

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 September 8, 22, and 24 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

Tuesday, September 8, 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.

20-181 Reminders, Calendars, and General Correspondence

V. CEREMONIAL MATTERS

20-177 Proclamation Honoring Posthumously Patricia "Patty" Bickar

Mayor Paxton read and presented a proclamation to Patty Bickar's family honoring Bickar posthumously.

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

Eric Van Cise, Vice President of the School Board, updated the Assembly on the start of the school year.

VII. PERSONS TO BE HEARD**VIII. CONSENT AGENDA**

A 20-178 Approve the minutes of the August 11 and 25 Assembly meetings

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

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

IX. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

B 20-180 Appoint Ben Hughey to three-year terms on the Police and Fire Commission and the Parks and Recreation Committee

A motion was made by Christianson to appoint Ben Hughey to a three-year term on the Parks and Recreation Committee. The motion PASSED by the following vote.

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

A motion was made by Mosher to go into executive session to discuss subjects that tend to prejudice the reputation and character of an individual and invite in Ben Hughey or determine if Ben Hughey desires a public discussion. The motion PASSED by the following vote. Hughey desired the conversation to be held in executive session.

George Paul spoke in support of executive session. Steve Lee and Marshall Albertson spoke in opposition to executive session.

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

The Assembly and Ben Hughey were in executive session from 6:24pm to 6:34pm.

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

Dave Nelson, PSEA Chapter President, spoke in opposition to appointing Hughey and spoke to concerns over recent social media posts by Hughey.

Assembly members Nelson, Mosher, and Wein voiced concern of Hughey's social media comments related to defunding the police. Hughey spoke to alternative training for police and told of opportunities to create solutions that respect and support the community. Wein reminded of the challenges the police department had been through and stressed the need for department support. Eisenbeisz reminded of the advisory nature of the Police and Fire Commission. Christianson and Knox spoke in support of Hughey and the need for a diverse membership.

A motion was made by Christianson to appoint Hughey to a three-year term on the Police and Fire Commission. The motion FAILED by the following vote.

Yes: 3 - Christianson, Eisenbeisz, and Knox

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

X. UNFINISHED BUSINESS:

- C ORD 20-45** Amending the official zoning map to rezone Lot 2-2, Sheldon Jackson Campus Subdivision Number 2 from multifamily residential (R-2) to Cemetery (C)

A motion was made by Nelson 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

- D ORD 20-46** Making supplemental appropriations for fiscal year 2021 (*FY2020 purchase orders*)

Linda Marlin wondered of the ordinance intent. Nelson relayed the ordinance pertained to housekeeping items. Finance Director Melissa Haley spoke to open purchase orders, mostly due to the pandemic. Items previously ordered hadn't been received - e.g. asphalt recycler, vehicles.

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

- E ORD 20-47** Making supplemental appropriations for fiscal year 2020 and 2021 (re-appropriations and supplemental appropriations)

A motion was made by Nelson 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

- F ORD 20-48** Making supplemental appropriations for fiscal year 2021 (*Green Lake Phase I Supplemental Capital Appropriation*)

Municipal Administrator John Leach explained the appropriation was precautionary in the event the loan for Green Lake was not received and emphasized there was no reason to believe the loan would be denied. Finance Director Melissa Haley and Utility Director Scott Elder were hopeful word of the loan would be known in the next few months. Elder relayed the project fit into short-term planning. Haley reiterated if the loan was denied this appropriation would be used in addition to excess working capital due to recent refunding. Wein while understanding of the need for the work, expressed hesitancy for contingency financing. Eisenbeisz wondered if there were utility projects that could not happen because of the request. Elder answered no and didn't anticipate rate increases because of the project. Elder and Leach mentioned the risks of deferring the project, reminded no maintenance had been performed in 39 years, and said insurance coverage was becoming not only increasingly expensive but a problem to obtain.

