



# 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 22, 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. 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