



# CITY AND BOROUGH OF SITKA

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

## Meeting Agenda

### 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, February 9, 2021

6:00 PM

Assembly Chambers

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#### REGULAR MEETING

**I. CALL TO ORDER**

**II. FLAG SALUTE**

**III. ROLL CALL**

**IV. CORRESPONDENCE/AGENDA CHANGES**

[21-022](#) Reminders, Calendars, and General Correspondence

Attachments: [Reminders and Calendars](#)

[PW 2021 Progress Reports - January 2021](#)

**V. CEREMONIAL MATTERS**

*None.*

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

[21-020](#) Special Report: Pathways Coalition - Sitka Kids website

Attachments: [Special Report Pathways Coalition](#)

**VII. PERSONS TO BE HEARD**

*Public participation on any item off the agenda. All public testimony is not to exceed 3 minutes for any individual, unless the mayor imposes other time constraints at the beginning of the agenda item.*

**VIII. CONSENT AGENDA**

*All matters under Item VIII Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

- A**      [21-021](#)      Approve the minutes of the January 21 and January 26 assembly meetings

**Attachments:** [Consent and Minutes](#)

- B**      [ORD 21-03](#)      Making supplemental appropriations for fiscal year 2021 (Electric Department - International Crane) 1st reading

**Attachments:** [Motion Ord 2021-03](#)

[Memo and Ord 2021-03](#)

- C**      [ORD 21-02](#)      Making supplemental appropriations for fiscal year 2021 (Bulk Water Line at Gary Paxton Industrial Park) 1st reading

**Attachments:** [Motion Ord 2021-02](#)

[Memo and Ord 2021-02](#)

[GPIP Bulk Line Repair NSRAA Proposed Budget](#)

[Signed Water Agreement](#)

**IX. BOARD, COMMISSION, COMMITTEE APPOINTMENTS**

*None.*

**X. UNFINISHED BUSINESS:**

- D**      [ORD 21-01](#)      Making supplemental appropriations for fiscal year 2021 (Potential Sale Expense Former Sitka Community Hospital Site)

**Attachments:** [Motion 2021-01](#)

[Ord 2021-01](#)

**XI. NEW BUSINESS:**

- E**      [RES 21-03](#)      Submitting City and Borough of Sitka FY 2022 State Legislative Priorities to State of Alaska and 2021 Legislature

**Attachments:** [Motion Memo and Res 2021-03](#)

- F**      [RES 21-04](#)      Authorizing the Municipal Administrator to apply for the National Renewable Energy Laboratories Energy Transitions Initiative Partnership Project

**Attachments:** [Motion Memo and Res 2021-04](#)

**XII. PERSONS TO BE HEARD:**

*Public participation on any item on or off the agenda. Not to exceed 3 minutes for any individual.*

**XIII. REPORTS**

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

**XIV. EXECUTIVE SESSION**

*Not anticipated.*

**XV. ADJOURNMENT**

*Note: Detailed information on these agenda items can be found on the City website at <https://sitka.legistar.com/Calendar.aspx> or by contacting the Municipal Clerk's Office at City Hall, 100 Lincoln Street or 747-1811. A hard copy of the Assembly packet is available at the Sitka Public Library. Regular Assembly meetings are livestreamed through the City's website, aired live on KCAW FM 104.7, and broadcast live on local television channel 11. To receive Assembly agenda notifications, sign up with GovDelivery on the City website.*

*Sara Peterson, MMC, Municipal Clerk*

*Publish: February 5*



# CITY AND BOROUGH OF SITKA

## Legislation Details

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**File #:** 21-022      **Version:** 1      **Name:**

**Type:** Item      **Status:** AGENDA READY

**File created:** 2/2/2021      **In control:** City and Borough Assembly

**On agenda:** 2/9/2021      **Final action:**

**Title:** Reminders, Calendars, and General Correspondence

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Reminders and Calendars](#)  
[PW 2021 Progress Reports - January 2021](#)

Date	Ver.	Action By	Action	Result
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# REMINDERS

<u>DATE</u>	<u>EVENT</u>	<u>TIME</u>
Tuesday, February 9	Regular Meeting	6:00 PM
Thursday, February 18	Special Budget Meeting <i>Enterprise Funds</i>	6:00 PM
Tuesday, February 23	Work Session <i>APEI 101 for Municipal Leaders Training</i>	5:00 PM
Tuesday, February 23	Regular Meeting	6:00 PM



# Assembly Calendar

2020 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2022

February 2021

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
31 <u>Jan</u>	1 <u>Feb</u>	2	3	4	5	6
			6:00pm Library Commission - Liaison Nelson 6:00pm School Board - Liaison Himschoot 7:00pm Planning Commission - Liaison Christianson	6:00pm Special Budget Meeting with School Board		
7	8	9	10	11	12	13
		12:00pm Parks & Recreation - Liaison Mosher 6:00pm Regular Assembly Mtg	5:00pm Tree & Landscape - Liaison Himschoot 6:00pm Historic Preservation - Liaison Duncan 6:00pm Port & Harbors Commission - Liaison Knox	12:00pm LEPC - Liaison Nelson 1:30pm Health Needs & Human Services - Liaison Duncan		
14	15	16	17	18	19	20
	HOLIDAY	6:00pm Climate Action Task Force	7:00pm Planning Commission - Liaison Christianson	6:00pm Special Budget Meeting: Enterprise Funds and Revisit General Fund		
21	22	23	24	25	26	27
		5:00pm Work Session: APEI 101 for Municipal Leaders Training 6:00pm Regular Assembly Mtg	5:30pm Police and Fire - Liaison Nelson			
28	1 <u>Mar</u>	2	3	4	5	6
			6:00pm Library Commission - Liaison Nelson 6:00pm School Board - Liaison Himschoot 7:00pm Planning Commission - Liaison Christianson	6:00pm Special Budget Meeting: Detailed look at FY22 General Fund		

