



# CITY AND BOROUGH OF SITKA

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

## Minutes - Final

### 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*

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Tuesday, September 8, 2020

6:00 PM

Assembly Chambers

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#### 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**