



# City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

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*A Coast Guard City*

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**Thru:** John Leach, Municipal Administrator

**From:** Amy Ainslie, Planning Director ~~AA~~  
Melissa Haley, Finance Director

**Date:** February 16, 2022

**Subject:** Supplemental appropriation for expenses related to the 2022 cruise season – Second appropriation

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### Background

On February 8<sup>th</sup>, the Assembly voted to adopt the Short-Term Tourism Plan which included a plan to close Lincoln Street to vehicular traffic on days with 3,000 or more cruise ship passengers in town between the hours of 10:00 AM to 4:00 PM. A first supplemental appropriation covering the bulk of plan-recommended expenditures (ORD 22-01) was approved on second reading by the Assembly on February 8<sup>th</sup> as well; that appropriation did not include expenditures related to the Lincoln Street closure.

This appropriation covers Lincoln Street closure expenditures including staff, supplies/equipment, and contracted services. Further, it also includes provisions for CBS to contract services to perform a cost allocation study for use of commercial passenger vessel tax funds (known as CPET or CPV).

### Analysis

Staff: Two seasonal positions are requested for the PW streets crew. These positions will execute street closures/reopening, be downtown to troubleshoot closure issues during the day, and be available to help with other traffic direction and/or sanitation needs. A Multi-Service Officer (MSO) for the Police Department is also requested; the plan identifies a strong need for parking enforcement and oversight which is particularly important with Lincoln Street closures. This is envisioned as an FTE in the FY23 budget, still to be determined by the Assembly. This appropriation only pays for the position through June 30. The final position in this appropriation is for a seasonal Tourism Operations Manager which would oversee the CBS operations downtown, particularly those relating to street closures, traffic management, and sanitation efforts.

This individual would be able to coordinate across various departments to deploy people where they're most needed, respond to issues as they arise, and fill in any operational gaps.

Supplies/Equipment: A parking enforcement vehicle is requested in order for the MSO to effectively move around the downtown area. Signage and barricades for the Lincoln Street closure are included, as well as a small amount for radios or other miscellaneous field equipment needed for crew communication.

Contracted Services: Communications support to inform the public about street closures is requested, including the creation of a "single source" for announcements and contact information. The CPET cost allocation study is also included in this section.

### **Fiscal Note**

As much as possible, CPET funds will be used to pay for these expenditures. The current balance in this account is approximately \$1.6 million. Appropriations are made to the appropriate primary fund (e.g., General Fund for staff positions, Central Garage for vehicles, etc.), with reimbursements to those funds from CPET.

- Staff: The wages included for all the temporary positions in this appropriation are through FY22 (ending June 30, 2022). The remainder of wages for the summer season will be in the FY23 budget. It is expected that these additional positions will be able to bill a significant majority of their time to CPET, particularly those for Streets and the Tourism Operations Manager. The MSO position has less CPET reimbursement forecasted, given the amount of training/onboarding required for this type of position. In total, the wages for all these positions through June 30 is approximately \$59,000, with close to \$51,000 estimated to be CPET reimbursed.
- Supplies/Equipment:
  - Parking Enforcement Vehicle: The vehicle expense (\$25,000) will be charged to Central Garage first, and then reimbursed over time via tracked CPET-eligible use.
  - The barricades and signs for the Lincoln Street closure were given a not-to-exceed budget of \$60,000, with 90% CPET reimbursement estimated.
  - The \$3,000 for radios/miscellaneous field tech is a General Fund expense.
- Contracted Services: The two contracted services items (\$30,000 for communications support and \$50,000 cost allocation study) are both expected to be 100% CPET reimbursable.

### **Recommendation**

Approve the supplemental appropriation on first reading.