A motion was made by Christianson 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:**G 20-174 Approve hire offer for Michelle Murdock as Human Resources Director**

Municipal Administrator John Leach reminded the position had been vacant for nearly two years. He commended Human Resources Assistant Sharon Joseph for her work and thanked Kimberly Geariety for filling in over the past year. Leach told of Murdock's qualifications. Nelson expressed concern over the salary offered. Wein spoke in opposition to the process and wished to be able to ask the candidate questions. Paxton and Christianson spoke to the importance of filling the position.

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

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

No: 2 - Wein, and Nelson

H 20-179 Decision on whether to allow sales tax free day(s) following the Thanksgiving holiday and set date(s)

Eisenbeisz requested to be recused as his business would profit. Finance Director Melissa Haley noted the sales tax free holidays decreased revenue by approximately \$50,000.

A motion was made by Mosher to authorize November 27 and 28 as sales tax free days for 2020 noting the sales tax free days will not be applicable to any sale of fuel, alcoholic beverages, tobacco products, and marijuana, nor affect any sale which is part of a continuing obligation of the buyer to pay the seller over time. The motion PASSED by the following vote.

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

Recused: 1 - Eisenbeisz

I 20-173 Update / Discussion on the CARES Act Working Group progress (*public comment to be taken*)

Steve Lee and Linda Marlin spoke to the delay in distributing money to businesses. Marshall Albertson requested to know what businesses had received CARES Act money. Roger Schmidt recommended a second round of support for businesses.

Municipal Administrator John Leach reviewed and provided an update on each of the CARES Act working group categories and established programs. Assembly members offered comments on the programs, suggested ideas for future distribution, and expressed the need for expedient distribution.

J 20-175 Discussion / Direction / Decision on CARES Act appropriations

Finance Director Melissa Haley explained the item was merely a housekeeping measure. She told of Charter requirements, the unknown details of spending at the time the CARES Act appropriations went forward, the need to treat personnel expenses and fixed/capital asset purchases differently from general expenses, and told of two proposed paths forward: 1) a motion giving the Administrator the authority to move existing appropriations between expenses, fixed assets, and personnel, so long

as the thresholds of the categories approved were maintained, limited to CARES Act funding; 2) a motion acknowledging that amounts could not be properly identified for each "accounting bin" and allow the Administrator to come forward after the funding had been spent with a "clean-up" appropriation. Wein suggested the option that would yield the most transparency.

A motion was made by Christianson to give the Municipal Administrator authority to move existing appropriations between expenses, fixed assets, and personnel, so long as the thresholds of the categories approved are maintained, limited to CARES Act funding. The motion PASSED by the following vote.

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

No: 1 - Wein

XII. PERSONS TO BE HEARD:

Tori Curran spoke to the need for diversity on boards and commissions. Volney Smith told of the poor fishing season. Marshall Albertson expressed concern about CARES Act money distributed to nonprofits. George Paul spoke to CARES Act funding and the importance of board/commission appointments. Linda Marlin stated Sitkans were struggling financially.

XIII. REPORTS

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

Liaison Representatives - Wein spoke to the SEARHC Community Health group meeting, the Emergency Operations Center, and the Sitka Fisheries group. Knox reported on the Parks and Recreation Committee meeting and reminded the first Port and Harbors Commission meeting of the season was September 9.

Clerk - Peterson reported on the voting options available for the October 6 Municipal Election and urged citizens to respond to the 2020 Census.

XIV. EXECUTIVE SESSION

]]K 20-176

Financial Matter - Responses to the Request for Information issued with respect to the 17 acre waterfront parcel of municipal land located at 4951 Halibut Point Road

Municipal Attorney Hanson explained the need to protect the competitive advantage and disadvantages related to the responses.