# Assembly Calendar

2020   Jan   Feb   Mar   Apr   May   Jun   Jul   Aug   Sep   Oct   Nov   Dec   2022

**March 2021**

Sunday		Monday		Tuesday	Wednesday	Thursday	Friday	Saturday
28	<u>Feb</u>	1	<u>Mar</u>	2	3	4	5	6
					6:00pm <u>Library</u> <u>Commission -</u> <u>Liaison</u> <u>Nelson</u> 6:00pm <u>School Board</u> <u>- Liaison</u> <u>Himschoot</u> 7:00pm <u>Planning</u> <u>Commission -</u> <u>Liaison</u> <u>Christianson</u>	6:00pm Special Budget Meeting: Detailed look at FY22 General Fund		
7		8		9	10	11	12	13
				12:00pm <u>Parks &amp;</u> <u>Recreation -</u> <u>Liaison</u> <u>Mosher</u> 5:00pm Work Session: CAFR/Audit 6:00pm <u>Regular</u> <u>Assembly</u> <u>Mtg</u>	5:00pm <u>Tree</u> & <u>Landscape</u> <u>- Liaison</u> <u>Himschoot</u> 6:00pm <u>Historic</u> <u>Preservation -</u> <u>Liaison</u> <u>Duncan</u> 6:00pm <u>Port &amp;</u> <u>Harbors</u> <u>Commission -</u> <u>Liaison Knox</u>	12:00pm <u>LEPC -</u> <u>Liaison Nelson</u> 1:30pm <u>Health</u> <u>Needs &amp; Human</u> <u>Services - Liaison</u> <u>Duncan</u>		
14		15		16	17	18	19	20
					7:00pm <u>Planning</u> <u>Commission -</u> <u>Liaison</u> <u>Christianson</u>	6:00pm Special Budget Meeting: Enterprise/Internal Funds		
21		22		23	24	25	26	27
				6:00pm <u>Regular</u> <u>Assembly</u> <u>Mtg</u>	6:00am <u>School Board</u> <u>Budget -</u> <u>Liaison</u> <u>Himschoot</u> 5:30pm <u>Police</u> <u>and Fire -</u> <u>Liaison</u> <u>Nelson</u>			
28		29		30	31	1	2	3
						6:00pm Special Budget Meeting: All Funds		

**PUBLIC WORKS ASSEMBLY UPDATE**  
**WORK COMPLETED THROUGH JANUARY 2021**

**CARES ACT- City Hall Lobby Tenant Improvements and Hands-free Devices**  
**(BIDDING AND CONSTRUCTION PHASE)**

**Milestones This Period**

- Construction is substantially complete.
- All future milestones are in progress.

**Future Milestones**

- Some minor change items are still in progress and will be completed upon receipt of materials.

**Background**

The project has been initiated with Federal CARES Act funding intended to address issues incurred due to the COVID-19 public health emergency. Key improvements to City Hall are focused on improving customer service and safety via social distancing and installation of hands-free devices. Reconfiguration of the first-floor lobby area, featuring the installation of banker's windows, will allow customer service activities to be conducted more efficiently and more safely. Hands-free devices, such as soap/sanitizer dispensers, paper towel dispensers, faucets, flushers and hydration stations will be installed at various public locations throughout Sitka.

\$350,000 – City Hall Improvements

\$205,000 – Hands-free devices

\$555,000 – Total Available Project Funding

Contracts:	PTS, Inc (project management)	\$50,000
	CBC Construction, Inc	\$93,490

**Wastewater Treatment Plant (WWTP) Rehabilitation (CONSTRUCTION PHASE)**

**Milestones This Period**

- Completion of architectural and electrical punch list items.

**Future Milestones**

- Mechanical Substantial Completion Inspection, February 2021.
- Commissioning of mechanical systems and building Diamond Digital Control (DDC) system, February 2021.
- Owner training for DDC system, February 2021.
- Commissioning SCADA systems, February 2021.
- Contract requires Substantial Completion May 20, 2021.

**Background**

The Wastewater Treatment Plant was built in the early 1980's and many of the building systems, including the building envelope (exterior siding, windows and doors), electrical, plumbing and mechanical, including the HVAC (ventilation air) system, have failed or are past their useful life and require replacement. The air quality within the building is inadequate and corrosive, and as a result the exposed piping and metal within the building have corroded.



Total project cost is currently estimated at \$9,782,000. Funding for this project is provided by the following sources:

\$263,000 – WW Fund Working Capital  
(\$218,000) – WW Working Capital moved to the SCADA Control Project  
\$9,737,000 – DEC Loans  
\$9,782,000 – Total Available Project Funding

Current Contracts: McCool Carlson Green (design)	\$898,284
MCG Constructors, Inc./DCI Joint Venture (w/CO-1)	\$7,432,800

### **Sitka Seaplane Base (SPB) (PLANNING PHASE)**

For more information and history on this project, visit the City website at:

[www.cityofsitka.com](http://www.cityofsitka.com) > Public Works Department > Public Works Projects > New Sitka Seaplane Base – or go directly to:

<https://www.cityofsitka.com/government/departments/publicworks/SitkaSeaplaneBaseSitingStudy.htm>

#### **Milestones This Period**

- Published the DRAFT Environmental Assessment for public and agency review and comment. The Draft EA is available at [www.dowl.com/outreach](http://www.dowl.com/outreach). Please click on the Sitka Seaplane Base project and download the project files.

