

TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, City Manager

DATE: February 26, 2020

RE: **Authorizing the Deposit of the Proceeds from the Sale of 319 Main Street (Old Fire Station No. 1) in the Community Facilities Development Fund**

At its meeting of December 5, 2019, the City Council adopted a motion approving in second reading Ordinance No. 19-1903 declaring that 319 Main Street (Old Fire Station No. 1) is surplus City property; authorizing the sale of that property; providing for the filing of referendum petitions; and establishing an effective date. As the City Council will recall, the ordinance was amended to provide for an outcry auction with a minimum bid of \$140,000 plus recording fees.

As indicated in the attached memorandum from Public Works Director Mark Hilson, the public outcry auction was held on February 20, 2020. The winning bid of \$343,000 was submitted by Richard (Travis) Robbins of Ketchikan. An agreement for the sale of the property has been executed by Mr. Robbins, who has made a \$10,000 earnest money deposit. Closing is to take place within forty-five days of February 20, 2020.

As the purchase price derived from the sale of the fire station is "one-time" revenue, my office is recommending that the funds the City receives be deposited in the Community Facilities Development Fund. This fund has traditionally been used to assist in funding projects such as the new library on Copper Ridge Lane and the new fire station on Bawden Street. As the City will likely be undertaking a number of projects over the next several years in the downtown core, the deposit of the revenues from the sale of the old fire station in the Community Facilities Development Fund would appear to be appropriate.

A motion has been prepared for City Council consideration.

RECOMMENDATION

It is recommended the City Council adopt the motion authorizing staff to deposit the proceeds from the sale of 319 Main Street (Old Fire Station No. 1) in the Community Facilities Development Fund.

Recommended Motion: I move the City Council authorize staff to deposit the proceeds from the sale of 319 Main Street (Old Fire Station No. 1) in the Community Facilities Development Fund.

PUBLIC WORKS / ENGINEERING DEPARTMENT
Mark Hilson, P.E., Public Works Director
Kara Jurczak, P.E., Assistant Public Works Director

CITY OF KETCHIKAN
Administrative Offices
PH: 907.228.4727
FAX: 907.225.8721

MEMORANDUM

TO: Karl Amylon, City Manager
CC: Lacey Simpson, Assistant City Manager
FROM: Mark Hilson, P.E., Public Works Director
DATE: January 25, 2020
SUBJECT: **Old Fire Station No. 1 Auction Results**

At the its regular meeting of December 05, 2019, City Council directed staff to conduct an outcry auction for the sale of the surplus property at 319 Main Street (Old Fire Station), and established a minimum bid of \$140,000 plus recording fees.

The auction was publicly advertised, and several open houses were held for members of the public to have showings of the property. On February 20, 2020 the public outcry auction was conducted by Auctioneer Terry Smith, in City Council Chambers at noon, as advertised.

I am pleased to report that there were three parties who competitively bid the property, and the winning bid was \$343,000. The winning bidder was Richard (Travis) Robbins of Ketchikan, who, with his business partners, have indicated that they plan to refurbish the property into a distillery. We congratulate Mr. Robbins on his winning bid, and wish him the best of luck in his business endeavor.

PT 3490

**AGREEMENT FOR SALE
OF SURPLUS REAL PROPERTY**
319 Main Street (Old Fire Station No. 1)

THIS AGREEMENT is made this 20th day of February, 2020, ("the Effective Date") by and between THE CITY OF KETCHIKAN, ALASKA, a home rule municipality (hereinafter "the City"), 334 Front Street, Ketchikan, Alaska 99901, and **RICHARD ROBBINS**, of 5121 Shoreline Drive, Ketchikan, Alaska 99901 (hereinafter "the Buyer").

The City and the Buyer agree as follows:

Section 1: Sale of Surplus Property. The City agrees to quitclaim to the Buyer, and the Buyer agrees to buy from the City on the terms and conditions set forth hereinafter, the following surplus property:

Lot 16, Block 14 USS 437, according to the Plat filed July 23, 1952, as
Vol. 1 - Page 100, document No, 1952-900002-0, Ketchikan Recording
District, First Judicial District, State of Alaska,

Section 2: Purchase Price. The total purchase price to be paid by the Buyer to the Seller for the Property is the sum of three hundred forty-three thousand dollars (\$343,000) ("the Purchase Price"). An earnest money deposit of \$10,000 (ten thousand dollars) shall be paid by the Buyer to the City and will be applied against the Purchase Price at Closing. The Purchase Price will be paid to the City in full by cashier's check at Closing.