A motion was made by Mosher to go into executive session to discuss the responses to the Request for Information issued with respect to the 17 acre waterfront parcel of municipal land located at 4951 Halibut Point Road, which involve certain matters the immediate knowledge of which would adversely affect the finances of the municipality, and invite in Planning Director Amy Ainslie and Finance Director Melissa Haley. The motion PASSED by the following vote.

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

The Assembly was in executive session from 8:40pm to 9:43pm.

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

XV. ADJOURNMENT

**A motion was made by Christianson to ADJOURN. Hearing no objections the
meeting ADJOURNED at 9:45pm.**

**ATTEST: _____
Sara Peterson, MMC
Municipal Clerk**



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

Tuesday, September 22, 2020

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Knox participated by videoconference. Municipal Clerk Sara Peterson reminded of proper citizen participation.

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

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

20-193 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)

20-183 SEARHC President Charles Clement: Sitka's Integrated Health Care System - 6 Month Report

Charles Clement SEARHC CEO gave a report of the 6-month integration and merger with Sitka Community Hospital and SEARHC. He explained the expanded services and commitment follow through. He told of the response by SEARHC with regards to the

COVID-19 Pandemic. He gave an update on the hospital project stating a RFP would be going out this fall and construction by spring. He explained the building that was being remediated and demoed for a possible housing site. He told of land acquisition of the hospital and properties with regards to the other areas of the campus. He talked about costs and noted he could provide pre-merger and post-merger pricing.

VII. PERSONS TO BE HEARD

Michelle Putz and Randy Hughey of the Sitka Community Land Trust (SCLT) provided an update on land at the former city shop area. They told of the potential homes, pricing, and the possible future down payment assistance program.

Deb Miller the Tree and Landscape Committee Chair thanked SEARHC for their donation of landscaping plants.

George Paul thanked the city for the utility assistance program, told of concerns with some individuals being denied, and asked the Assembly to waive the denials. He urged all members to be in-person for meetings.

VIII. CONSENT AGENDA

A 20-187

Approve a standard marijuana cultivation facility license renewal application for Darren H. Phillips dba Fiberflite at 120 Jarvis Street Unit C

Wein told of concerns with the paperwork. Municipal Clerk Sara Peterson provided an explanation on the violation, stating that AMCO was unable to comment or state whether it was resolved or not. Municipal Attorney Brian Hanson advised responsibility of the Assembly, not if there were issues with another governmental entity.

Christianson was in support. Nelson stated she was in support unless they were delinquent in city sales tax. Eisenbeisz wondered if the city would be affected as a portion of the permitting fee. Wein was not in support and would like an explanation from the applicant. Knox clarified city jurisdiction to object and noted the business was current with the city. Peterson explained that the application would go to the state Marijuana Board in October.

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

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

No: 1 - Wein

IX. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

B 20-186

Appoint Wendy Alderson to an unexpired term on the Planning Commission

Christianson thanked the applicant.

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

- C 20-184** Appoint one to a two-year term on the Gary Paxton Industrial Park Board of Directors: Vaughn Morrison (incumbent), Chris Ystad
- Municipal Clerk Sara Peterson announced that Ystad withdrew his application. Wein and Paxton were in support of Morrison's appointment.
- A motion was made by Mosher to APPOINT Vaughn Morrison to a two-year term on the Gary Paxton Industrial Park Board of Directors. The motion PASSED by the following vote.**