#### **Future Milestones**

- DRAFT EA Public Meeting via ZOOM – 6 p.m. February 17, 2021.
- Planning for land acquisition and business plan: February/March 2021.
- Develop the ACIP – March 2021
- Complete the ALP – March 2021
- Final EA with Finding Of No Significant Impact (FONSI) – March 30, 2021
- Prepare and submit AIP grant applications to FAA for next phase Design/Land Acquisition: Spring/Summer 2021 (depends on federal funding cycle).

#### **Background**

The existing Seaplane Base has been operating for 65 years and is at the end of its useful life. The Assembly passed an action plan to construct a new facility just inside the breakwater on Japonski Island (end of Seward Street) making this a top priority to secure Federal funding, land, and ultimately construction. Federal funding is anticipated to cover 93.75% of the cost of construction and another \$150k per year in annual entitlements for the Airport Capital Improvements Program (ACIP) for long term major maintenance or expansion projects. Developing the SPB ACIP (5-year plan) along with an airport operation plan for airport sustainability are tasks included in the project planning and design development of the project.

There are 5 main phases required to complete to be eligible to proceed to the next stage and receive Federal funding:

1. Planning and Environmental Review (current funded stage):  
Complete with FONSI spring 2021
2. Planning Level Layout plan (current funded stage): Complete

3. Land acquisition (not funded until EA is completed and approved):  
Complete Summer 2022
4. Design/Final Permitting (must build or give back FAA funds):  
Complete – Spring/Summer 2023
5. Construction: 2023-Spring 2025

The preliminary ROM project cost for project without wave attenuators is estimated at \$19.5 million. Funding for this project is provided by the following sources:

\$842,629 – FAA AIP Grant (E/A & Planning Grant)  
           \$56,176 – General Fund Working Capital (Req'd CBS Match @ 6.25%)  
           \$898,805 – Total Available Project Funding

Current Contracts: DOWL (E/A & Aviation Planning) \$707,079

### **Airport Terminal Improvements (DESIGN PHASE)**

#### **Milestones This Period**

- 35% design submittal revisions and updates.
- Funding Plan updates

#### **Future Milestones**

- Complete and submit ACIP – CIP Data Sheets for AIP Grant Funding through ADOT - State Aviation for the \$7 million listed in the State Funding Plan for FY 23 for the SIT Terminal – February 1, 2021
- Complete the 65% design milestone - Spring 2021.
- Resolve the remaining 30% TSA design submittal issues for the TSA Baggage Screening Area during the 35% to 65% design phase - Spring 2021.
- AK DOT involvement during 65% design milestone regarding potential FAA AIP funding & Improvement phasing spring/summer 2021.
- Bid phase 1 of project, Fall 2021.
- Phased construction **subject to funding 2021 through 2024.**
- Identify funding sources for terminal improvements beyond the PFC/Bonding and AIP grant request to AK DOT, like airport terminal user fees, parking fees, curbside and taxi permit fees, which are all typical Airport Revenue sources.

#### **Background**

The Airport Terminal Improvement Project is intended to remedy some of the existing critical problems identified in the Airport Terminal Master Plan 2008-2011, including working conditions in the baggage make-up area and TSA baggage screening area, as well as problems with congested passenger queuing, screening, baggage, fish boxes, waiting areas and passenger flow. CBS accepted a TSA design grant and a recent grant amendment totaling \$245,385.95 to design specific improvements to the TSA Baggage Screening Area. Other areas impacted by these design changes are ineligible for the TSA design funding. The Assembly approved moving forward to the 65% Schematic Design Milestone for the preferred concept plan that was presented in the Assembly work-session August 8, 2017. Passenger Facility Charges (PFC) were applied for and approved by ADOT and FAA. Collection of the PFCs began May 1,

2018. The total anticipated revenue collection over the 20-year period of collection is \$6,840,000.00, which will finance the \$4,025,000 revenue bond along with its fees and debt service.

The estimated cost for the project as identified is approximately \$20 Million. The current funding plan outlines the following components:

• Passenger Facility Charge Revenue	\$4,025,000	Bond Secured
• TSA OTA Grant	\$ 158,569	Secured
• TSA OTA Grant Amendment	\$ 86,817	Secured
• TSA Funding	\$3,397,500	Unsecured
• Eligible AIP Grant Request through AK-DOT	\$7,000,000	Unsecured
• Other Funding – Airport Revenue / Grants	\$6,000,000	Unsecured

Current contracts: MCG Architects (design) \$449,069

### **Critical Secondary Water Supply (DESIGN PHASE)**

For more information and history on this project, visit the City website at:

[www.cityofsitka.com](http://www.cityofsitka.com) > Public Works Department > Public Works Projects > Critical Secondary Water Supply – or go directly to:

<https://www.cityofsitka.com/government/departments/publicworks/projects.html>

### **Milestones This Period**

- Notice of Intent to Award issued to apparent low bidder: McG Constructors, Inc./DCI Joint Venture. Low bid is \$10,286,000, which is under the Engineer's Estimate.
- All future milestones are in progress.

### **Future Milestones**

- Complete Economic Development Administration grant process to support construction of CBS and NSRAA Sawmill Creek water intake.
- Finalize two agreements with NSRAA: the first agreement will detail cost sharing for design and construction; and the second will detail ownership, operations, and maintenance after construction: February 2021.
- Substantial Completion for secondary water source project anticipated in April 2022.

