

CALL TO ORDER:

The regular meeting of the Sand Point City Council was held Tuesday, May 11, 2021 in the City Chambers and telephonically. Mayor James Smith called the meeting to order at 7:01 p.m.

ROLL CALL:

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|-------------------|--------|------------------------|
| James Smith | Mayor | Present |
| Danny Cumberlidge | Seat A | Present telephonically |
| Allan Starnes | Seat B | Present telephonically |
| Shirley Brown | Seat C | Present telephonically |
| Jack Foster Jr. | Seat D | Present |
| Marita Gundersen | Seat E | Present |
| Emil Mobeck | Seat F | Present telephonically |

A quorum was established.

Staff in attendance:

- Jordan Keeler, Administrator
- Shannon Sommer, City Clerk
- David Anderson, Chief of Police via telephonically
- Brent Nierman, Sergeant
- Richard Lowery, Police Officer
- Carmen Holmberg, EMS Chief
- Douglas Holmberg, Harbor Master

APPROVAL OF AGENDA:

Mayor James Smith requested a motion to approve the agenda.

MOTION: Councilperson Marita Gundersen made a motion to approve the agenda with the addition of #5. Public Works Position under New Business and deletion of Executive Session.

SECOND: Councilperson Jack Foster Jr. seconded the motion.

VOTE: Motion passed unanimously.

CONSENT AGENDA:

Mayor James Smith requested a motion to approve the consent agenda.

MOTION: Councilperson Jack Foster Jr. made a motion to approve the minutes from the Regular Meeting on April 13, 2021 with the needed corrections on page two.

SECOND: Councilperson Marita Gundersen seconded the motion.

VOTE: Motion passed unanimously.

REPORTS:

Finance Officer – Krista Galvin

Finance Officer Krista Galvin report was included in the packet.

AEBSD Superintendent – Patrick Mayer

AEBSD Superintendent stated there are less than two weeks left of school. He attended prom and it was well decorated and attended. Sand Point Graduation will be at six o'clock Thursday, May 13, 2021. Students participated in clean-up day. June 2021 students will launch rockets. He hopes COVID-19 pandemic environment will soon end; twelve-year-old's will soon be able to receive the COVID-19 vaccine.

Administrator – Jordan Keeler

Administrator Keeler reported the American Rescue Plan final guidance or distribution has not been announced at this time the City will receive \$220,000. He has not received word from the City's liability insurance company. After his memo was submitted, he received a health care quote. He stated the City will go with an HSA style plan which should save the City about \$12,000 to \$15,000 per year, he will get in contact with them about how the reimbursement process works. There will be two remote maintenance workers arriving the next day to help with guidance or troubleshoot on the water and sewer system.

Councilperson Brown stated it would be nice to let council know where the extra CARES Act funding went. Administrator Keeler stated he can email a spreadsheet for salary and non-salary expenses into which fund. Mostly non-salary expenses went to the general fund, i.e., PPE or additional payouts for fire and EMS volunteers, hardware, some stuff for water and sewer operators; with salary reimbursements most of it went to the general fund to cover one hundred percent of the Public Safety, half of his salary and reimbursements for fifty percent of the Harbor Masters salary, a portion went to the Water and Sewer Operators salary. He stated he can provide the spreadsheet copy by email or hard copy. Councilperson Brown stated by email or FYI. Councilperson Emil Mobeck asked Administrator Keeler who kind of health insurance is proposed and how will it help an employee. Administrator Keeler replied the current plan the City has is a traditional health insurance plan, paying the maximum out of pocket and per year deductible, the proposed new plan would have an employee pay more upfront and the deductible is a lot higher but maximum out of pocket is lower. With a HSA you can make a pre-tax contribution during payroll and monies put into your account can be rolled over in the next fiscal year, so your monies do not expire. You can use your HSA for example, contacts, prescription medications or personal care products.

Police Chief – Dave Anderson

Police Chief Dave Anderson reported there is statistical information included in his report. Officer Farr has left the department to be closer to home and is currently recruiting for a replacement. The Sand Point Police has been working with the Task Force and that has been very successful.

EMS Chief – Carmen Holmberg

EMS Chief Carmen Holmberg reported there were a total of Rescue 1 had five calls, three tone outs and two medevacs. Instructor Ron Bowers was in Sand Point and held two BLS classes with seventeen people completing them and a forty-hour ETT class with eight attendees and passed. Karen McMillian had been with the Sand Point EMS for ten years and a celebration was held to congratulate her and her dedication to EMS.

Administrator Keeler asked EMS Chief Holmberg if she could put the eight people who passed in her report for next months meeting for proper recognition. EMS Chief Holmberg replied yes.

Fire Chief – Jason Bjornstad

No report given at this time.

Public Works Director – Vacant

No report given at this time.

Councilperson Brown asked if anyone was in charge since Interim Public Works Director is away. Mayor Smith replied not at this time. Councilperson Brown stated it is an idea.

Harbor Master – Douglas Holmberg

Harbor Master Douglas Holmberg reported things have picked up in the harbor and they are busy. There were issues with the Travel Lift, don't know if it's the hydraulics or electrical, they will troubleshoot it after launching boats. The Grove had broken down, they looked at the recommendations from a Kendrick Equipment technician. He thanked Allan Starnes and David Walls for help working on the Grove.

Student Representative – Chance Griffith

Student Representative Chance Griffith stated the school had participated in clean-up day and thanked the City for the prizes awarded. Student Council hosted prom the prior weekend. Graduation is in the next week and the public is able to attend. The school will have beach day in the next week and which will end the school year.