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

- D 20-185** Appoint one to a three-year term on the Police and Fire Commission: Gary Oines, Samuel L. Pointer Jr., Wayne Young
- Nelson disclosed applicant Young was her nephew and Eisenbeisz disclosed Young was a volunteer at the Fire Department.
- Public comment: Charles Dean spoke in support of Gary Oines.
- Assembly members asked to hear from the applicants.
- Oines spoke to his interest in law enforcement, racial injustice, and looting. Pointer told of his respect for Police and Fire Department and the people they serve. He told of his history and family history with the service and police employment around the country. Young introduced himself stating he was a volunteer of the Fire Department and wanted to look out for public safety.
- Assembly comment: Wein felt that all applicants would be approved if they were not running against each other and noted the difficult decision. He thanked all the applicants. Nelson spoke in support of Young. Eisenbeisz noted the opportunity to bring in a young person to further public service. Christianson told of the difficult decision but felt that Young was a diverse, valuable addition who grew up in Sitka and wanted to be more invested in the community.
- Municipal Attorney Brian Hanson answered that it would not be a conflict of interest for Young to be on the commission as a volunteer at the Fire Department.
- A motion was made by Christianson to nominate the applicants.**
- A roll call vote was taken. Voting for Oines: Wein. Voting for Young: Christianson, Eisenbeisz, Knox, Paxton, Mosher, Nelson. With 6 votes, Young was appointed.**

X. UNFINISHED BUSINESS:

XI. NEW BUSINESS:

New Business First Reading

- E ORD 20-49** Making supplemental appropriations for fiscal year 2021 (*using COVID-19 funds for harbor restrooms*)
- Municipal Administrator John Leach informed that DEC gave an extension of CPET funds to be spent in three years. Finance Director Melissa Haley stated this was an

existing appropriation to upgrade the Crescent Harbor restrooms reducing working capital from the General, Harbor, and CPET Funds. It was to update the Lake and Lincoln restroom and all Harbor Fund restrooms. Harbormaster Stan Eliason explained the upgrades in detail. Leach mentioned that this was COVID-19 mitigation efforts. He would have to check with DEC if the funds could be used for other projects after Christianson asked about the Crescent Harbor float.

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

F ORD 20-50

Amending Title 11 "Vehicles and Traffic" of the Sitka General Code by adding Chapter 11.80 "Permanent Motor Vehicle and Trailer Registration"

Wein noted this was for vehicles that were 8 years old and older which may not have modern pollution controls as newer ones. He stated it was unclear if the boat trailers were included and that definitions were needed for items. He noted the lack of the fiscal note in the memo and that the city received a portion of the registration fee from the state. Eisenbeisz stated the ordinance allowed the city to ease the burden on citizens without losing much revenue. He said the trailer definition was in the ordinance. He noted that any transfer of ownership would require a new registration. Knox felt this was a common exemption that was up to organized boroughs to adopt as code language and that it was not a large revenue change. He noted it was for non-commercial vehicles and trailers aged 8 years or older. He was hopeful to get data from the state by the second reading. Mosher noted that the amount would be dependent on how many Sitkans apply for it. Christianson noted the average age of vehicles and gave estimates of revenue lost. He was in support especially of a permanent boat trailer registration as it was something that could make the lives of Sitkans easier. Nelson was hoping to get more public comment between now and second reading. She told of her concerns that it could encourage more derelict vehicles.

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

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

No: 3 - Wein, Mosher, and Nelson

Additional New Business Items

G 20-190

Discussion / Direction / Decision of a final City and Borough of Sitka seal design to bring forward for Assembly approval on October 13

Eisenbeisz hoped for consensus for the redesigned seal and thanked Planning Director Amy Ainslie for her work on the project.

Ainslie reminded of the direction from the August 25 Assembly meeting to come back with the top 5 entries. Feedback was relayed to the artists and resubmittals were received with some whom made revisions and some did not. She was hoping tonight to be able to come to consensus on which entry the assembly would like to move forward for Assembly consideration on October 13. She reviewed the entries that were based on public, board/commisison, and Assembly feedback.

Wein appreciated the feedback and different views. His choices were 6 and 12. He

looked at in card form and in context, he felt they were nicely designed. Mosher gave feedback on the designs. Christianson stated he appreciated the boards/commisison comments and according to his own informal poll stated 5 was popular. Eisenbeisz felt that 5 had a lot of community support and liked 10. Nelson preferred 5 with the muted color and liked 12 if the bird was a bald eagle. Knox's preference was 5 and 6. He said he liked the reproduction of 5 and the bright colors, with regards to 6, he felt it had good low resolution production. Paxton like entry 5 with the muted color. This item would come back at the October 13 Assembly meeting under Unfinished Business.

