



CITY AND BOROUGH OF SITKA

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

Minutes - Final

City and Borough Assembly

*Mayor Steven Eisenbeisz,
Deputy Mayor Timothy Pike,
Vice Deputy Mayor JJ Carlson,
Kevin Mosher, Scott Saline,
Chris Ystad, Thor Christianson*

*Municipal Administrator: John Leach
Municipal Attorney: Rachel Jones
Municipal Clerk: Sara Peterson*

Tuesday, July 22, 2025

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, Carlson, and Saline

Absent: 1 - Pike

V. CORRESPONDENCE/AGENDA CHANGES

[25-102](#)

Reminders, Calendars, and General Correspondence

No agenda changes.

VI. CEREMONIAL MATTERS

[25-097](#)

Citation - Honoring U.S. Coast Guard Day

Mayor Eisenbeisz presented U.S. Coast Guard representatives with a citation honoring U.S. Coast Guard Day.

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

[25-101](#)

- 1) Sitka Tribe of Alaska Tribal Council, Yeidikook'áa Dionne Brady-Howard
- 2) Department Quarterly Reports - Fire, Library, Electric

Tribal Council Chairwoman Yeidikook'áa told of recent measures and resolutions. Quarterly reports were given by Fire, Library, and Electric.

VIII. PERSONS TO BE HEARD

Chamber of Commerce Executive Director Rachel Roy shared information about the Southeast Leadership Summit. Michelle Kavouras, representing Sitka Counseling, spoke about a suicide prevention watch party hosted by the State of Alaska. Fire Chief Craig Warren invited the public to attend the Sitka Volunteer Fire Department's fundraising event on July 26. Drew Wilson announced plans to open a craft distillery in the former Columbia Bar location.

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, Carlson, and Saline

Absent: 1 - Pike

A [25-099](#)

Approve the minutes of the May 13, May 29, and July 8 Assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

B [25-098](#)

Approve a liquor license renewal application for ZenHen, LLC dba the Channel Club at 2906 Halibut Point Road

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

XI. UNFINISHED BUSINESS:

C [ORD 25-18A](#)

Proposing to amend Section 20.01 "Sitka Community Hospital Dedicated Fund" of the Home Rule Charter and, submitting the question of such an amendment to the qualified voters at the regular election on October 7, 2025 (third and final reading)

Austin Cranford spoke in opposition. Jeremy Strong, Brian Farley, and Brian McLaughlin spoke in support.

Finance Director Brooke Volschenk provided an overview of the Sitka Community Hospital (SCH) Dedicated Fund. She explained that the fund's largest expenditure was the remaining obligation for the former hospital's participation in the Public Employees' Retirement System (PERS). Volschenk noted the fund still owed \$3.125 million to the

General Fund - an advance used to settle the OIG Stark liability in FY20. Once that liability was fully resolved, escrow accounts funded by SEARHC's annual \$700,000 payments would be released. At that point, the fund was expected to have enough equity to repay the General Fund and begin building a positive unassigned fund balance. However, until those liabilities were resolved and the escrow funds were released, there would not be sufficient unrestricted capital to repay the General Fund. She reminded the group that revenue sources for the SCH Fund included tobacco tax proceeds, SEARHC's annual payments, bad debt collections, and interest earnings. Tobacco tax revenue, which currently brought in about \$750,000 per year, had been declining. SEARHC's \$700,000 annual payments were expected to continue through FY41, provided the PERS liability remained in place. She cautioned that excess funding for other purposes may not be available for many years.

A motion was made by Mosher that this Ordinance be APPROVED on THIRD AND FINAL READING. The motion PASSED by the following vote.

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

Absent: 1 - Pike

D [ORD 25-19](#)

Making supplemental appropriations for fiscal year 2026 (Chamber/Visit Sitka Supplemental Funding)

Members discussed the Chamber of Commerce's offer to provide temporary services for Visit Sitka. Planning and Community Development Director Amy Ainslie said the goal was to have a new vendor in place by January, allowing for a one-month overlap between the two.

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, Mosher, Eisenbeisz, Ystad, Carlson, and Saline

Absent: 1 - Pike

E [ORD 25-20](#)

Making supplemental appropriations for fiscal year 2026 (E911 Phone Consoles)

A motion was made by Ystad that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.

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

Absent: 1 - Pike

F [ORD 25-21](#)

Making supplemental appropriations for fiscal year 2026 (Library / Electric / Central Garage Custodial Services)

A motion was made by Carlson that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.

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

Absent: 1 - Pike

XII. NEW BUSINESS:

- G** [25-100](#) Approve the promotion of Mark Seavey from Asset Manager to Public Works Director

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

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

Absent: 1 - Pike

XIII. PERSONS TO BE HEARD:

Austin Cranford spoke to item C.

XIV. REPORTS

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

Administrator - Leach noted upcoming travel.

Attorney - Jones told of the cell tower appeal with the State of Alaska Office of Administrative Hearings scheduled for August 21.

Clerk - Peterson announced that Brian Schoenfelder had joined the Clerk's Office as Assistant Municipal Clerk. She also provided information on upcoming candidate filing dates and the seats open in the October 7 regular municipal election.

XV. EXECUTIVE SESSION

None.

XVI. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:53 p.m.

ATTEST: _____

**Sara Peterson, MMC
Municipal Clerk**