### **Background**

The project is for design and construction of a secondary water source, for when the primary water source – Blue Lake water treated with ultraviolet (UV) radiation – is unavailable. Blue Lake water will not be available when the Electric Department inspects and maintains the penstock providing water from the dam to the power plant. Blue Lake water may also require filtration – not just UV treatment – if turbidity levels continue to exceed regulatory thresholds. Total project cost is estimated at \$18 million. Funding for the project is provided by:

\$530,000 – Working Capital  
 \$17,620,000 – Alaska Clean Water Fund loan  
\$400,000 – Alaska Clean Water Fund loan  
 \$18,550,000 – Total Available Project Funding

Current Contracts:	PTS, Inc. (project management)	\$110,000
	CRW Engineering Group (design)	\$1,769,046
	Jacobs (design review, design management)	\$87,000
	Pall Water (supply filtration equipment)	\$2,341,355

### **Crescent Harbor Float Replacement – Phase I (CONSTRUCTION PHASE)**

#### **Milestones This Period**

- The Turnagain Marine Design Build contract was closed out.
- Island Enterprises finished work on the install marine sewage pump-out project. This work is partially funded under an Alaska Department of Fish and Game grant.
- Final Completion of the sewage pump-out was required by December 31, 2020.

#### **Future Milestones**

- Complete project closeout.

#### **Background**

The physical condition of Crescent Harbor had deteriorated to point where in-house repairs are no longer sufficient to adequately maintain the facility. Harbor Department staff and Public Works Department engineers determined the harbor now presents an operational and safety risk due to floats sinking, decay of wooden beams, corrosion of metal fixtures and failure of walk-down ramps to meet ADA accessibility requirements. Installation of a new sewer pump-out station on the dock was funded separately under an ADF&G grant. This work follows the main float replacement work.

The project has an estimated total cost of \$13 million for design and construction.

Funding for this project is provided by the following sources:

\$1,000,000 – Harbor Fund Working Capital  
\$5,000,000 – AK DOT Harbor Matching Grant  
\$8,025,000 – Harbor Revenue Bonds  
\$39,000 – AK Dept of Fish and Game  
\$14,064,000 – Total Available Project Funding

Current Contracts:	Jacobs (project administrative support)	\$315,905
	Island Enterprises	\$18,100

### **Sitka Cross Trail Phase 6 (CONSTRUCTION PHASE)**

#### **Milestones This Period**

- 9311feet (of 14,000 feet total) of rough trail constructed through January 20, 2021 including 730 feet topped with surface course (D-1 gravel).
- Approximately .3 mile plus the No Name Bridge left to complete before main line Cross Trail is finished.
- 6-mile connector to Sitka Rock docks to begin with clearing the staging area
- Bridge for No Name Creek crossing purchased locally and is being modified for reuse.

### **Future Milestones**

- Complete rough trail construction, Winter 2020-21, weather permitting.
- Construction of No Name Creek bridge, Spring 2021.
- Finish Harbor Mountain Road connector, Summer 2021.
- Construction of Old Sitka Rocks trailhead connector, Summer 2021.
- Substantial Completion, September 2021.
- Open for recreational trail use, October 2021.

### **Background**

The project includes extending the Sitka Cross Trail from Harbor Mountain Road North to the Starrigavan Boat Launch overflow parking lot, adjacent to the USFS Forest & Muskeg trailhead. The project also includes a connector trail and small parking lot in the vicinity of No Name Mountain for users to access the Cross Trail from the Old Sitka cruise ship dock. The total length of new trail to be constructed is 14,000 feet (2.6 miles), increasing the total length of the Sitka Cross Trail system to over 8 miles, including multiple access points throughout.

The project is being constructed by Sitka Trail Works, who has assisted with the development of the project from start to finish. The current funding plan is as follows:

\$ 2,132,698 – Grant from Western Federal Lands  
\$ 72,575 – CBS GF and/or CPET Funds  
\$ 142,596 – STW contribution  
\$ 2,347,869 – Total Available Project Funding

Current Contracts: Sitka Trail Works, Inc.

\$2,010,644

### **Sitka Sea Walk Phase 2 (PLANNING & DESIGN PHASE)**

#### **Milestones This Period**

- Federal funding secured for design phase of project.
- Additional scoping effort has been performed to explore reducing costs estimated for preferred alternatives. (Route described in Background section below is likely too expensive to fit within existing funding. Project may look to build a portion of the route only.)
- Revised scoping has resulted in cost estimate reductions for Segment 2 of the alignment described below (adjacent to O'Connell Bridge).
- All future milestones are in progress.

#### **Future Milestones**

- A Memorandum of Agreement between CBS, ADOT and Western Federal Lands (WFL) is being finalized to delineate final project scope, funding, ownership and maintenance responsibilities for new facilities and roles of project delivery team.
- Design phase to kick off in 2021 with plans for multiple meetings throughout the process.
- Construction is estimated to begin 2022.

### **Background**

The project includes extending the Sitka Sea Walk from the Sitka Public Library toward (and under) O'Connell Bridge and terminating at the West end of Lincoln Street at its

intersection with Harbor Way. Phase 2 of the Sea Walk, an 8-foot wide handicap accessible multi-use path, will continue the same theme as the first phase of the Sea Walk that extends from Harrigan Centennial Hall East through Crescent Harbor Park toward Sitka National Historical Park. The project is being delivered (managed) by ADOT and WFL in coordination with CBS. The project will be designed in 2020-2021 and construction is expected to begin in 2022. Multiple rounds of public involvement are anticipated throughout the design process. The current funding plan is as follows:

\$ 1,896,084 – Grant from Western Federal Lands  
\$153,058 – CBS GF and/or CPET Funds  
 \$2,049,142 – Total Available Project Funding

Current Contracts: PTS, Inc (project management) \$50,000

### **Peterson Storm Sewer Rehabilitation (DESIGN PHASE)**

#### **Milestones This Period**

- Project released for bidding.
- Additional grant through Alaska Sustainable Salmon Fund is conditionally approved: \$125,000
- All future milestones are in progress.