Councilperson Mobeck asked Student Representative Griffith if he could elaborate on graduation attendees. Student Representative Griffith replied as far he knows it is open to the public. Ms. Holmberg added it is basically open to the public and they will write down who attends, she didn't know if graduation will start at six or seven o'clock due to health screening.

HEARINGS, ORDINANCES, AND RESOLUTIONS:

1. Ordinance 2021-02: FY22 Budget – 1st Reading

MOTION: Councilperson Marita Gundersen made a motion to put Ordinance 2021-02: FY22 Budget on the floor for 1st reading.

SECOND: Councilperson Jack Foster Jr. seconded the motion.

VOTE: Motion passed unanimously.

Administrator Keeler stated the City faces a \$544,000 deficit this upcoming fiscal year. Sand Point is a resource-based economy, commercial fishing is the main stay and provides personal income and City tax dollars. There has been a steady decline in Raw Fish and Sales tax over the years. Looking at the upcoming season, he doesn't know if the price or volume of fish, those two are the main drivers for tax and doesn't know if there will be a winter fishery. As of right now, he estimated roughly \$1,000,000 in raw fish and sales tax coming in, a pessimistic projection. The budget includes funding from City lessees, community revenue sharing and shared fisheries tax. On the expense side the general fund budget shows a loss but once can allocate it to different departments such as insurance liability, cost of audits, harbor or public works fund. The fiscal year has a good increase to the public safety fund. The harbor fund shows loss of maintenance monies because of the travel lift, the harbor shows an increase in wharfage and travel lift fees, offset by the revenue bond expenses. He budgeted ARP for the next fiscal year, during the mid-year budget he will be able to segregate the fund to different departments.

2. Ordinance 2021-03: Harbor Rate Increase – 1st Reading

MOTION: Councilperson Marita Gundersen made a motion to put Ordinance 2021-3: Harbor Rates Increase on the floor for 1st reading.

SECOND: Councilperson Allan Starnes seconded the motion.

VOTE: Motion passed unanimously.

Administrator Keeler stated the harbor fees are set in code; the proposed increase is twenty percent. The reason for the increase is to receive additional funding in order to pay for the revenue bond and to maintain a cushion, one of stipulations the bond bank has asked of the City. If council wants the ordinance to become effective at the June meeting, he can amend the ordinance before the meeting.

Councilperson Brown asked if a smaller boat in a longer moorage stall, the boat has to pay for the stall length and not the boat length. She asked if a person can request to be moved to a smaller stall to pay for the boat length. Harbor Master Holmberg replied a person who asked to be moved to a smaller stall, there was no space available at that time. Councilperson Brown asked if the wording in the harbor fees, charges and payments ordinance can be changed. Administrator Keeler replied yes, they can look at different alternative wording.

OLD BUSINESS: None.

NEW BUSINESS:

1. Donation Request: Pink Rain Champagne

MOTION: Councilperson Marita Gundersen made a motion to donate \$1,000 to Pink Rain Champagne.

SECOND: Councilperson Jack Foster Jr. seconded the motion.

VOTE: Motion passed unanimously.

2. Donation Request: QTT Annual Graveyard Clean-up

MOTION: Councilperson Shirley Brown made a motion to donate \$500 to the QTT Annual Graveyard Clean-up.

SECOND: Councilperson Marita Gundersen seconded the motion.

VOTE: Motion passed unanimously.

3. Donation Request: PHT Family Fun 4th of July Celebration

MOTION: Councilperson Marita Gundersen made a motion to donate \$500 to the PHT Family Fun 4th of July Celebration.

SECOND: Councilperson Emil Mobeck seconded the motion.

VOTE: Motion passed unanimously.

4. Gaming Funds Regulations & Uses

Administrator Keeler stated in his memo about the State rules on how the funds are allowed to be used. The monies do not come out of the general fund, by law, the monies need to be in a separate account. Administrator Keeler suggested to Council a short one-page donation application and Council take a look at the requests in either a January or February. The application would request the applicant's budget and how they would move forward with their events. Direction was given to Administrator Keeler to draft a donation request application.

Councilpersons Foster, Brown and Gundersen agreed it is a good idea.

5. Public Works Position

Mayor Smith stated the past Shop Foreman and Laborer are no longer working with the City. Councilperson Gundersen asked what is the current plan is for the Interim Public Works Director David Stokes and 3 months left on his contract and what is the plan after the 3 months. Councilperson Brown stated David Stokes has 3 months left on his contract and the City needs to look into having a permanent Public Works Director. She also stated she does not want to see glass and cans going to the land fill which will shorten the life of the land fill, that was one of the reasons for the purchase of the glass crusher. Mayor Smith stated the public works employees we currently have can help with recycling bottles and post for the Shop Foreman position.

MOTION: Councilperson Emil Mobeck made a motion to post for the Shop Foreman position.

SECOND: Councilperson Marita Gundersen seconded the motion.

VOTE: Motion passed unanimously.

PUBLIC COMMENTS:

Arlene Gundersen commented QTT has started as of this day, QTT has a recycling contest for number one plastics and cans. Douglas Holmberg commented for public to stop squeezing by when the harbor crew is moving boats, for traffic to stop and wait, a safety precaution for the crew.

COUNCIL COMMENTS:

Mayor Smith stated the next council meeting will be Friday, June 4, 2021.

ADJOURNMENT:

MOTION: Councilperson Marita Gundersen made a motion to adjourn.

SECOND: Councilperson Emil Mobeck seconded the motion.

The meeting adjourned at 8:12 p.m.

James Smith, Mayor

ATTEST:

Shannon Sommer, City Clerk