton

A 19-003 Approve the minutes of the December 20, 2018 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

B 19-009 Approve liquor license renewal applications for: 1) BPO Elks Lodge #1662 at

412 Sawmill Creek Road, 2) Hector Barragan dba Pizza Express at 1321 Sawmill Creek Road, Suite H & I, and, 3) Triple C Ventures Inc. dba Watson Point Liquors at 1867 Halibut Point Road

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- C 19-004** Appoint Holly Marban to a three-year term on the Heath Needs and Human Services Commission and reappoint James Mellema to a three-year term on the Police and Fire Commission

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

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

Absent: 1 - Paxton

- D 19-005** Appoint two to terms on the Sitka Community Hospital Board: Mary Ann Hall, David Lam (*incumbent*), Connie Sipe (*incumbent*)

A motion was made by Knox to nominate David Lam and Connie Sipe to serve on the Sitka Community Hospital Board.

An amendment was made by Nelson to add Mary Ann Hall to the nominee list. The amendment PASSED by the following vote.

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

A roll call vote was taken. Voting for Hall: Wein, Nelson, Bean, and Mosher. Voting for Lam: Eisenbeisz, Wein, Nelson, Bean, Knox, and Mosher. Voting for Sipe: Eisenbeisz and Knox. Hall and Lam prevailed. Hall with 4 votes and Lam with 6 votes.*

*In the Municipal Clerk's post meeting review of the Hospital Board appointments, it was noted there were administrative errors. The two seats up for appointment were category specific, healthcare and financial, and should have been properly advertised and appointed as such. On January 10, the Municipal Clerk notified the Assembly, Hospital Board, and applicants of the error and recommended the Assembly rescind their vote to appoint Lam and Hall at the January 22 Assembly meeting. The Clerk noted if the motion to rescind were approved, advertising for the two category specific seats would begin January 23 and applications would be brought forward for Assembly consideration February 12. Further, the Clerk noted in the meantime, as was historical practice, David Lam and Connie Sipe would continue to serve on the Hospital Board until reappointed or replaced for the one additional Hospital Board meeting scheduled for January 24.

XI. UNFINISHED BUSINESS:

- E RES 18-26** Submitting City and Borough of Sitka FY2020 State Legislative Priorities *(postponed at the 12/20/18 meeting)*
- A motion was made by Bean that this Resolution be APPROVED on FIRST AND FINAL READING. The motion PASSED by the following vote.**
- Yes:** 6 - Eisenbeisz, Knox, Bean, Wein, Mosher, and Nelson
- Absent:** 1 - Paxton

XII. NEW BUSINESS:

New Business First Reading

- F ORD 19-01** Making supplemental appropriations for Fiscal Year 2019 *(Harrigan Centennial Hall Staffing and Security Monitoring Video Equipment)*
- Harrigan Centennial Hall (HCH) Manager Don Kluting explained additional seasonal temporary labor was needed to provide visitor services and sustain operations. With the expansion of HCH, Kluting noted operational duties and maintenance had increased. Anticipated costs were \$20,000 for FY19 with \$40,000 built in for the FY20 budget. Municipal Administrator Brady and Kluting spoke to the appropriation for security monitoring video equipment needed for the safety of community members, building, and visitors to Sitka.
- A motion was made by Knox that this Ordinance be APPROVED on FIRST READING. The motion PASSED by the following vote.**
- Yes:** 6 - Eisenbeisz, Knox, Bean, Wein, Mosher, and Nelson
- Absent:** 1 - Paxton

Additional New Business Items

- G RES 19-01** Supporting Alaska Arts Southeast's application under the FY19 Historic Preservation Fund Grant program for Certified Local Governments
- Chief Finance and Administrative Officer Jay Sweeney explained to be in compliance with federal procurement rules Alaska Arts Southeast (AAS) would be required to sign a memorandum of agreement stating they agreed to abide by federal procurement rules.
- Knox disclosed his sister and brother-in-law owned a construction company who had performed work for AAS. He noted he did not stand to gain financially. Deputy Mayor Eisenbeisz determined there was no conflict.
- Wein wondered if AAS had consulted with the National Parks Historic Architect. Roger Schmidt of AAS stated it was a pass through grant, awarded and administered, by the State of Alaska Historic Preservation Office. Schmidt noted the application was complete and that AAS had consulted with the National Park and architect.
- A motion was made by Knox that this Resolution be APPROVED on FIRST AND FINAL READING contingent on Alaska Arts Southeast signing a Memorandum of Agreement to abide by federal procurement rules. The motion PASSED by the**

following vote.

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

Absent: 1 - Paxton

H 19-006

Discussion / Direction of the Investment Committee recommendation to formulate a Municipal Fiscal Policy

Administrator Brady noted the Investment Committee (IC) had been analyzing and discussing the idea of a fiscal policy for the past two years. At their December 17 meeting, the IC had voted to recommend to the Assembly that it direct staff to develop a municipal fiscal policy for Assembly consideration and possible adoption. Chair Mike Reif offered a fiscal policy was a tool to help understand the broad, overall picture - e.g. general fund, infrastructure needs, income sources, debt levels.

Jay Sweeney, Chief Finance and Administrative Officer, read excerpts from his memo included in the packet materials. He explained a fiscal policy could assist in implementing a series of flexible financial standards and guidelines which, if followed, would achieve the goal of maintaining a level of municipal infrastructure the municipality could afford, while at the same time, maintaining the fiscal health and affordable cost of living in the community. It was noted that barring significant financial support from the Federal government and the State of Alaska, the level of current and desired municipal infrastructure and services was fiscally unsustainable.

Assembly members offered opinions on the development of a fiscal policy. Some suggested an Assembly subcommittee be formed, others wondered if the IC would consider taking on the project. The idea of waiting to move forward with a Fiscal Policy until after the presentation of the FY20 budget was also offered. Chair Reif noted the IC was interested in taking on the task, however, desired to have milestones established to ensure the Committee's work was in alignment with the Assembly's wishes. Reif reminded IC members were not experts and noted additional outside resources would be needed.

A motion was made by Mosher to request the Investment Committee work on a draft fiscal policy. The motion PASSED by the following vote.

Yes: 4 - Eisenbeisz, Knox, Bean, and Mosher

No: 2 - Wein, and Nelson

Absent: 1 - Paxton

I 19-007

Discussion / Direction of the Investment Committee recommendation to amend the Municipal Investment Policy to prohibit loans from the Permanent Fund as authorized investments

It was noted at the December 17, 2018 Investment Committee meeting that the Committee had recommended the Assembly direct staff to develop an ordinance to amend the investment policy to prohibit loans from the Permanent Fund as authorized investments. The Assembly discussed and determined it was not necessary to bring an ordinance forward at this time.

XIII. PERSONS TO BE HEARD:

Charles Bingham announced the online application portal for the Alaska Permanent Fund Dividend was back in operation. In addition, he encouraged citizens to take part

in the "Pick. Click. Give." program which allowed Alaskans to donate a portion of their Permanent Fund Dividend.

Mike Reif, Chair of the Investment Committee, spoke to the Committee's recommendation of amending the investment policy to prohibit loans from the Permanent Fund as authorized investments.

XIV. EXECUTIVE SESSION

- J 19-008** Financial / Legal Matters - Phase 3 of the CBS / SCH-SEARHC Affiliation Process *(if requested / needed)*
Executive Session not needed.

XV. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:15pm.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk