

## **CONSENT AGENDA**

### **POSSIBLE MOTION**

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**I MOVE TO APPROVE THE CONSENT AGENDA  
CONSISTING OF ITEMS A & B**

**I wish to remove Item(s) \_\_\_\_\_**

**REMINDER – When making the motion to approve the  
consent agenda, please read the title 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  
August 10 Assembly meeting.



# CITY AND BOROUGH OF SITKA

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

## Minutes - Draft

### City and Borough Assembly

*Mayor Steven Eisenbeisz*  
*Deputy Mayor Thor Christianson,*  
*Vice Deputy Mayor Valorie Nelson,*  
*Kevin Knox, Kevin Mosher, Crystal Duncan, Rebecca*  
*Himschoot*

*Municipal Administrator: John Leach*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

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Tuesday, August 10, 2021

6:00 PM

Assembly Chambers

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#### REGULAR MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

Knox and Nelson participated by videoconference.

**Present:** 6 - Christianson, Knox, Nelson, Eisenbeisz, Himschoot, and Duncan

**Absent:** 1 - Mosher

#### IV. CORRESPONDENCE/AGENDA CHANGES

[21-132](#)

Reminders, Calendars, and General Correspondence

#### V. CEREMONIAL MATTERS

[21-130](#)

Citation: Honoring Sitka's Healthcare Professionals, First Responders, and Frontline Workers

Mayor Eisenbeisz read a citation and expressed appreciation for healthcare professionals, first responders, and frontline workers during the COVID-19 pandemic.

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

None.

**VII. PERSONS TO BE HEARD**

None.

**VIII. CONSENT AGENDA**

Eisenbeisz stated he had a business relationship with Northern Lights Indoor Gardens and would need to recuse himself from item B.

**A**     [21-127](#)

Approve the minutes of the July 13, July 27, and July 29 Assembly meetings

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

**Yes:** 6 - Christianson, Knox, Nelson, Eisenbeisz, Himschoot, and Duncan

**Absent:** 1 - Mosher

**B**     [21-128](#)

Approve the following marijuana license renewal applications: 1) standard marijuana cultivation facility license and marijuana concentrate manufacturing facility license for AKO Farms, LLC at 1210 Beardslee Way, and 2) standard marijuana cultivation facility license and retail marijuana store license for Northern Lights Indoor Gardens, LLC at 1321 Sawmill Creek Road Suites M, N, O, and P

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

**Yes:** 5 - Christianson, Knox, Nelson, Himschoot, and Duncan

**Absent:** 1 - Mosher

**Recused:** 1 - Eisenbeisz

**IX. BOARD, COMMISSION, COMMITTEE APPOINTMENTS****C**     [21-129](#)

Reappoint 1) Chris Ystad to a three-year term on the Port and Harbors Commission, and 2) James Poulson to a three-year term on the Historic Preservation Commission

Christianson and Knox thanked the applicants for their willingness to serve.

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

**Yes:** 6 - Christianson, Knox, Nelson, Eisenbeisz, Himschoot, and Duncan

**Absent:** 1 - Mosher

**X. UNFINISHED BUSINESS:**

- D**     [ORD 21-23](#)     Amending Title 20 "Environmentally Critical Areas" of the Sitka General Code by repealing Chapter 20.01 "Landslide Area Management"
- Richard Wein spoke in support. Mona Santo wondered if there would be something to replace the code being repealed.
- Administrator John Leach noted the intent in repealing the code section was to not be a barrier to lending and insurance. He added he was researching ways in which certain safety aspects could be incorporated into the building code and permitting process.
- A motion was made by Christianson that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.**
- Yes:** 6 - Christianson, Knox, Nelson, Eisenbeisz, Himschoot, and Duncan
- Absent:** 1 - Mosher
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- E**     [ORD 21-22](#)     Concerning the sale of the former Sitka Community Hospital Site located at 209 Moller Drive, 202 Brady Street, 204 Brady Street, and 302 Gavan Street, Sitka, Alaska; and submitting an advisory question of such a sale to the qualified voters at the regular election on October 5, 2021
- From the public, Richard Wein spoke in opposition.
- Duncan and Knox expressed opposition stating the issue felt like a referendum on the previous sale of the former Sitka Community Hospital business.
- A motion was made by Christianson that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.**
- Yes:** 4 - Christianson, Nelson, Eisenbeisz, and Himschoot
- No:** 2 - Knox, and Duncan
- Absent:** 1 - Mosher
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- F**     [ORD 21-21](#)     Authorizing the lease of Upper Granite Creek Lease Area 5, a 6.7 acre portion of Lot 1, U.S. Survey 3670
- A motion was made by Christianson that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.**
- Yes:** 6 - Christianson, Knox, Nelson, Eisenbeisz, Himschoot, and Duncan
- Absent:** 1 - Mosher

**XI. NEW BUSINESS:**

**New Business First Reading**

- G**     [ORD 21-20](#)     Authorizing the lease of 4951 Halibut Point Road, a 17 acre portion of Lot 1, U.S. Survey 3670
- Richard Wein spoke in opposition to the lease and terms.

