



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, April 23, 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 Mosher

Telephonic: 1 - Nelson

IV. CORRESPONDENCE/AGENDA CHANGES

19-089 Reminders, Calendars and General Correspondence

Mayor Paxton requested item N be moved up in the order of business after item B due to the long agenda and time sensitivity of item N.

V. CEREMONIAL MATTERS

None.

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

19-079 Special Report: Loyd Platson - Alaska Children's Trust

Loyd Platson of the HOPE Coalition shared an update on the group's activities and partnerships.

VII. PERSONS TO BE HEARD

Lisa Busch Executive Director of the Sitka Sound Science Center (SSSC) thanked the Assembly and the community for their patience and support with the reconstruction of the Mill Building. In addition, Busch reported on the work of different agencies since the culmination of the Sitka GeoTask Force. Busch stated there were a number of research projects going on to better predict and understand landslides in our area, including the development of a landslide warning system. Cora Siebert, the GeoScience Coordinator at the SSSC, explained each of the three components: geoscience, risk management, and social science.

Mary Miller expressed concern with having employees speak under the "persons to be heard" section of the agenda.

Lorraine Lil spoke to the need for a City grant writer. Lil stated there were eight grants currently available to help fund a new building for the Police Department and also grant funding available to clean up the contaminated incinerator site.

Rachel Roy Executive Director of the Greater Sitka Chamber of Commerce spoke to upcoming programs and noted the first large cruise ship was scheduled for May 8.

VIII. REPORTS

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

Administrator - Brady noted Sitka had received an award from Safewise for its officials' efforts in community safety and crime prevention, told of dates for hazardous waste collection, announced interviews for the Police Chief position would be held in the near future, met with Alaska Mental Health Trust to discuss areas of potential land sale, received notice the Department of Education was in favor of selling seaplane property and the City would begin its application with the FAA, and announced the PERS termination study had been received.

Attorney - Hanson reviewed his current task list and thanked Legal Assistant Coral Crenna for her work.

Clerk - Peterson reviewed upcoming meetings.

IX. CONSENT AGENDA

- A 19-080** Approve the minutes of the April 4, 11 and 16 Assembly meetings

A motion was made that the Consent Agenda consisting of Item A be APPROVED. The motion PASSED by the following vote.

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

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- B 19-081** RECONSIDERATION Reappointments: 1) Victor Weaver to a three-year term on the Planning Commission, and, 2) Scott Saline to a three-year term on the Historic Preservation Commission in the category of At Large (notice of reconsideration was given at the April 23 Assembly meeting)

Wein thanked Scott Saline for reapplying.

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

***Eisenbeisz gave notice of reconsideration for the May 14 meeting.**

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

XI. UNFINISHED BUSINESS:

- N 19-086** Update from legal counsel regarding the status of the litigation arising out of the August 18, 2015 landslide events

A motion was made by Mosher to go into Executive Session to receive and discuss an update from legal counsel, David Bruce, regarding the status of the litigation arising out of the August 18, 2015 landslide events and invite in Public Works Director, Michael Harmon. The motion PASSED by the following vote.

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

The Assembly was in executive session from 6:35pm to 7:15pm.

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

- C 19-084** Discussion / Direction / Decision on the approval of additional FY2020 funding (\$200,200) for marketing regarding the Convention and Visitors Bureau contract (postponed at the March 19 meeting)

Municipal Administrator Keith Brady reviewed memo details and Rachel Roy, Executive Director of Greater Sitka Chamber of Commerce and Visit Sitka, told of contract details. Roy stated the annual contract amount was to be a minimum of \$300,000 with first payment in the next fiscal year. If the contribution was increased by Assembly action for specific projects above those included in the contract, the annual contract would be adjusted accordingly. Roy reminded as part of the new contract the visitor information provided at Harrigan Centennial Hall (HCH) would be managed by HCH staff. Brady noted a portion of the funding would come from the Visitor Enhancement Fund. Nelson believed it appropriate to wait on the approval of additional monies until further progress was made on the overall FY2020 budget. Mosher felt the additional money was warranted in an effort to promote Sitka. Wein agreed and voiced support.