H RES 20-27

Declaring an economic disaster in the City and Borough of Sitka due to COVID-19 and poor regional returns of all salmon species

Eisenbeisz wondered what would be gained by this resolution. Municipal Administrator John Leach stated to publicly recognize an emergency in order to join voices to become a louder voice. To send a message to the state that the poor fishing season had been devastating for the community. Nelson noted it was necessary and hoped it would help for assistance. Wein felt to make needs known as it was clearly problematic for the city and it needed to be announced that it was fact. Christianson felt it created awareness.

A motion was made by Nelson that this resolution be APPROVED on FIRST and FINAL READING. The motion PASSED by the following vote.

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

I 20-191

Approve hire offer for Craig Warren as Fire Chief

Wein spoke of his support of Warren and noted it was important because he's been around for a long time and knows the operations of the department. Eisenbeisz disclosed he was a volunteer member of the Fire Department. Paxton said we were lucky to have Warren. Christianson stated he had worked with Warren and was supportive of the hire.

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

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

J 20-188

Discussion / Direction / Decision of the Municipal Administrator's annual recommended transfer to the Public Infrastructure Sinking Fund

Finance Director Melissa Haley explained while our financial position was not dire right now, and ended with a fund balance higher than previous year, was recommending a zero transfer to the Public Infrastructure Sinking Fund.

Wein noted the backlog of infrastructure. He spoke to what the city was facing and stated that in the past there was excess but that now were dealing with zero. Paxton noted the cost of infrastructure and cost of city government that would be a conflict in the next few years.

A motion was made by Nelson to transfer \$0 based on the recommendation of the Municipal Administrator. The motion PASSED by the following vote.

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

K 20-189

Update / Discussion on the CARES Act Working Group progress (*public*)

comment to be taken)

Municipal Administrator John Leach gave a snapshot for each category, the funds remaining, and projected funds remaining in each category. He told of the waiver and exemptions received and that he was sensitive to those concerns, however there were guidelines and rules. If closed out, the remaining balance could be redistributed. He told of sector percentages for category 3 applicants. He relayed the CARES Act Working Group recommendation of another grant round of business and nonprofit grants. He stated the need to move quickly. He cautioned of spending with regards to auditing and funding beyond December. Leach explained the initial proposal amount paid to each position of the Transitional Employment program, that was billed with full number of hours and not to exceed amounts.

Nelson felt that it would take less time to give another grant round for utilities and would be easier to execute. Wein pointed out the cost per hour for hourly wages with the Transitional Employment program. He noted the need to consider structural needs in the city. Knox told of concerns to not out price current jobs in Sitka. Paxton felt that priority should be given to businesses and nonprofits for sustainability and as most critical to the community. Mosher stated as a member of the working group, he would prefer to do a second round of targeted grants to businesses and nonprofits.

Public Comments: George Paul spoke to the utility subsidization program and urged for another round for those citizens in need.

XII. PERSONS TO BE HEARD:

Wein commented that the congressional budget office released a long-term budget outlook for United States and how it was distressing to pile up debt. He stated the importance to deal with and understand as we move forward.

XIII. REPORTS

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

Mayor - Paxton thanked the public, staff for their work and fellow Assembly members.

Administrator - Leach reported on Southeast Conference and relayed that the city did not receive the BUILD grants for the Haulout.

Liaison Representatives - Wein attended the Sitka Community Health meeting, Christianson reported on the Investment Committee and Gary Paxton Industrial Park Board of Directors meetings. Knox reported on the Port and Harbors Commission meeting.

Clerk - Peterson reported on voting options for the municipal election and clarified that the advanced and absentee ballots would be counted beginning October 7. She reminded that the municipal election and the general were separate elections with separate applications.