Section 3: No Warranties of Title. The Property will be conveyed by quitclaim deed with such reservations, exceptions, and conditions as the City deems necessary to assure notice of and compliance with this Agreement. The terms of this Agreement will be incorporated into and made a part of the deed. **THE CITY MAKES NO WARRANTIES OR REPRESENTATIONS AS TO TITLE.**

Section 4: No Reliance on City Documents or Statements. Buyer hereby warrants and represents that he/she has relied solely upon his/her own surveys, inspections, environmental assessments, and tests and upon his/her own independent sources of advice and information. Buyer warrants and represents that he/she has not relied upon the statements, records, reports, appraisal reports, or representations of the City, or any of its officers, contractors and their subcontractors, agents, or employees, or upon maps, bid instructions, bid information, and addenda supplied by the City. The Buyer understands and agrees that maps, information to bidders, bid instructions, addenda to bid information, and other information, records, statements, reports, appraisal reports, engineering reports, or any representations he/she may have received from the City, or any of its respective agents, officers, contractors and their subcontractors, and employees may be inaccurate, misleading, or misrepresentative and waives any claims or causes of action arising therefrom or related thereto.

Section 5: Condition of the Property. The Property is sold **AS IS** with no warranties or representations and any kind by the City, or any of its agents, officers, or employees. Buyer accepts all risks that the Property may, for whatever reason be insufficient for use, may have apparent, latent and hidden defects, may contain undesirable materials, and may be affected by other conditions which render the Property less valuable or worthless. Any insufficiency, apparent, latent, or hidden defect, material, or other condition affecting the Property shall be corrected, removed, or remediated by Buyer at Buyer's expense after Closing. Buyer, its successors, designees, and assignees release, indemnify, defend, and hold harmless the City, and all of its agents, contractors and their subcontractors, officers, and employees from and against any and all known or unknown, present and future: liability, lost use, profits, rents, business or sales; costs of remediation or removal; costs of repairing, maintenance, replacement, reconstruction, or remodeling; damages; injuries; or deaths arising out of or related to the existence, remediation, or removal of any such insufficiency, defects, materials, or conditions, whether apparent, latent, or hidden, regardless of whether or not caused by the negligence of the City, or any of its agents, contractors, officers, or employees. The City, and its agents, officers, and employees have no duty to disclose any defects, conditions, or the existence of any undesirable materials or hazardous, toxic, or polluting substances regardless of their knowledge of them.

Buyer understands that:

- (a) The Property may not be currently habitable or suitable for use and may not become habitable or suitable for any use even with extensive repairs;
- (b) The Property may have defects, materials, and conditions, which may not become apparent or be discovered by Buyer until after Closing.

In addition to all other risks, responsibilities, and costs of the Buyer, Buyer will upon closing of this sale bear all costs, losses, damages, injuries, or deaths arising from or related to the defects and conditions described.

Section 6: Hazardous Substances. In addition to the risks assumed by Buyer under Section 7, Buyer shall assume all risks as to the existence on the Property of any contamination, or hazardous, toxic, or polluting substances and as to the remediation, removal, or correction of such contamination, or hazardous, toxic or polluting substances. The Buyer, its successors, designees, and assignees shall unconditionally release, indemnify, defend, and hold harmless the City, Integra Realty Resources, and any of their respective agents, contractors, officers, and employees from and against any and all known or unknown, present and future: liability, lost use, profits, rents, business, or sales; costs of remediation or removal; costs of repairing, maintenance, replacement, reconstruction, or remodeling; damages; injuries; or deaths arising out of or related to the existence, remediation, or removal of any such contamination or hazardous, toxic or polluting substances on the Property regardless of whether or not caused by the negligence of the

City, Integra Realty Resources, or any of their respective agents, contractors, officers, or employees. For purposes of all sections of this Agreement, hazardous, toxic or polluting substances are defined as including substances: the presence of which require investigation or remediation under any federal, state, or local law, order, or regulation; which are defined as hazardous waste, hazardous substances, pollutants, or contaminants under state, federal, or local law, order, or regulation; or which are toxic, carcinogenic, explosive, corrosive, infectious, polluting, or contaminating under any federal, state, or local law, order, or regulation including without limitation, gasoline, diesel fuels, oil, other petroleum, hydrocarbons, solvents, and asbestos.

