

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 February 23, 28, and March 2 Assembly meeting minutes.



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*

Thursday, February 23, 2023

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. RECITAL OF LANDS ACKNOWLEDGEMENT

IV. ROLL CALL

Present: 5 - Mosher, Duncan, Ystad, Pike, and Carlson

Absent: 2 - Christianson, and Eisenbeisz

V. CORRESPONDENCE/AGENDA CHANGES

None.

VI. PERSONS TO BE HEARD

Kim Elliot spoke of the Sea Walk project and Sitka's declining population. Richard Wein commented on the economy.

VII. NEW BUSINESS:

A [23-023](#)

Discussion / Direction of the FY2024 Municipal Budget with focus on the Enterprise Funds (Assembly action may be taken)

Finance Director Melissa Haley summarized the process and goals of rate setting, discussed overall changes from last year, new challenges, and assumptions behind rate recommendations. Proposed increases for FY24: Electric Fund 3%; Water Fund 6%; Wastewater Fund 8.5%; Solid Waste Fund 6.75%; and Harbor Fund 7.3%. Haley

reminded Port and Harbors would weigh in on the proposed increase at their March 14 meeting. The total annual impact on ratepayers was estimated at approximately \$310.

B [23-024](#)

Discussion / Direction of the FY2024 Municipal Budget, if needed, as it relates to the General Fund and other Funds (Assembly action may be taken)

Assembly Member Duncan explained two resource proposal requests she submitted: 1) \$50k contribution to the Sitka Homeless Coalition for the Hix'i Saani Community project, and 2) a \$20k allocation for City officials and staff to participate in the Race, Equity, and Leadership (REAL) Institute. Members discussed the requests. Consensus was to include the requests in the draft General Fund budget.

VIII. PERSONS TO BE HEARD:

Richard Wein commented on the resource proposal request for City officials and staff to participate in the Race, Equity, and Leadership Institute training and the average utility bill increase.

IX. ADJOURNMENT

A motion was made by Ystad to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:53pm.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk



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*Municipal Administrator: John Leach
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Municipal Clerk: Sara Peterson*

Tuesday, February 28, 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 changes.

23-033 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)**

23-026 1) Sitka Tribe of Alaska - Lawrence Widmark, and
2) Rasmuson Foundation/State of Alaska - Broadband Alaska and Digital Equity Across Alaska

Tribal Chairman Lawrence Widmark provided a summary of the February meeting.

Arctic Encounter Symposium (AES), Program Director Emily Pape gave a broadband and digital equity report. The report included funding opportunities, communities eligible for coverage, and the State five-year broadband action plan.

VIII. PERSONS TO BE HEARD

Valorie Nelson mentioned the need for more notification from the February 14 meeting. Kim Elliott wondered about the harbor improvements and spoke to the harbor matching grant for the work float and harbor rate increases. Richard Wein commented on the February 23 enterprise fund budget meeting. Kevin Mosher thanked the assembly members and staff for their service.

IX. CONSENT AGENDA

Richard Wein spoke in support of item B. Kim Elliot commented on February 14 Assembly minutes.

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

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

A 23-025 Approve the minutes of the February 14 Assembly meeting

This item was APPROVED ON THE CONSENT AGENDA.

B 23-027 Approve the following liquor license applications:

1) transfer of ownership/location application from Trinity Business Services, LLC dba Halibut Point Crab & Brew at 4513 Halibut Point Road to Marina Pizza & Grill LLC at 201 Katlian Street, and

2) a premises diagram application and restaurant designation permit application for Marina Pizza & Grill LLC at 201 Katlian Street

This item was APPROVED ON THE CONSENT AGENDA.

C 23-028 Approve the following marijuana license renewal applications:

1) standard marijuana cultivation facility license renewal applications submitted by Jeremy J. Erickson dba Vern's Wicked Weed at 3872 Halibut Point Road, Northern Lights Indoor Gardens LLC at 1321 Sawmill Creek Road Suites M, N, O, & P, AKO Farms LLC at 1210 Beardslee Way, vanGreen's LLC at 224 Smith Street #D & #E, AKO Farms LLC dba AKO at 213 Price Street, and

2) retail marijuana store license renewal applications submitted by Northern Lights Indoor Gardens LLC at 1321 Sawmill Creek Road Suites N, O, & P, 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

Mayor Eisenbeisz was recused stating he had business relations with Northern Lights Indoor Gardens LLC.

Richard Wein commented. Kim Elliot stated the need to limit future businesses.

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

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

Recused: 1 - Eisenbeisz

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

- D 23-029** Appoint Elise Davidson Kitka to an unexpired term on the Health Needs and Human Services Commission and reappoint Casey Campbell to a two-year term on the Gary Paxton Industrial Park Board

Richard Wein thanked the applicants.

A motion was made by Duncan that this item be APPROVED. The motion PASSED by the following vote.

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

XI. UNFINISHED BUSINESS:

- E 23-021** Discussion / Direction / Decision for consideration of property tax and utility expense exemption to the Sitka Historical Society per the terms of their lease in Harrigan Centennial Hall

Richard Wein, John Stein, and Kim Elliott spoke in support.

Eisenbeisz thanked the Sitka Historical Society (SHS) for the additional financial information and felt comfortable moving forward with the property tax exemption.

A motion was made by Mosher to direct the Municipal Administrator to prepare an ordinance to extend the property tax exemption for Sitka Historical Society. The motion PASSED by the following vote.

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

Richard Wein spoke in support. Rachel Roy encouraged wayfinding signage for SHS.

Mosher thanked the SHS for the additional information. Municipal Administrator Leach stated funding for the exemption would come from the Electric Fund.