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

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

No: 3 - Eisenbeisz, Bean, and Nelson

- D 19-066** Report from interim Police Chief Baty and Discussion / Direction / Decision on the selection of a Police Department third party investigator (executive session anticipated)

A motion was made by Knox to go into executive session to receive a verbal report from interim Police Chief Robert Baty concerning legal matters involving operations of the Sitka Police Department affecting the municipality. The motion PASSED by the following vote.

Yes: 6 - Mosher, Nelson, Knox, Bean, Eisenbeisz, Paxton

No: 1- Wein

The Assembly was in executive session from 7:36pm to 8:25pm.

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

Assembly members wished to allow Chief Baty time to get settled and implement a plan before bringing in an investigator.

Speaking from the public, Noah Shepard urged the Assembly to fix this problem administratively and his lawsuit would go away. Mary Ferguson stated the City wouldn't be in this situation had an investigation been conducted.

A motion was made by Wein to POSTPONE this item to the August 13 Assembly meeting. The motion PASSED by the following vote.

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

No: 1 - Nelson

E 19-082

Approve renegotiated hire offer for Planning Director Bruce Wall

Municipal Administrator Keith Brady explained there had been several rounds of advertisements and interviews searching for a Planning Director. Brady noted Mr. Wall was from Alaska, was certified, and had experience.

Scott Brylinsky, interim Planning Director, urged the Assembly to approve the hire of Mr. Wall. He reminded this had not been an easy position to fill, Sitka was in need of economic development, and in comparison to other communities was not overpaid.

Knox concurred, stated the role of Planning Director was important and he supported hiring an experienced individual. Bean reminded the starting salary had not changed from what was previously presented by the Administrator. While he believed having a Planning Director was important, he stated there were resources at the City that could satisfy the position. Eisenbeisz stated if this were approved he would be surprised if Mr. Wall would accept as the Assembly hadn't been welcoming. While rising costs were a concern, having a Planning Director was also a concern and stated the economic opportunities that had been lost far outweighed any increase in salary. Nelson believed she had made it clear at the previous meeting that the salary was too high. Mosher reminded this had been voted down previously and wondered why the Administrator had not contacted members to understand their reasoning. Wein also believed there were other alternatives within the City to fulfill the need. Brady stated he understood the message regarding salary, however, believed the candidate was worthy of the offer. He noted he had reduced the moving allowance and leave bank.

A motion was made by Bean to move for the previous question. The motion PASSED by the following vote.

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

No: 2 - Knox and Paxton

A motion was made by Knox to APPROVE the renegotiated hire offer for Planning Director Bruce Wall as recommended by the Municipal Administrator. The motion FAILED by the following vote.

Yes: 3 - Eisenbeisz, Knox, and Paxton

No: 4 - Bean, Wein, Mosher, and Nelson

F 19-083

Approve a liquor license renewal application for Baranof Island Brewing Company at 1209 A Sawmill Creek Road (possible executive session)

Bean disclosed he had met informally with Rick Armstrong and had a high level conversation regarding the business. Mayor Paxton ruled there was no issue with Bean participating.

A motion was made by Knox to go into executive session with Chief Finance and Administrative Officer Jay Sweeney to discuss subjects that tend 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 desired, and when ready, Rick Armstrong of Baranof Island Brewing Company. The motion PASSED by the following vote.

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

The Assembly was in executive session from 9:00pm to 9:25pm.

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

Charles Bingham spoke in support of Baranof Island Brewing Company.

A motion was made by Bean to APPROVE a liquor license renewal application for Baranof Island Brewing Company at 1209 A Sawmill Creek Road with the condition that the applicant become current with past due sales tax amount by April 30 and remain current. The motion PASSED by the following vote.

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

G ORD 19-13

Making supplemental appropriations for Fiscal Year 2019 (Shepard vs CBS)

Municipal Attorney Brian Hanson explained the monies were lumped into one fund, however, earmarked for the lawsuit.