#### **Future Milestones**

- Secure ASSF Grant funds: February 2021.
- Bid opening: February 16, 2021
- Projected construction completion: August 19, 2021

#### **Background**

The project includes replacement of deteriorated 60" corrugated metal culvert crossing under Peterson Street with a 15' wide plate arch culvert, allowing for fish passage. Peterson Street is a collector street that provides critical access to side streets and local residences as well as to Sitka High School.

Construction cost is estimated at \$900k. Funding for the project is provided by:

\$1,020,000 – General Fund Working Capital  
 \$55,000 – National Fish & Wildlife Foundation design grant  
 \$60,000 – U.S. Fish and Wildlife Service Fish Passage construction grant  
 \$80,000 – U.S. Fish & Wildlife Service Fish Passage construction grant  
\$40,000 – U.S. Fish & Wildlife Service Fish Passage construction grant  
 \$1,255,000 – Total Available Project Funding

Current Contracts: DOWL (design) \$137,070  
 PTS, Inc. (project management) \$ 41,000

## **Channel and Eagle Way Lift Station Rehabilitation (CONSTRUCTION PHASE)**

### **Milestones This Period**

- All future milestones in progress.

### **Future Milestones**

- Complete installation of new backup generator at Eagle Way: February 2021.
- Perform final inspections for Eagle Way lift station.
- Complete close out work such as paving and seeding in Spring 2021.

### **Background**

Eagle Way Lift Station is responsible for pumping all sewage East of Eagle Way toward the Wastewater Treatment Plant. Channel Lift Station is responsible for an apartment complex and one private residence on Halibut Point Road. Both lift stations require excess maintenance due to corrosion and/or outdated pumping equipment. Project will rehabilitate lift stations, re-using existing infrastructure to the extent feasible.

Funding for the project is provided by:

\$250,000 – DCCED grant (Eagle Way Lift Station)

\$530,000 – Wastewater Fund Working Capital (Eagle Way Lift Station)

\$108,266 – Wastewater Fund Working Capital (Channel Lift Station)

\$371,109 – ACWF loan (Channel Lift Station)

\$1,259,375 – Total Available Project Funding

Current Contracts:	DOWL (C-EW portion of bigger design project)	\$107,984
	DXPE (Eagle Way portion of pump supply contract)	\$ 56,714
	Boreal Control (C-EW portion of control equipment supply contract)	\$ 97,200
	Marble Construction (construction)	\$841,836
	PTS, Inc (C-EW project management)	\$ 49,000

## **Brady Lift Station Rehabilitation (DESIGN PHASE)**

### **Milestones This Period**

- Notice to Proceed has been issued to K&E Alaska.
- Receipt of lift station materials has been delayed.
- All future milestones are in progress.

### **Future Milestones**

- Construct Brady Lift Station improvements: **TBD based on receipt of lift station construction materials from manufacturer in WA.**

### **Background**

Brady Lift Station is responsible for pumping all sewage generated North of Brady Street to the Wastewater Treatment Plant. A plug valve in the lift station has failed, making it impossible to isolate one of the three pumps for maintenance. Equipment is outdated and requires excessive maintenance. Project will rehabilitate lift station, re-using existing infrastructure to the extent feasible. Work is scheduled to minimize impacts to True Value. The project will require use of part of their parking lot.

The estimated construction cost for the project is approximately \$745K. Funding for the project is provided by:

\$217,400 – ACWF loan  
\$828,759 – Wastewater Fund Working Capital  
\$1,046,159 – Total Available Project Funding

Current Contracts:	DOWL (Brady portion of bigger design project)	\$128,458
	DXPE (Brady portion of pump supply contract)	\$ 53,730
	Boreal Control (Brady portion of control equipment supply contract)	\$ 78,192
	PTS, Inc (project management)	\$ 37,000
	K&E Alaska (construction)	\$557,880

### **Knutson Drive Emergency Road Reconstruction (DESIGN PHASE)**

#### **Milestones This Period**

- Preliminary design underway by DOWL.
- All future milestones in progress.

#### **Future Milestones**

- Preliminary project memorandum and design due January 2021.
- Project to be bid this Winter/Spring 2021 for construction in Summer 2021.

#### **Background**

The project was developed to study embankment stabilization and road repairs necessary due to the gradual subsidence of the slope on the downhill side of Knutson Drive in two locations. The slope failures have required the closure of 1 lane of Knutson Drive in two locations. CBS previously contracted with DOWL to perform geotechnical explorations and a report analyzing the Knutson Drive embankment. The report recommended slope reinforcement and retaining wall construction. CBS has executed a follow up contract with DOWL to perform design of two retaining walls.

Construction cost is estimated at \$775k. Funding for the project is provided by:

\$1,000,000 – General Fund Working Capital

Current Contracts:	DOWL (design)	\$ 48,070
	PTS, Inc. (project management)	\$ 80,000

### **Grounds Maintenance**

#### **Completed**

- Preventive maintenance schedule – 14 normal operations preventative maintenance (PMs)
- Reactive/requested work orders – 18 (logged)
- Holiday décor, presents removed (still need lights in tree to come out, waiting on weather)
- Closed out CARES paperwork and invoices from December 2020.



## **Ongoing**

- 2<sup>nd</sup> interview round for replacement grounds maintenance specialist position.
- Maintenance program and winter rotation.
- Athletic groups request for upcoming seasons
- CARES Project punchlist
  - Moller Field Storage Shed Roof
  - Moller East Playground Mitigation to reopen (weather related and mitigation final approval)
- Closing out all CARES paperwork and invoices
- Close out CARES funded contract with Sitka Conservation Society projects.
  - Goddard Hot Springs, Tom Young Cabin, Kimsham Complex access trail, Cutthroat Creek trail, Single Track trail, etc.
- Kimsham proposal design for mitigation completed, next steps for Kimsham complex drainage problems Field A.