Section 7: Buyer Responsible for Compliance With All Laws and Regulations. Upon Closing, Buyer shall at Buyer's cost, comply with all laws and regulations applicable to the Property, including, but not limited to: building, electrical, mechanical, plumbing, fire, and hazardous building codes; all requirements imposed by the City of Ketchikan (d/b/a Ketchikan Public Utilities) for electric, water, and telephone service; and all zoning, planning, and platting requirements; even though the cause of any such non-compliance may have arisen while the City or its predecessors owned the Property and may have been caused or permitted by the City while it or its predecessors owned the Property and even though compliance may render the use or development of the Property uneconomic, expensive, futile, or impossible. The fact that any non-compliance arose while the City or its predecessors owned the Property or was permitted or caused by the City while it or its predecessors owned the Property does not bar the City from enforcing those codes or regulations after the sale of the Property to Buyer and shall not give rise to any claim against the City, its officers, agents, or employees.

Section 8: Waiver of Disclosures. In accordance with AS 34.70.110, Buyer hereby agrees that the provisions of AS 34.70, entitled "Disclosures in Residential Real Property Transfers" shall not apply to the sale of the Property.

Section 9: Lead Based Paint Disclosure. Upon executing this Agreement, Buyer shall also execute the "Disclosure of Information on Lead-Based Paint and or Lead-Based Paint Hazards," attached to this Agreement.

Section 10: Closing. The sale of the Property shall be closed at a mutually agreeable time, but not later than 45 (forty-five) days from the Effective Date of this Agreement.

Section 11: Closing Costs. Buyer shall pay all closing and recording costs.

Section 12: Risk of Damage or Destruction. If during the time between the Effective Date of this Agreement and the Closing the Property is damaged or destroyed to the extent that the cost of repairing such damage will exceed ten percent (10%) of the Purchase Price, then Buyer may terminate this Agreement and Buyer's earnest money deposit will be returned to Buyer without interest as Buyer's sole remedy. The City has no obligation to repair or replace such damage or destruction and no obligation to secure,

maintain, or insure the Property. If the City carries insurance for damage to the Property, any proceeds from such insurance shall be the sole property of the City. If the damage or destruction does not exceed ten percent (10%) of the Purchase Price, the Buyer may proceed to purchase the Property or may default under Section 15 of this Agreement.

Section 13: Possession. Possession of the Property will be delivered to the Buyer on the closing date.

Section 14: Notice. Any notice, demand, request, consent, approval, or other communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail at the address set forth on page one. Either party may change its address by notifying the other party of its change of address in writing.

Section 15: Default Remedies. In the event that either party fails to perform such party's obligations hereunder (except as excused by the other's default), the party claiming default will make written demand for performance. If the City fails to comply with such written demand within ten (10) days after receipt thereof, the Buyer's sole options shall be to waive such default, or to terminate this Agreement. In the event the Buyer elects to terminate this Agreement, the earnest money deposit will be returned to the Buyer without interest as the Buyer's sole remedy. If the Buyer fails to comply with such written demand within ten (10) days after receipt thereof, the City's sole options shall be to waive such default or to terminate this Agreement. Upon such termination, the City will be entitled to retain the earnest money deposit and any interest as the City's sole remedy and in full and final liquidation of all damages arising from such default except for any claims arising under Section 5 and Section 6.

Section 16: Time is of the Essence. Time is of the essence of this Agreement.

Section 17: Entire Agreement. The City and the Buyer each acknowledge that they have read this entire Agreement, fully understood the provisions thereof, are satisfied therewith, and have signed the same of their own free will. The City and the Buyer further acknowledge that any prior contracts, promises, representations, or agreements between the City and the Buyer, relating to the sale of the Property, are hereby extinguished: that there are no oral or written promises, warranties, representations, or agreements between the City and the Buyer relating to sale of the Property; and that this Agreement with all addenda constitutes the entire and only agreement between the City and the Buyer relating to said sale.

Section 18: Independent Contractor; No Authority to Bind City. The parties hereto agree that the Buyer is an independent entity and is not, and shall not be construed to be a partner, joint venturer, employee, or agent of the City and shall not, and is not authorized to, enter into or make any contracts, agreements, or enter into any other understanding with any other person, corporation, governmental agency, partnership, joint venturer, or other entity, in the name of or for the benefit of the City.