Other - Wein reported on the Investment Committee noting that a higher return was greater risk. He encouraged the Assembly to understand how the Permanent Fund was invested.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:50 p.m.

ATTEST: _____
Melissa Henshaw, CMC
Deputy Clerk



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, September 24, 2020

6:00 PM

Assembly Chambers

JOINT WORK SESSION WITH SITKA SCHOOL BOARD 5:00 P.M.

20-194 Joint Work Session: Assembly and School Board

The Assembly and Sitka School Board met from 5:00pm to 5:45pm.

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Assembly Members Knox and Nelson participated by videoconference.

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

IV. CORRESPONDENCE/AGENDA CHANGES

None.

V. PERSONS TO BE HEARD

None.

VI. NEW BUSINESS:

A 20-182 Award FY21 General Fund Non-Profit Grants

Nelson provided an explanation for allocation amounts of zero and expressed a desire

to know how many of the applicants had received CARES Act funding and the amount received. Wein told of the need for fiscal responsibility and stressed retaining as much money in the General Fund as possible. He suggested the School District return the Secure Rural Schools funding to the City and apply for CARES Act funding. Christianson noted he hadn't made allocations to some categories because of the receipt of CARES Act funding. Knox reminded CARES Act money was meant to react to what the Nation was going through and reminded the annual General Fund grants provided leverage for organizations. To delay funding could hamper their ability to find additional funding.

A motion was made by the Assembly to postpone. Those from the public speaking in opposition to postponement were Lynne Brandon, Anne Bills, Michelle Friedman, George Paul, and Rick Petersen.

Municipal Administrator John Leach relayed additional time was needed to gather information related to those organizations who had received CARES Act funding. Knox spoke in opposition to postponement. Christianson and Mosher, while understanding of the disappointment in delaying the awards, reminded it was a postponement not a motion to cancel the awards. Nelson wished to have more information to make an informed decision. Wein stressed fiscal responsibility.

A motion was made by Christianson to POSTPONE the award of the FY21 General Fund Non-Profit Grants to the 1st meeting in November (November 10). The motion PASSED by the following vote.

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

No: 3 - Eisenbeisz, Knox, and Paxton

B 20-195

Discussion/Direction/Decision on 1) the Phase 2 CARES Act Small Business and Nonprofit Relief and Recovery grant application, and, 2) the reallocation between funding categories

Municipal Administrator John Leach told of the remaining \$3.8 million CARES Act funds available to allocate to other programs. He recommended allocating \$3 million to category 2 for a second phase of business relief and recovery/stabilization grants and provided an overview of the draft applications. Nelson and Wein expressed a desire to have a second round of utility subsidization.

George Paul spoke in support of another round of utility subsidization.

A motion was made by Eisenbeisz to approve both applications and the suggested allocation amounts (\$3 million total) as provided by the Administrator. The motion PASSED by the following vote.

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

No: 2 - Wein and Nelson

A motion was made by Mosher to allocate \$800,000 for another round of utility subsidization for residential accounts.

An amendment was made by Christianson to add the remaining \$200,000 from the CARES Act homeless program to the remaining \$800,000 (part of the \$3.8 million referenced above) to make \$1 million available for utility subsidization.

Wein spoke to the need to provide assistance to the homeless community and spoke in opposition to the amendment.

The AMENDMENT PASSED by the following vote.

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

No: 3 - Wein, Knox, and Paxton

The main motion as amended PASSED by the following vote.

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

VII. PERSONS TO BE HEARD:

George Paul thanked the Assembly and CARES Act Working Group for their time and advocating for those in need. Richard Wein thanked George Paul for his comments and reminded of the need for life to return to normal.

VIII. EXECUTIVE SESSION

None.

IX. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections the meeting ADJOURNED at 7:50 p.m.

ATTEST: _____

Sara Peterson, MMC
Municipal Clerk