

CONSENT AGENDA

POSSIBLE MOTION

**I MOVE TO APPROVE THE CONSENT AGENDA
CONSISTING OF ITEM A.**

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 September 12 and September 26 Assembly meetings.



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 Kevin Mosher,
Vice Deputy Mayor Crystal Duncan,
Thor Christianson, Chris Ystad,
Timothy Pike, JJ Carlson*

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

Tuesday, September 12, 2023

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. RECITAL OF LANDS ACKNOWLEDGEMENT

IV. ROLL CALL

Present: 6 - Christianson, Mosher, Eisenbeisz, Ystad, Pike, and Carlson

Absent: 1 - Duncan

V. CORRESPONDENCE/AGENDA CHANGES

Item J pulled.

[23-117](#)

Reminders, Calendars, and General Correspondence

VI. CEREMONIAL MATTERS

None.

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

[23-106](#)

Update - Airport Terminal Improvement Project

Municipal Engineer Michael Harmon and Project Architect Garrett Burtner provided a project status briefing on the Rocky Gutierrez Airport Terminal Improvements Project:

project progress, revised design rendering and floor plans, and Phase 1 construction.

VIII. PERSONS TO BE HEARD

Richard Wein wished Interim School Superintendent Steve Bradshaw a speedy recovery, spoke in remembrance of 9/11, and told of SEARHC ceasing home health care.

IX. CONSENT AGENDA

A motion was made by Mosher that the Consent Agenda consisting of items A & B be APPROVED. The motion PASSED by the following vote.

Yes: 6 - Christianson, Mosher, Eisenbeisz, Ystad, Pike, and Carlson

Absent: 1 - Duncan

- A** [23-107](#) Approve the minutes of the August 22 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

- B** [23-108](#) Approve the following marijuana license renewal applications and forward to the Marijuana Control Board without objection:
- 1) Standard marijuana cultivation facility license renewal applications submitted by AKO Farms, LLC at 1210 Beardslee Way and AKO Farms, LLC dba AKO 2 at 213 Price Street, and
 - 2) A retail marijuana store license renewal application submitted by AKO Farms, LLC dba AKO Farms Direct at 1210 Beardslee Way, and
 - 3) A marijuana concentrate manufacturing facility license renewal application submitted by AKO Farms, LLC at 1210 Beardslee Way

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- C** [23-109](#) Appoint 1) Woody Widmark to a three-year term on the Health Needs and Human Services Commission 2) Steve Black to a three-year term on the Park and Recreation Committee, and reappoint 1) Ben Hughey to a three-year term on the Parks and Recreation Committee

Richard Wein thanked applicants for serving.

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

Yes: 6 - Christianson, Mosher, Eisenbeisz, Ystad, Pike, and Carlson

Absent: 1 - Duncan

- D** [23-111](#) Appoint one to the Planning Commission: 1) Robin Sherman, 2) Chris Spivey, 3) Jeremy Twaddle
- Robin Sherman, Chris Spivey, and Jeremy Twaddle were nominated.
- From the public, Richard Wein commented. Planning Commissioners Stacy Mudry and Darrell Windsor asked the Assembly to support applicants with experience. Chris Spivey expressed regret at resigning and wished to continue serving.
- Ystad disclosed Twaddle was his previous employer, however, he stated he could act unbiasedly.
- A round of voting ensued. Sherman received five votes and was appointed. Twaddle received one vote.

XI. UNFINISHED BUSINESS:

- E** [ORD 23-20](#) Amending Title 2 “Administration,” Chapter 2.04 “City and Borough Assembly” of the Sitka General Code by updating Sections 2.04.190 “Salaries and compensation” and 2.04.195 “Salaries for assembly members and mayor”
- Richard Wein and Valorie Nelson spoke in opposition.
- A motion was made by Mosher that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.**
- Yes:** 6 - Christianson, Mosher, Eisenbeisz, Ystad, Pike, and Carlson
- Absent:** 1 - Duncan

XII. NEW BUSINESS:

- F** [RES 23-25](#) Authorizing the Municipal Administrator to apply for the US Department of Energy Grid Deployment Office Section 247: maintaining and enhancing hydroelectricity incentive program for the Green Lake Rehabilitation Phase II and III project
- Municipal Administrator John Leach and Generation System Manager Kord Christianson provided an overview of the funding opportunity.
- Richard Wein commented.
- 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, Mosher, Eisenbeisz, Ystad, Pike, and Carlson
- Absent:** 1 - Duncan
- G** [23-114](#) Approve a Consent to Assignment of Lease between the City and Borough of Sitka, McG Constructors, Inc. and Colaska, Inc. dba Secon for Granite Creek Lease Areas 2 and 3

Ron Vinson, Public Works Director, provided background information and noted both parties were in good standing with regulatory bodies and with past and current financial engagements. Municipal Attorney Brian Hanson stated the reassignment was contractually and legally allowed.