Section 19: No Third Party Beneficiaries. Nothing in this Agreement shall be construed to give any person other than the City and the Buyer any legal or equitable right, remedy, or claim under this Agreement, but it shall be held to be for the sole and exclusive benefit of the City and the Buyer.

Section 20: Nonwaiver. No delay or omission of the right to exercise any power by either party shall impair any such right or power, or be construed as a waiver of any default or as acquiescence therein. One or more waivers of any covenant, term, or condition of this Agreement by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term, or condition. The consent or approval by either party to any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

Section 21: Survival. The covenants, representations, and warranties of the City and the Buyer herein contained will be effective as of the date of this Agreement and shall continue and survive the Closing of this transaction.

Section 22: No Merger. The covenants, promises, agreements, terms, conditions, and understandings set forth in this Agreement shall survive Closing and shall remain in full force and effect after Closing. The terms, conditions, and agreements set forth in this Agreement shall not be merged at Closing and shall not be merged as the result of the execution of the Quitclaim Deed.

Section 23: Law Applicable. The laws of the State of Alaska shall govern the construction, validity, performance, and enforcement of this Agreement. Venue as to any action, claim, or proceedings arising out of, or based upon this Agreement, including, but not limited to, any action for declaratory or injunctive relief, shall be the appropriate state court sitting in the City of Ketchikan, First Judicial District, Alaska.


Section 24: Successors and Assigns. Except as otherwise provided herein, the covenants, agreements, and obligations herein contained shall extend to bind and inure to the benefit not only of the parties hereto, but their respective personal representatives.

Section 25: Severability. In the event any clause, phrase, word, words, paragraph, subparagraph, or other provision of this Agreement is adjudicated or held to be invalid or unenforceable, the remaining clauses, phrases, words, paragraphs, subparagraphs, or other provisions shall remain in full force and effect.


Section 26: Effective Date. The effective date of this Agreement shall be the date it has been executed by both the City and the Buyer.

DATED at Ketchikan, Alaska, on the Effective Date shown on page one.

CITY OF KETCHIKAN


Lacey Simpson
Assistant City Manager

ATTEST


Kim Stanker
City Clerk

DATED at Ketchikan, Alaska, this 20th day of February, 2020.

THE BUYER

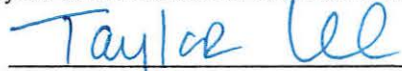

RICHARD ROBBINS

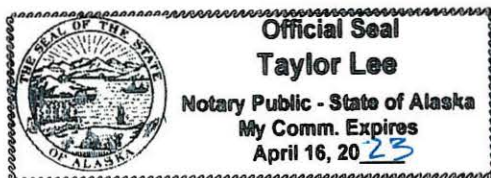
CITY ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 20th day of February, 2020, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **LACEY SIMPSON** and **KIM STANKER** to me known to be the **Assistant City Manager** and the **City Clerk** of the **CITY OF KETCHIKAN**, a municipal corporation, the corporation which executed the above and foregoing instrument; who on oath stated that they were duly authorized to execute said instrument and affix the corporate seal thereto on behalf of said corporation; who acknowledged to me that they signed and sealed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.


NOTARY PUBLIC FOR ALASKA
My Commission Expires: April 16, 2023



INDIVIDUAL ACKNOWLEDGMENT

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

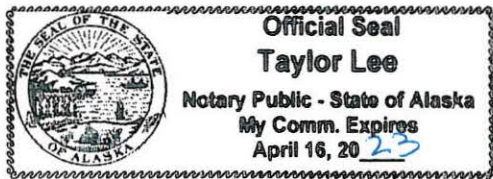
THIS IS TO CERTIFY that on this 20th day of February, 2020, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **RICHARD ROBBINS** to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he signed and sealed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in this certificate above written.

Taylor Lee

NOTARY PUBLIC FOR ALASKA

My Commission Expires: April 16, 2023



December 5, 2019

Budget Transfers – Funding for Personnel Services and Benefit Accounts Nos. 500.01 – 508.00 for Additional Costs Incurred as a Result of Implementing the General Government and KPU Compensation Plan Update

Moved by Bergeron, seconded by Zenge the City Council authorize the city manager to transfer \$31,710 from the Appropriated Reserves of certain funds to certain department and division personnel services and benefit accounts as outlined in the Finance Director's report dated November 26, 2019.