A motion was made by Christianson to direct the Municipal Administrator to extend the utility services exemption for Sitka Historical Society. The motion PASSED by the following vote.

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

XII. NEW BUSINESS:

New Business First Reading

- F ORD 23-03** Making supplemental appropriations for fiscal year 2023 (mid-year supplemental appropriations)
- Municipal Administrator Leach identified the areas in which changes to appropriations were needed.
- Richard Wein remarked on the ordinance.
- Christianson reminded a budget was an estimate, Mosher agreed. Duncan commented on the Human Resources, Central Garage, and Marine Service Center appropriations.
- A motion was made by Mosher that this Ordinance be APPROVED on FIRST READING.**
- Yes:** 7 - Christianson, Mosher, Eisenbeisz, Duncan, Ystad, Pike, and Carlson

Additional New Business Items

- G 23-031** Approve the Shared Services Agreement between the City and Borough of Sitka and the City of Whittier for dispatch services to the Whittier and Girdwood service area
- Municipal Administrator John Leach reviewed the details of the RFP for dispatch services. The money received was intended to be used to increase dispatch wages. Police Chief Baty stated the Police Department had difficulty retaining dispatch personnel and hoped additional funds would help with recruitment. He said Whittier's call volume and services required were minimal and had little to no effect on operations.
- Richard Wein spoke in support.
- Members discussed and asked questions regarding current staff workload, lease extensions, and wage adjustments post union contract negotiations.
- A motion was made by Mosher that this Item be APPROVED. The motion PASSED by the following vote.**
- Yes:** 7 - Christianson, Mosher, Eisenbeisz, Duncan, Ystad, Pike, and Carlson
- H RES 23-07** Authorizing the Municipal Administrator to apply for and execute a grant with the US Department of Transportation (USDOT) Federal Highway Administration (FHWA) for \$606,000 to support the Wachusetts Storm Sewer Rehabilitation Project
- Public Works Director Michael Harmon provided an overview of the project. He mentioned they would continue to look for other grant opportunities, however, had secured \$200k to date.

Richard Wein provided comments.

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

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

I 23-030

Discussion / Direction / Decision on applying for the Transportation Alternatives Program projects and match commitments - 1) safety improvements for crossing State Right of Way Sawmill Creek Road at Raptor Way and 2) State Right of Way Harbor Drive Improvement Safe Pedestrian Crossing Project

Public and Government Relations Director Melissa Henshaw gave an overview of the transportation alternatives program projects and match commitment levels. Municipal Administrator Leach stated guidance was needed from the Assembly to move forward with building the applications.

General consensus from the Assembly was to include a 5.01% match and bring resolutions forward to a future meeting.

J 23-032

Discussion / Direction / Decision on the establishment of a Tourism Task Force

Assembly members Ystad and Carlson explained the intent and directives of a Tourism Task Force.

Those from the public speaking in support were Diana Fulton, Scott Saline, Holly Reeder, Rachel Roy, Jeremy Plank, and Laurie Booyse. Richard Wein provided comments and suggested limiting the number of cruise ship passengers. Kent Barkhau believed it was a community decision. Larry Edwards recommended the Assembly rely on the Sustainability Commission for advisement.

The Assembly discussed the creation of the Task Force. Duncan requested clarification on membership makeup, staff liaisons, and a sunset clause. General consensus from the Assembly was to move forward and bring forward a resolution at a future meeting.

XIII. PERSONS TO BE HEARD:

Richard Wein spoke about the Tourism Task Force directives, membership makeup, and what was best for Sitka. Rachel Roy commented on the balance of boards/commissions and task forces. Laurie Booyse thanked the Assembly for changing the membership seat name on the Tourism Task Force from Lincoln Street to the Downtown District.

XIV. REPORTS

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

Mayor - Eisenbeisz reported on his attendance at the Alaska Municipal League Winter Conference.

Administrator - Leach reported on his attendance at the Alaska Municipal League

Winter Conference, told of the upcoming lobbying trip, and thanked the Public Works Street crew for their work.

Liaison Representatives - Pike told of the Police and Fire Commission meeting and Ystad report on the Gary Paxton Industrial Park Board meeting.

Clerk - Peterson told of upcoming meeting dates and read through the board/commission vacancy list.

XV. EXECUTIVE SESSION

None.

XVI. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:53 p.m.

ATTEST: _____
Jessica Earnshaw
Deputy Clerk



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Thursday, March 2, 2023

6:00 PM

Assembly Chambers

SPECIAL 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. PERSONS TO BE HEARD

None.

VI. NEW BUSINESS:

A [23-034](#) Discussion / Direction / Decision of the FY2024 Draft Administrator's Budget with focus on the General Fund (Assembly action may be taken)

Finance Director Melissa Haley provided an overview of the draft General Fund budget. She explained the process used to develop the budget, reviewed revenue and expenses, growth in sales tax, new non-core expenses, told of FY24 capital appropriations, and summarized General Fund capital repairs.

B [23-035](#) Discussion / Direction / Decision, if desired, of the FY2024 Draft Administrator's Budget as it relates to the General Fund, Enterprise Funds, Internal Service Funds, School Funding, and other Funds (Assembly action may be taken)

Eisenbeisz encouraged the Assembly to consider the employee vacancy rate. Without

staff, projects couldn't move forward. Christianson wondered of the possibility of bonuses. Municipal Administrator John Leach told of the compensation/wage study planned. Human Resources Director Valarie Ruff provided additional details on executing a study and anticipated timeline.

VII. PERSONS TO BE HEARD:

Dave Nichols wondered of the legality and benefits to establishing a Permanent Fund.

VIII. EXECUTIVE SESSION

None.

IX. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:10pm.

ATTEST: _____

**Sara Peterson, MMC
Municipal Clerk**