## **Building Maintenance**

### **Completed**

- Preventive maintenance schedule – normal operations – 108 PMs
- Work requests 15 (logged).
- Airport CIP tour with Engineering firm on electrical panels and site review
- Marine Service Center – two sprinkler leaks repaired, coordinated with contractor.
- Closed out CARES paperwork and invoices from December 2020.
- Inspected City Hall first floor CARES project close out punch list.
- Architectural closeout for Wastewater Treatment Plant. (Still need mechanicals and facility controls).

### **Ongoing**

- Touch less devices installation.
- City/State Law Office – District attorney's office paying for the replacement of 7 windows. CBS building maintenance coordinating work complaints on damaged windows.
- City/State Law Office – District attorney's office Requesting Custodial Services, currently not in contracted due Law Office not wanting to be a part of original contract.
- State DOT/PF requesting City/State to no longer be part of their infrastructure. Discussion on option to proceed with City/State 1967 Agreement.

### **Monitoring**

- Harrigan Centennial Hall – tile floor cracking common areas, waiting to see if weather changes create more issues.
- Harrigan Centennial Hall additional cracks discovered under meeting room 5 carpet tiles. Waiting to see what happens with weather changes and activate on plan for repairs if required.

- Library roof leak
- Senior Center roof leak
- City/State roof leak

## **Maintenance Activities - Completed**

### **Streets**

- Flagger training
- ALICE training
- De-ice roads
- Ice control streets
- Ditched Sand Dollar
- Ditched Price St.
- Ditched Smith St.
- Grade Nelson Logging Road
- Grade CD Landfill
- Grade gravel roads
- Unload De-Icer Chemical and Cold Patch Material
- Repair wind damaged street signs
- Fill potholes
- Check drainages
- Recycle glass to CD Landfill
- Bury Bio Solids
- Move old container from Wastewater to Scrapyard
- Assist Wastewater repair leak in sewer force main on Tongass Ave.
- Haul water dig material to Bio Solid pit
- Repair waterline line Rigling St.
- Assist Electric Dept. with traffic control
- Flush sewer on Monastery and Kincaid
- D-1 overlay on Beardslee Way and Jarvis St.
- D-1 overlay Bahovic CT.
- Change hose hydrants with Harbor Dept.
- Demo motor home on Anna Dr. for the Police Department

### **Central Garage**

- Repair roof leaks Senior Center Van
- Repaired flat tire
- Repaired equipment lift jack Central Garage
- Repaired hydraulic line Unit 358 Elec. Dept. bucket truck
- Replaced toolboxes Unit 426
- Unit 482 changed to studded tires and replaced battery.
- Unit 437 replaced front brakes
- Unit 433 repaired taillights and tire plug, repaired wiper linkage
- Unit 457 diagnose and repair electrical system

- Unit 478 service and repaired rear bumper
- Completed order for replacing Unit 382

**Scrapyard**

Shipped 7 Gondolas for a total of 147,370 LBS. which equals 73.68 Tons which is 10.52 Tons. **The good news is the price of scrap is over .08 cents a lbs. so we are now making more than freight costs.**



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 21-020      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 2/2/2021      In control: City and Borough Assembly

On agenda: 2/9/2021      Final action:

Title: Special Report: Pathways Coalition - Sitka Kids website

Sponsors:

Indexes:

Code sections:

Attachments: [Special Report Pathways Coalition](#)

Date	Ver.	Action By	Action	Result
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# **SPECIAL REPORT**

Pathways Coalition - <https://sitkakids.com/>

HOME BASIC NEEDS ∨ MENTAL HEALTH ∨ PARENTING ∨ ACTIVITIES ∨ TEENS ∨ EDUCATION ∨ SELF-CARE ∨

SITKA KIDS

CONNECTING FAMILIES AND COMMUNITY

SITKA'S HOME FOR ALL THINGS KID  
RELATED

CONTACT US



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: 21-021      Version: 1      Name:

Type: Item      Status: AGENDA READY

File created: 2/2/2021      In control: City and Borough Assembly

On agenda: 2/9/2021      Final action:

Title: Approve the minutes of the January 21 and January 26 assembly meetings

Sponsors:

Indexes:

Code sections:

Attachments: [Consent and Minutes](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

# **CONSENT AGENDA**

## **POSSIBLE MOTION**

---

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

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

**REMINDER – Read aloud a portion 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  
January 21 and January 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 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*

---

Thursday, January 21, 2021

6:00 PM

Assembly Chambers

---

#### SPECIAL MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

Nelson attended by videoconference. Knox arrived at 6:15pm.

**Present:** 7 - Christianson, Knox, Mosher, Nelson, Eisenbeisz, Himschoot, and Duncan

#### IV. CORRESPONDENCE/AGENDA CHANGES

None.

#### V. PERSONS TO BE HEARD

Richard Wein told of the website covidbailouttracker.com and hoped Sitka would publish something similar, noted the World Health Organization had reported high cycle PCR tests could produce false positive tests, and reminded of a hospital price transparency rule.

#### VI. NEW BUSINESS:

##### A 21-011

Discussion / Direction / Decision on filling the Community and Government Affairs position and ongoing lobbying efforts

Municipal Administrator John Leach shared he had received questions with regards to funding for this position and requested the Assembly provide guidance on their desire for him to fill the position or wait until the new fiscal year. Leach reminded the position was currently budgeted in FY21 and stated the duties of the position were public relations, lobbying, and grant writing. Nelson spoke in opposition noting the financial

ramifications of the pandemic weren't fully known and she couldn't support the FTE position. Other members spoke in support of filling the position in FY21 and including it in the FY22 budget. With regards to professional lobbying services, consensus of the Assembly was to include funding in FY22.