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

Yes: 6 - Christianson, Mosher, Eisenbeisz, Ystad, Pike, and Carlson

Absent: 1 - Duncan

H [23-113](#)

Discussion/Direction/Decision of a Class III tideland lease filed by Evergreen Properties, LLC at 2309 Halibut Point Road

Planning Director Amy Ainslie provided an overview of the tideland lease, noting that 75% was filled and 25% submerged tidelands. The applicant owned the upland property and intended to continue using the uplands and tidelands property as a mobile/manufactured home park. Ainslie relayed that the Planning Commission had recommended approval of the lease with the condition it continue to be used as a manufactured home park.

The Assembly discussed and determined competitive bidding was inappropriate, desired a 30-year term at 5% of the assessed value, and wished to include a condition the property be used as a trailer park.

I [23-110](#)

Discussion/Direction/Decision on whether to proceed with a lease of municipal property on Jarvis Street for use as a community garden

Planning Director Amy Ainslie summarized the community garden proposal by two local nonprofit groups for the property on Jarvis Street. She explained direction was needed on whether to proceed with the leasing process and whether competitive bidding was appropriate.

The item was discussed, and direction was given to proceed with a lease and work with the Municipal Attorney to determine if there was a way to move forward without competitive bidding. If not, then an RFP would be developed with the item brought back to the Assembly for terms and conditions. It was also requested bonding be required and there be security and lighting at the site.

J [23-115](#)

Authorize the Municipal Administrator to pursue a funding opportunity and advocate to the Department of Energy for Advanced District Energy Heating from Renewable Resources and expanded supervisory control of the electrical system

The item was PULLED.

K [23-112](#)

Decision on whether to allow sales tax free day(s) following the Thanksgiving holiday and set date(s)

Eisenbeisz recused himself.

A motion was made by Christianson to authorize November 24 and November 25 as Sales Tax Free Days for 2023 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: 5 - Christianson, Mosher, Ystad, Pike, and Carlson

Absent: 1 - Duncan

Recused: 1 - Eisenbeisz

XIII. PERSONS TO BE HEARD:

Joel Hanson and Kent Barhau thanked the Assembly for supporting of the community garden project. Richard Wein spoke of agenda items, the ceasing of home health services, and dependency on fossil fuel. Austin Cranford spoke on agenda items and traffic laws enforcement.

XIV. REPORTS

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

Administrator - Leach announced that the Southeast Conference was to be hosted in Sitka the week of September 18.

Attorney - Hanson announced he would be out September 18 and 19.

Liaison Representatives - Carlson reported on the Tourism Task Force and Ystad on the Parks and Recreation Committee.

Clerk - Peterson reviewed voting options for eligible voters.

XV. EXECUTIVE SESSION

L [23-116](#) Airport Terminal Building Lease with the State of Alaska

A motion was made by Mosher to go into executive session to discuss the Sitka Rocky Gutierrez Airport Terminal Building lease with the State of Alaska, the immediate knowledge of which would adversely affect the finances of the municipality, and invite in Finance Director, Melissa Haley and Public Works Director, Ron Vinson. The motion PASSED by the following vote.

Yes: 6 - Eisenbeisz, Christianson, Ystad, Mosher, Carlson, and Pike

Absent: 1 - Duncan

The Assembly was in executive session from 8:09 p.m. to 8:32 p.m.

A motion was made by Christianson to reconvene as the Assembly in regular session. The motion PASSED by a unanimous voice vote.

XVI. ADJOURNMENT

A motion was made by Mosher to ADJOURN. Hearing no objections, the

meeting ADJOURNED at 8:33 p.m.

ATTEST: _____

Sara Peterson, MMC
Municipal Clerk



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 Kevin Mosher,
Vice Deputy Mayor Crystal Duncan,
Thor Christianson, Chris Ystad,
Timothy Pike, JJ Carlson*

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

Tuesday, September 26, 2023

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. RECITAL OF LANDS ACKNOWLEDGEMENT

IV. ROLL CALL

Present: 7 - Christianson, Mosher, Eisenbeisz, Duncan, Ystad, Pike, and Carlson

V. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

[23-123](#)

Reminders, Calendars, and General Correspondence

VI. CEREMONIAL MATTERS

[23-120](#)

- 1) Service Award - Chris Spivey
- 2) Proclamation - Reaffirming Indigenous Peoples' Day

Eisenbeisz presented a Service Award to outgoing Planning Commissioner Chris Spivey and read a proclamation reaffirming Indigenous Peoples' Day.

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

Tribal Chairman Lawrence Widmark provided a summary of September business activity.

[23-121](#)

Green Lake Hydroelectric Project Relicensing - Elizabeth Lack,
McMillen Senior Regulatory Specialist

Consultant Elizabeth Lack told of the 1979 FERC license that would expire in 2029.
She explained the relicensing process and timeline.