Motion Passed with Zenge, Bergeron, Gage, Williams, Coose and Flora voting yea; Kiffer absent.

Budget Transfers – Funding for the Electric, Water Sewer & Solid Waste Accounts Nos. 650.02 for Additional Costs Incurred as a Result of Diesel Surcharges

Moved by Bergeron, seconded by Zenge the City Council authorize the city manager to transfer \$209,860 from the Appropriated Reserves of certain funds to the Electric, Water, Sewer & Solid Waste Accounts Nos. 650.02 of certain departments and divisions as outlined in the Finance Director's report dated November 26, 2019.

Motion Passed with Zenge, Bergeron, Gage, Williams, Coose and Flora voting yea; Kiffer absent.

Appointments to Boards and Commissions – Mayor Sivertsen

Mayor Sivertsen asked if there was any objections to appointing Alexander (Alex) Kramarczuk to the Museum Advisory Board, and no objections were heard.

UNFINISHED BUSINESS

Ordinance No. 19-1903 – Declaring That 319 Main Street (Old Fire Station No.1) is Surplus City Property; Authorizing the Sale of That Property – Second Reading

Copies of Ordinance No. 19-1903 were available for all persons present.

Mayor Sivertsen recused himself from this discussion due to a potential conflict of interest, and handed the gavel to Vice-Mayor Zenge.

Moved by Gage, seconded by Flora the City Council approve in second reading Ordinance No. 19-1903 declaring that 319 Main Street (Old Fire Station No.1) is surplus City property; authorizing the sale of that property; providing for the filing of referendum petitions; and establishing an effective date.

Councilmember Coose said at the last meeting he suggested the City sell the property to the people who brought in the offer, and felt now we almost owe it to them. He indicated it was a good offer. He said we may only get a little more than this proposal. He said the City has sold other properties for below cost, noting we have surplused this property twice.

December 5, 2019

Moved by Coose to surplus the property and amend the motion sell the property located at 319 Main Street (Old Fire Station No. 1) at the proposed offer of \$150,000 from Uncharted Alaska Distillery.

As there was no second to amend the motion, Vice-Mayor Zenge said there was no amendment to consider.

Councilmember Flora said he would like to hear Councilmember Bergeron's comments in regards to Mr. Sivertsen's comments.

Councilmember Bergeron stated he had no interest in this property at all. He informed throughout his career while serving on boards and commissions he has gone the extra mile to be transparent. He didn't feel the City was getting full value for this property, and if the sealed bid process is the way properties should be sold, why aren't all City properties sold this way. He said the Council's mission at the dais is to do the community's business out in the open. He indicated he had no idea how Mr. Sivertsen's proposal ended up in the newspaper. He said all along this property should be sold through a realtor, and this process should be the same for all City surplus properties. He said he didn't feel it was necessary to recuse himself, as he or his wife have no monetary interest in this property.

Councilmember Flora said if the Council had accepted Mr. Sivertsen's proposal he sent by email, and sold the property to him, he felt the public would have said "they just did an inside deal". He informed the City did not solicit or ask for proposals, nor did Mr. Sivertsen ask what the next step is after the outcry auction was closed. He said these types of bodies at times are subject to degrees of no win situations. He has said all along we need to sell this property and be done with it. He disagreed with listing it with a realtor because the City has sat on this property now for over a year. He stated during that time the City has pumped a bunch of money into it for utilities and minor maintenance. He agreed with Mr. Sivertsen there is no longer a level playing field for him, but he did not agree the Council did anything deliberately towards him. He agreed there should be a standardized process for the disposal of City property. He stated the difference between this property and the other two that were referenced earlier by Mr. Sivertsen, there was no interest in them, but there was lots of interest and comments made regarding the Old Fire Station building.

City Attorney Seaver said the City has a standard ordinance procedure for the disposal of surplus real property in place. He commented the time factor would not be sped up by soliciting a realtor to sell the property. He stated the fact that their offering price was published is unfortunate, noting there is no guarantee when you send information to a public body that it won't be public information.

Councilmember Bergeron said he would not vote in the affirmative, as he doesn't believe the way this property is being sold is in the best interest of the people we represent.

Councilmember Flora questioned Councilmember Bergeron's comment on why this is not in the best interest of the people

Councilmember Bergeron felt a price should be established and sold by a realtor in the open market. He said because there is a relative of Council interested in this property it seems to have the appearance of impropriety. He informed it is the way he has done business at the table, no matter what board he has served on.