**B 21-012****Discussion / Direction / Decision for the FY2022 Municipal Budget with focus on the General Fund**

Finance Director Melissa Haley noted the purpose of the meeting was to have a preliminary budget discussion on the General Fund and told of the budget meeting timeline. She noted the goal was to present a draft budget that reflected the overall direction of the Assembly and spoke to key challenges and areas in which guidance was needed. Haley relayed in the preliminary budget, services remained status quo, reviewed overall revenue trends from FY19, FY20, projected FY21, and preliminary FY22 (fairly conservative), and explained sales tax revenue projections included in the FY22 budget. She summarized the initial revenue projection was \$26.8 million, expenses \$28.3 million, leaving a deficit of -\$1.5 million. Haley told of options to manage the deficit: use the projected \$1.5M surplus in FY21 to make up for the deficit, identify cuts to existing services, or identify additional sources of revenue. Municipal Administrator John Leach explained the surplus was a result in cuts to capital, organizational efficiencies, and the opportunity to use CARES Act funding for public safety and emergency response. Haley reviewed previous and current fiscal year expenditures and reviewed areas of expense.

Haley named specific decision points for the FY22 budget. These were previously unspent or unbudgeted personnel expense needed to maintain adequate levels of service. These positions included: Community Affairs Director, Assistant Fire Chief, Procurement Specialist, and an additional Dispatcher. Based upon earlier guidance, Haley stated she would include the Community Affairs Director position in FY22. She explained the Assistant Fire Chief was the training officer and provided administrative support and continuity for the Fire Chief and other Captains. The Procurement Specialist (Finance Department) would support centralized procurement and lease management work and put more resources towards debt collection. The last position, an additional dispatcher, would help with centralizing police and fire dispatch. Members offered opinions on the position requests. Most were supportive of moving forward with the additional positions in the FY22 budget. Members wished to have for more detail on the Procurement Specialist, additional Dispatcher, and Fire Department overtime costs. Nelson was not supportive of adding positions at present time.

Haley reviewed other decision points: lobbying, capital projects/public infrastructure sinking fund, school funding, and deficit budget. Members wished to leave contracted lobbying services for FY22 in the budget. Haley noted flat school funding had been included as a placeholder. She said the State cap was at \$7.76M an increase of \$600,000 from past years. She stated the difference between what was budgeted and the cap was \$600,000. The \$7.37M budget included maintenance and performing arts utility funding. She reminded of the February 4 special budget meeting with the School Board. Some members suggested bringing forward capital projects. With regards to the deficit budget, Haley clarified it was the Assembly's desire to use the prior year surplus. The budget coming forward would have a -\$1.5M bottom line.

In closing, Haley thanked the Assembly for their guidance, noted staff would provide requested information and continue working on finalizing the budget. She reminded if the Assembly desired to make changes after the draft budget was presented at the end of February they could do so by motion.

**VII. PERSONS TO BE HEARD:**

Richard Wein spoke to Sitka's fragile economy, expressed a need to discuss Sitka's future, and commented the City budget was a paycheck to paycheck budget.

**VIII. EXECUTIVE SESSION**

None.

**IX. ADJOURNMENT**

A motion was made by Mosher to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:55pm.

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 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*

---

Tuesday, January 26, 2021

6:00 PM

Assembly Chambers

---

#### REGULAR MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

Nelson joined by phone at 6:40pm.

**Present:** 7 - Christianson, Knox, Mosher, Nelson, Eisenbeisz, Himschoot, and Duncan

#### IV. CORRESPONDENCE/AGENDA CHANGES

**21-017** Reminders, Calendars, and General Correspondence

No agenda changes.

#### V. CEREMONIAL MATTERS

None.

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

Sitka Tribe of Alaska Tribal Chairman Lawrence Widmark told of elected officers, committees, and relayed the Council had approved 2021 Legislative Priorities.

#### VII. PERSONS TO BE HEARD

Richard Wein told of an article by Linda Behnken and encouraged citizens to read a book.

## VIII. CONSENT AGENDA

Richard Wein spoke in support of Resolution 2021-02 and in opposition to Ordinance 2021-01.

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

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

**Absent:** 1 - Nelson

- A 21-001** Approve the minutes of the December 17, December 22, and January 12 assembly meetings  
**This item was APPROVED ON THE CONSENT AGENDA.**
- B 21-014** Approve a liquor license renewal application for Hector Barragan dba Pizza Express at 1321 Sawmill Creek Road Suite H & I  
**This item was APPROVED ON THE CONSENT AGENDA.**
- C RES 21-02** Authorizing a \$75,000 grant application to the Department of Homeland Security and Emergency Management (DHS&EM) 1st and final reading  
**This item was APPROVED ON THE CONSENT AGENDA. (1st and final reading)**
- D ORD 21-01** Making supplemental appropriations for fiscal year 2021 *(Potential Sale Expense Former Sitka Community Hospital Site) 1st reading*  
**This item was APPROVED ON THE CONSENT AGENDA. (1st reading)**

## IX. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

## X. UNFINISHED BUSINESS:

- E 20-244** Approve the issuance of a Request for Proposal for private sector development of a haul out at the Gary Paxton Industrial Park *(final decision postponed at December 22, 2020 assembly meeting and then again on January 12, 2021)*
- A final decision on this item was postponed at the December 22, 2020 assembly meeting and then again on January 12, 2021 after amendments were approved. Mayor Eisenbeisz reminded the pending motion was to direct the Municipal Administrator to issue the Request for Proposal for private sector development of a haul out at the Gary Paxton Industrial Park as amended.
- Christianson explained at the January 12 meeting it was suggested further revisions be made to indicate the preference for a lease option over a sale option. A small group had met and developed language for the Assembly to consider.