Encl: Line Item Detail

## BUDGET DETAIL FOR TOURISM SUPPLEMENTAL APPROPRIATION #2 (FY22)

### Employees

Department	Position	Seasonal/FT	# of Employees	Anticipated Funding	Total appropriation	Est. CPET reimbursement	Appropriation fund
Harrigan	Tourism Operations M	Seasonal	1	CPET/GF	<b>23,588</b>	22,408	100 - General Fund
PW - Streets	Streets crew	Seasonal	2	CPET/GF	<b>23,588</b>	22,408	100 - General Fund
Police	Multi-services Officer	Seasonal	1	CPET/GF	<b>11,794</b>	5,897	100 - General Fund
<b>Total Temporary Wage Expense</b>					<b>58,969</b>	50,713	

<u>Supplies/Equipment</u>	Estimate	Est. CPET Reimbursement	
Parking enforcement vehicle	<b>25,000</b>	-	310 - Central Garage (CAPITAL/FIXED) (with transfer out from GF to 310)
Parking vehicle -charge for use	<b>1,500</b>	1,500	100 - General Fund (PD vehicle charges)
Lincoln St. closure barricades and signage	<b>60,000</b>	54,000	100 - General Fund (Streets-Supplies)
Radios/misc. field tech	<b>3,000</b>	-	100 - General Fund (Streets-Supplies)
<b>Total Equipment Expense</b>	<b>89,500</b>	55,500	

<u>Contracted Services</u>	Estimate	Est. CPET Reimbursement	
Communications support	<b>30,000</b>	30,000	100 - General Fund (HCH-Contracted services)
CPV cost allocation study	<b>50,000</b>	50,000	100 -General Fund (Administrative-Contracted services)
<b>Total Contracted Services</b>	<b>80,000</b>	80,000	

<b>Total appropriations</b>	<b>228,469</b>	<b>186,213</b>
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### TRANSFERS

CPET transfer out to reimburse	
General Fund	186,213
GF transfer out to Central Garage	25,000

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2022-03  
 AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL  
 APPROPRIATIONS FOR FISCAL YEAR 2022  
 (Lincoln Street Closure Expenses)

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

3. **PURPOSE.** The purpose of this ordinance is to make a supplemental Operations appropriation for FY2022.

4. **ENACTMENT.** In accordance with Section 11.10 (a) of the Charter of the City and Borough of Sitka, Alaska, the Assembly hereby makes the following supplemental appropriation for the budget period beginning July 1, 2021 and ending June 30, 2022.

<b><u>FISCAL YEAR 2022 EXPENDITURE BUDGETS</u></b>	
<b>GENERAL FUND</b>	
	<b>Administration – Operations: Increase appropriations in Contracted/Purchased Services in the amount of \$50,000 for the CPV cost allocation study.</b>
	<b>Police Department – Temporary Wages: Increase appropriations in the amount of \$11,794 for MSO temporary personnel.</b>
	<b>Police Department – Operations: Increase appropriations in the amount of \$1,500 in transportation and vehicles for the parking enforcement vehicle usage.</b>
	<b>Harrigan Centennial Hall Department – Personnel: Increase appropriations in the amount of \$23,588 in temporary wages for the Tourism Operations Manager.</b>
	<b>Harrigan Centennial Hall Department – Operations: Increase appropriations in contracted/purchased services for \$30,000 for communications management and support.</b>
	<b>Streets Department – Personnel: Increase appropriations in the amount of \$23,588 for seasonal streets crew.</b>
	<b>Streets Department – Operations: Increase appropriations in the amount of \$60,000 for signs and barricades and \$3,000 for radios and miscellaneous field tech.</b>
	<b>Interfund Transfers Out – Increase appropriations in the amount of \$25,000 to transfer to the Central Garage Fund.</b>
<b>ENTERPRISE AND INTERNAL SERVICE FUNDS</b>	
	<b>Central Garage Fund – Fixed Assets: Increase appropriations in Fixed Assets to purchase a parking enforcement vehicle in the amount of \$25,000.</b>

**SPECIAL REVENUE FUNDS**

**Fund 194- Commercial Passenger Vessel Excise Tax Fund - Operations: Increase appropriations in the amount of \$186,213 to transfer to the General Fund.**

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**EXPLANATION**

The proposed appropriations are those deemed necessary to successfully implement the closure of portions of Lincoln Street on days in which a high number of cruise ship passengers are scheduled to visit the City and Borough of Sitka.

**5. EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska this 8th day of March 2022.

**ATTEST:**

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**Steven Eisenbeisz, Mayor**

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**Sara Peterson, MMC  
Municipal Clerk**

**1<sup>st</sup> reading: 2/22/2022  
2<sup>nd</sup> and final reading: 3/8/2022**

**Sponsor: Administrator**