Duncan disclosed she was a Shee Atika shareholder. Eisenbeisz ruled there was no disqualifying bias.

Christianson believed the lease rate was low. Eisenbeisz wondered of assurances to maintain the public access easement. Planning Director Amy Ainslie said the lessee would need to produce a survey prior to development which would be attached to the lease. Ainslie wasn't aware of any permanent structures planned for the access easement, however, clarified the City as the owner of the property, had the responsibility to ensure public access. Himschoot wondered of onsite restroom facilities. Ainslie told of the conditional use permitting required through the Planning Commission. Municipal Attorney Hanson added there was standard lease language requiring the necessary permits and licenses for construction and activities on the premises. Administrator Leach reminded the lease was developed through direction given by the Assembly. He explained the initial lease term was for 20 years with two, 10-year extensions at the option of the lessor and lessee. The annual lease rate was \$60,000, adjusted for Consumer Price Index every three years. Knox said while the terms of the Request for Proposal had been met, there were still questions and concerns from the public of heading down a road that could significantly change Sitka and the way business was conducted with regards to tourism.

**A motion was made by Knox that this Ordinance be APPROVED on FIRST READING. The motion PASSED by the following vote.**

**Yes:** 4 - Knox, Nelson, Himschoot, and Duncan

**No:** 2 - Christianson, and Eisenbeisz

**Absent:** 1 - Mosher

#### **Additional New Business Items**

- H**     [RES 21-19](#)     Approving submittal and execution of Municipal Harbor Facility Grant application to the State of Alaska, Department of Transportation and Public Facilities (DOT&PF) in the amount of \$2,218,646 for the project entitled Fishermen's Work Float Replacement

Richard Wein spoke in support.

Administrator Leach summarized fiscal year 2024 models anticipated spending \$3M for this upgrade. He said if the City was able to secure the grant, the project could be done a year earlier and use less working capital than previously anticipated.

**A motion was made by Himschoot that this Resolution be APPROVED on FIRST AND FINAL READING. The motion PASSED by the following vote.**

**Yes:** 6 - Christianson, Knox, Nelson, Eisenbeisz, Himschoot, and Duncan

**Absent:** 1 - Mosher

- I**     [RES 21-20](#)     Declaring support and in-kind commitments to the Sitka Community Boatyard application to the Denali Commission and supporting the development of a boatyard and haul out at the Gary Paxton Industrial Park

Richard Wein spoke in support of a boatyard. Linda Behnken and Kent Barkhou spoke

in support of the resolution. Arthur Kinnan stated it was important to save Sitka Community Hospital.

**A motion was made by Christianson that this Resolution be APPROVED on FIRST AND FINAL READING. The motion PASSED by the following vote.**

**Yes:** 6 - Christianson, Knox, Nelson, Eisenbeisz, Himschoot, and Duncan

**Absent:** 1 - Mosher

## **XII. PERSONS TO BE HEARD:**

Richard Wein remarked more time should be taken on the lease item for 4951 Halibut Point Road. Nancy Yaw Davis thanked the Assembly for their work on the former Sitka Community Hospital building/property sale item.

## **XIII. REPORTS**

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

Mayor - Eisenbeisz had no report. Deputy Mayor Christianson provided a summary of the Alaska Municipal League summer legislative conference.

Clerk - Peterson reminded of the voter registration deadline for the October 5 Municipal Election.

## **XIV. EXECUTIVE SESSION**

### **J     [21-131](#)**

Financial/Legal Matter: Equipment Tampering/Power Theft Claim by the City and Borough of Sitka against a customer

**A motion was made by Himschoot to go into executive session to receive and discuss an update from the Municipal Attorney regarding financial and legal matters affecting the Municipality with respect to a claim by the City and Borough of Sitka of equipment tampering and power theft against a customer. The motion PASSED by the following vote.**

**Yes:** 6 - Himschoot, Knox, Duncan, Eisenbeisz, Nelson, and Christianson

**Absent:** 1 - Mosher

Richard Wein spoke in support.

The Assembly was in executive session from 8:05pm to 8:45pm. Nelson left the meeting at 8:45pm.

**A motion was made by Christianson to reconvene as the Assembly in regular session. The motion PASSED by the following vote.**

**Yes:** 5 - Eisenbeisz, Duncan, Himschoot, Christianson, and Knox

**Non-voting:** 1 - Nelson

**Absent:** 1- Mosher

**XV. ADJOURNMENT**

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

**ATTEST:** \_\_\_\_\_  
Sara Peterson, MMC  
Municipal Clerk