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

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

No: 2 - Eisenbeisz, and Wein

- H ORD 19-14 Making supplemental appropriations for Fiscal Year 2019 (City's Datacenter Storage upgrade)**
- 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 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson
- I ORD 19-15 Amending Title 22 "Zoning" of the Sitka General Code by modifying Chapters 22.08 "Definitions", Chapter 22.12 "Zoning Maps and Boundaries", Chapter 22.16 "District Regulations", Chapter 22.20 "Supplemental District Regulations and Development Standards" and adding new Section 22.16.180 "C Cemetery District" to create a Cemetery District**
- Interim Planning Director Scott Brylinsky explained there were parties in town who had expressed a desire in a designated cemetery district. If approved, a letter would be sent to cemetery owners of record offering an opportunity to apply for the zoning map change.
- 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 - Eisenbeisz, Knox, Bean, Wein, Paxton, Mosher, and Nelson

XII. NEW BUSINESS:

New Business First Reading

- J ORD 19-16A Amending Title 22 "Zoning" of the Sitka General Code by modifying Chapter 22.20 "Supplemental District Regulations and Development Standards" (1st reading as amended)**
- Interim Planning Director Scott Brylinsky spoke to an interest in promoting affordable housing and future land development. Brylinsky summarized his memo and noted the policy intent was to promote affordable housing by allowing for more efficient use of currently developed and future developable lands. Brylinsky stated existing development standards regarding lot size and setbacks had been observed to be out of line with the reality of existing lots and structures. Various staff reviews had shown there were several neighborhoods in which a high percentage of lots and structures do not comply with existing regulations. Reductions in development standards had also been recommended by Smart Growth America as a means to reduce development costs and promote affordable housing and affordable development, by more efficiently utilizing limited developable land. Brylinsky reviewed Table 22.20-1 Development Standards, proposed changes and the applicable footnotes. Brylinsky spoke to footnote 16: site and building plan must be such that tandem (front to back) parking is not necessary to provide two off-street parking spaces per dwelling unit as required by SGC 22.20.100. Brylinsky relayed the new development standards would decrease the number of variances processed through the Planning Department and allow staff to focus on more impactful planning work. Brylinsky also noted changes to the minimum lot requirements. Nelson voiced concern of relaxing zoning code standards. Eisenbeisz spoke to the footnote 16. He asked for clarification if this ordinance were to be approved if it would preclude people from parking front to back on their property. Brylinsky noted that would only be the case in lots that were taking advantage of the

split side setback and reduced front setback. The idea was not to add a new layer of restriction but rather to maintain that there would still be two off street parking spaces. Eisenbeisz voiced concern and believed it to be an unnecessary restriction.

A motion was made by Eisenbeisz to AMEND the ordinance by removing footnote 16 from the Development Standards Table. The motion PASSED by the following vote.

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

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

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

Additional New Business Items

- K RES 19-09** Supporting the Sitka Ranger District grant application to the Alaska Federal Lands Access Program for Harbor Mountain/Gavan Hill Trail reconstruction and reroute

Nelson recused herself due to ethics she was required to abide by as an employee of the Forest Service.

Knox spoke in support and noted the trail system in Sitka was a wonderful asset.

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

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

Recused: 1 - Nelson

- L 19-087** Approve Memorandum of Agreement between the Sitka School District, City and Borough of Sitka, and Alaska Arts Southeast, Inc. for professional management and custodial service of the Performing Arts Center at Sitka High School

Dr. Jennifer McNichol, Chair of the Sitka School Board, noted the Memorandum of Agreement (MOA) was the product of many years of discussion and urged the Assembly to support the MOA. Roger Schmidt of Alaska Arts Southeast said the MOA was an effort to work out a partnership with the School District and the City that would allow for the Performing Arts Center (PAC) to remain open. He stated Alaska Arts Southeast was willing to take another level of leadership and make adjustments to their own budget to ensure it remain open. Sheri Aitken of Visit Sitka urged the Assembly to vote in support and reminded the PAC was a draw for some cruise ships to host special events.