December 5, 2019

Councilmember Flora indicated no one at this table would disagree with Councilmember Bergeron's comment, and said this process so far has been transparent. He indicated the Council established a price, we had an auction and there were no bids. He stated we did an appraisal which came in just over the Borough assessed value, and the appraisal cost the City \$6,000.00 so there was no net value in that process, then we tried to sell it for a price and received no offers. He indicated if we continue to over reach for what we think the value is of the building, the City will continue to own this property with continued utility and maintenance cost.

Councilmember Flora said he would like to ask Mr. Sivertsen a question.

Councilmember Bergeron called for a point of order, as this discussion is for the City Council. He stated Mr. Sivertsen has already spoken.

Councilmember Coose asked for a show of hands to allow Mr. Sivertsen to answer the question, and at least four hands were shown.

Councilmember Flora said he thought sometimes people forget the persons sitting at the dais are we the people. He asked Mr. Sivertsen what he felt would be a level playing field.

Mr. Sivertsen questioned how properties were sold in the past. He felt in the past in regards to City property if there are no bids, it was sold to the person who had an interest in it. He used as an example the process in regards to the Ketchikan Regional Youth Facility building. He agreed with Councilmember Bergeron that the property now should be sold through a realtor, since their amount had been leaked, and felt he was put at a disadvantage by that. He indicated prior to this, no one has offered the City or had shown an interest in the property besides his company.

Moved by Coose, seconded by Bergeron to amend the motion to sell the property through the assistance of a realtor.

Manager Amylon indicated that process would take longer, as the City would need to go through a sealed bid process in order to solicit and choose a real estate company. He stated that would probably not happen until well into January

City Attorney Seaver said given the situation Mr. Sivertsen finds himself in, he would propose holding another outcry auction rather than a sealed bid process.

Councilmember Coose questioned if we could proceed with the ordinance as it stands.

City Attorney Seaver indicated the ordinance would need to be amended with the same terms and subject to Council's approval. He said he would like to review the ordinance and called for a recess.

The Council took a short recess at 8:18 p.m. and reconvened at 8:25 p.m.

City Attorney Seaver said the Council would need to strike the words "competitive sealed bid" and insert "outcry auction". He said he doesn't see this as adding any more time than the sealed bid process.

December 5, 2019

After consideration Councilmember Coose withdrew his amendment to the motion to sell the property through a realtor with the consent of the second.

Moved by Coose, seconded by Bergeron to amend Section 2 of the ordinance to strike the words “competitive sealed bid” and insert “outcry auction”.

Councilmember Williams felt we should stay with the sealed bid process, and move forward as either process will do the job. He felt this was an added waste of time, and he would only support the main motion.

Motion to amend passed with Zenge, Bergeron, Gage, Coose and Flora voting yea; Williams voting nay; Kiffer absent.

City Attorney Seaver felt the language should read a minimum purchase price of \$140,000 plus recording fees. He asked if we do get the minimum bid does the Council want it to come back for their approval, or would staff just take care of the closing without that step. He stated if that is the desire of the Council then you should strike “including the highest responsive bid” as well.

Moved by Gage, seconded by Bergeron to amend Section 2 of the ordinance to include “a minimum purchase price of \$140,000 plus recording fees”.

Motion to amend passed with Zenge, Bergeron, Gage, Coose and Flora voting yea; Williams voting nay; Kiffer absent.

Moved by Bergeron, seconded by Gage to amend Section 2 of the ordinance to strike the words “including the highest responsive bid” after the words “any and all bids”.

Motion to amend passed with Zenge, Bergeron, Gage, Williams, Coose and Flora voting yea; Kiffer absent.

Main motion as amended, passed with Zenge, Bergeron, Gage, Williams, Coose, and Flora voting yea; Kiffer absent.

Manager Amylon asked for clarification if this would serve as the ordinance passed in second reading, or would it need to be brought back for final approval by Council.

City Attorney Seaver confirmed this would serve as the second reading.

Vice-Mayor Zenge passed the gavel back to Mayor Sivertsen

**Resolution No. 19-2756 – Adopting the Budget for the Year
2020, Appropriating from the General Government Funds for
the Fiscal Year 2020**

Resolution No. 19-2756 was deferred from the Special City Council meeting of December 2, 2019 to the Special City Council meeting of December 9, 2019.