VIII. PERSONS TO BE HEARD

Krista Perala encouraged the community to observe Every Child Matters - Orange
Shirt Day on Friday September 29 and participate in local events.

IX. CONSENT AGENDA

Eisenbeisz was recused because of a business relationship with Northern Lights
Indoor Gardens, LLC.

**A motion was made by Christianson that the Consent Agenda consisting of
Item A be APPROVED. The motion PASSED by the following vote.**

Yes: 6 - Christianson, Mosher, Duncan, Ystad, Pike, and Carlson

Recused: 1 - Eisenbeisz

A [23-122](#)

Approve the following marijuana license renewal applications
submitted by Northern Lights Indoor Gardens, LLC and forward to the
Marijuana Control Board without objection: 1) a standard marijuana
cultivation facility license for 1321 Sawmill Creek Road Suites M, N, O,
P and 2) a retail marijuana store license for 1321 Sawmill Creek Road
Suites N, O, and P

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

XI. UNFINISHED BUSINESS:

None.

XII. NEW BUSINESS:

B [23-118](#)

Award of the FY24 Annual General Fund Non-Profit Grants

**A motion was made by Ystad to award the following FY24 General Fund
Non-Profit Grants in the category of Human Services. The motion PASSED by
the following vote.**

Yes: 7 - Ystad, Eisenbeisz, Carlson, Mosher, Pike, Christianson, and Duncan

Brave Heart Volunteers \$8,381

Sitka Counseling and Prevention Services \$7,381

Southeast Alaska Independent Living \$8,881

A motion was made by Ystad to award the following FY24 General Fund Non-Profit Grants in the category of Cultural & Educational Services. The motion PASSED by the following vote.

Yes: 7 - Christianson, Carlson, Duncan, Pike, Ystad, Mosher, and Eisenbeisz

Alaska Arts Southeast (Sitka Fine Arts Camp) \$4,262
Outer Coast \$4,333
Sitka Music Festival \$1,690

A motion was made by Ystad to award the following FY24 General Fund Non-Profit Grants in the category of Community Development. The motion PASSED by the following vote.

Yes: 7 - Carlson, Ystad, Duncan, Mosher, Eisenbeisz, Pike, and Christianson

The Greater Sitka Chamber of Commerce \$2,143
Sitka Trail Works \$7,286

C [23-119](#)

Discussion / Direction / Decision of the Municipal Administrator's annual recommended transfer to the Public Infrastructure Sinking Fund

A motion was made by Carlson to transfer \$4,500,000 to the Public Infrastructure Sinking Fund and make the transfer effective June 30, 2023. The motion PASSED by the following vote.

Yes: 7 - Christianson, Mosher, Eisenbeisz, Duncan, Ystad, Pike, and Carlson

D [23-115](#)

Authorize the Municipal Administrator to pursue a funding opportunity and advocate to the Department of Energy for Advanced District Energy Heating from Renewable Resources and expanded supervisory control of the electrical system

Kord Christianson, Generation System Manager, said Department of Energy (DOE) awarded this grant to another Alaskan community, however, they had declined. DOE contacted the City to see if there was interest in pursuing the grant.

During the discussion, there was differing views among the members regarding the pursuit of the funding opportunity. Some expressed enthusiasm and willingness to go after it, while others had reservations for various reasons. Municipal Administrator Leach, expressed mixed feelings on the matter. Although acknowledging that it was a great opportunity, he had heard that the Department of Energy (DOE) was hesitant to provide assistance for deferred maintenance, which contributed to his hesitancy.

A motion was made by Christianson to authorize the Municipal Administrator to pursue a funding opportunity and advocate to the Department of Energy for Advanced District Energy Heating from Renewable Resources and expanded supervisory control of the electrical system. The motion FAILED by the following vote.

Yes: 3 - Christianson, Duncan, and Pike

No: 4 - Mosher, Eisenbeisz, Ystad, and Carlson

XIII. PERSONS TO BE HEARD:

Charles Dean commented on the proclamation reaffirming Indigenous Peoples' Day and wished citizens a happy Columbus Day.

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

Mayor - Eisenbeisz provided a summary of topics discussed at Southeast Conference which was held in Sitka.

Administrator - Leach also reported on Southeast Conference. In addition, he spoke of the Port Communities of Alaska group - a regional type strategy group on tourism/cruising in Southeast Alaska.

Liaison Representatives - Ystad reported on the Port and Harbors Commission and Carlson on the Tourism Task Force.

Clerk - Peterson told of voting options for the October 3 Municipal Election.

XV. EXECUTIVE SESSION

None.

XVI. ADJOURNMENT

A motion was made by Mosher to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:50 p.m.

ATTEST: _____

**Sara Peterson, MMC
Municipal Clerk**