An Assembly discussion ensued. Wein found the MOA somewhat incomplete and noted values were not listed for annual building maintenance, heating expenses, and property and liability insurance of the PAC. Bean wondered of its relationship to bond covenants - that they still existed and the City wouldn't be in any violation of a covenant with the MOA. Chief Finance and Administrative Officer, Jay Sweeney, noted there were no general obligation bond covenants that spoke to any restrictions placed on the ability to earn money from the facility or to rent the facility out and allow others to

use/keep proceeds from renting. Sweeney relayed overall property taxes of the municipality was what was pledged as the backup for general obligation bonds. Sweeney stated the bonds existed and there would be no violation.

Municipal Attorney Brian Hanson stated he had reviewed the MOA and was comfortable with its contents.

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

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

M 19-085

Discussion / Direction on beginning construction of the Cross Trail Phase 6 project as funded and permitted

Mosher read from his memo indicating Sitka Trail Works had invested time, money, and resources in order to complete Cross Trail Phase 6. The project was fully funded and until January 2019 was scheduled to move forward until a route change had been made by Administrator Brady thus delaying the project and adding funding issues for Sitka Trail Works. Brady was under the impression after a meeting with Sitka Trail Works in January and then February that there was an understanding with respect to the route changes and the Western Federal Lands contract. The parties had met on April 23 and Brady believed assurances had been given to Sitka Trail Works to move forward when approval was given by Western Federal Lands. Brady spoke to the alternate route and noted the route would not delay the process. Western Federal Lands relayed the best steps moving forward were to award the contract and if a route change was needed, to do that during construction to avoid start up delays. Brady explained the alternate route change around Granite Creek was to ensure 1) there was a parking lot and 2) development of a quarry area turned into an overburden site. The current route ran through the proposed overburden site. He believed it was a low risk to explore for economic development. If No Name/Granite Creek were to be developed the proposed trail would cut across potential land that could be developed. Lynne Brandon Executive Director of Sitka Trail Works updated the Assembly on progress made at the April 23 meeting: a portion of the draft contract had been received, she understood the City was committing to fund and complete the planning and permitting for the reroute through the quarry, and no opposition to building the connector trail piece by the cruise ship dock. Brady clarified the cost of the reroute being covered by the City was to be determined dependent on cost, and ultimately require Assembly approval. Eisenbeisz wondered of the preference for the trail to be rerouted through the middle of a quarry. Brandon offered it was not a preferred alternative of the Sitka Trail Works Board. She noted the estimated cost to reroute the trail was \$371,000 which included permitting and construction.

A motion was made by Bean to EXTEND to 11pm. The motion PASSED by the following vote.

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

Mosher asked for a decision to be made with regards to the reroute to allow for Sitka Trail Works to plan. Brady believed the rerouting costs would be less than \$371,000. Brady requested the Assembly allow staff to further research the costs before making a final decision. Wein said the City would need to justify this change on a return of investment and added he was unclear on the exact plans. Brady reminded the trail project was a two year project and said this would give time for staff to further explore development options of No Name/Granite Creek. If it turned out there weren't viable

options for development, then the reroute wouldn't be an issue. Knox offered an alternative might be to start the project from the Starrigavan side and work towards town to allow for more research time on the issue. Bean spoke in opposition to moving the trail and stated the project had been in the works for a while. Nelson agreed and stated No Name Mountain may be developable, however, costs would be high. Eisenbeisz suggested additional conversations be had between the parties.

From the public, Charles Bingham spoke in support of keeping the trail location as is.

A motion was made by Mosher to direct staff (Administrator) to leave the location of phase 6 as is. The motion PASSED by the following vote.

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

No: 1 - Eisenbeisz

XIII. PERSONS TO BE HEARD:

None.

XIV. EXECUTIVE SESSION

See items D, F, and N.

XV. ADJOURNMENT

A motion was made by Bean to ADJOURN. Hearing no objections, the meeting ADJOURNED at 10:40pm.

ATTEST: _____

**Sara Peterson, MMC
Municipal Clerk**