**A motion was made by Christianson to 1) add to Section C, Task 1: Ownership Criteria "Long term leases or purchase options should include a schedule of development benchmarks. The CBS will negotiate performance benchmark development criteria, including infrastructure construction and operational performance, to ensure the haul out will meet the needs of the community and fleet. Purchase options should expect to enter into a lease and meet performance benchmarks before execution of a sale. Purchase proposals should include assurances and/or terms and conditions, along with support for their legal enforceability, that the facility will remain a marine service facility in perpetuity or, at least, in the long term." and 2) add to Section H, 3. Rates & Fees Bid "The CBS Assembly prefers long term leases that match the anticipated life of the proposed marine facility(s), but will accept all proposals including ownership options. Scoring will be weighted towards lease rates or purchase prices that provide the best long term benefits to the community." The amendment PASSED by the following vote.**

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

**Absent:** 1 - Nelson

Richard Wein spoke in opposition to the amendment.

Duncan wondered of scoring and weighted options. Municipal Administrator John Leach explained scoring for "Rates & Fees Bid" was currently set at 1 to 20, however, reminded the Assembly could amend that number. Leach said he had been asked if once the evaluation team brought forward a recommendation to the Assembly, what the risk would be if the Assembly chose a proposal who had not scored the highest or rejected the highest scored proposal. Municipal Attorney Brian Hanson explained the Assembly had the right to not approve but to change who they awarded to would be problematic. If that were to happen his recommendation would be to go into executive session to discuss reasons and associated risks.

**A motion was made by Knox to change scoring in "Section H Evaluation Criteria and Selection Process Rates & Fees Bid" from 1-30 (previously 1-20). The amendment PASSED by the following vote.**

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

**Absent:** 1 - Nelson

From the public, Jeremy Serka and Richard Wein spoke in support of the amendment.

**The main motion as amended PASSED by the following vote.**

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

**Absent:** 1 - Nelson

## **F 21-015**

Approve Assembly direction given in January 12 executive session regarding the former Sitka Community Hospital closeout (*motion provided in packet*)

Richard Wein stated transparency was important, wondered how much was being written off and a general breakdown.

**A motion was made by Himschoot to, in accordance with SGC 4.40.040, write-off certain unpaid accounts with Sitka Community Hospital, hereby deemed to be uncollectible or not in the best interests of the municipality to continue to collect, as identified and considered in Executive Session at the regular meeting of the Assembly on January 12, 2021, and direct the Municipal Administrator and Finance Director to take the necessary action to write-off those unpaid accounts as appropriate under SGC 4.40.040, and, further, direct that the specifics of those accounts remain confidential to the extent and as required by law. The motion PASSED by the following vote.**

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

**Absent:** 1 - Nelson

## **XI. NEW BUSINESS:**

### **G 21-016**

Consider appeal of denial of refund of sales tax paid on home construction by Andrew and Becky Friske of 420 Kramer Avenue

Nelson joined at 6:40pm.

Municipal Attorney Brian Hanson provided procedural advice. He reminded the Assembly was sitting as a quasi-judicial body. Under those circumstances, members were obligated to disclose any ex-parte communication with the appellants. Mosher stated he attended the same church as the appellants, however, they had not spoke of the matter. Mayor Eisenbeisz ruled Mosher had no conflict.

Hanson explained Sitka General Code (SGC) allowed people who had constructed a single family/duplex dwelling to, within a two-year period of a building permit, seek a refund of sales tax paid for construction of the dwelling. If the two-year period had expired, no discretion was given to the Finance Department to waive the deadline. Hanson said SGC 4.09.110(E) provided for an appeal to the Assembly. Hanson stated the decision before the Assembly was to determine whether to waive the deadline for equitable reasons.

Andrew and Becky Friske explained they were requesting a variance for the refund of sales tax paid on home construction materials. They stated their home had been hit by the Kramer Avenue landslide in 2015 and therefore their completion date was well over two years. The Friske's told of their work with the City and Borough of Sitka in 2017/18 to create the "Critical Areas Ordinance" which then gave them the opportunity to continue building. They had submitted the required critical ordinances waiver which had been considered a "new" building permit, however, in actuality a second building permit had not been issued.

Finance Director Melissa Haley stated due to SGC the Finance Department was unable to move forward because of the deadline issue.

**A motion was made by Knox to grant the appeal as equitable circumstances and reasons exist which warrant a determination that the Friske's application for a sales tax refund is timely. The motion PASSED by the following vote.**

**Yes:** 7 - Christianson, Knox, Mosher, Nelson, Eisenbeisz, Himschoot, and Duncan

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

Richard Wein thanked the Assembly for their decision on the Friske appeal and spoke to concerns with the haul out RFP.

### **XIII. REPORTS**

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

Mayor - Eisenbeisz reported on a meeting he had with lobbyists Blank Rome and spoke to the Alaska Municipal Conference of Mayors monthly meeting.

Administrator - Leach stated CBS FY22 Legislative Priorities would come before the Assembly February 9.

Attorney - Hanson relayed he was working on an in-depth analysis of issues at the Gary Paxton Industrial Park.

Liaison Representatives - Christianson reported on the Planning Commission and Emergency Operations Center, Knox on the Port and Harbors Commission meeting, Duncan on the Health Needs and Human Services Commission, and Himschoot on the School Board.

Clerk - Peterson told of upcoming meeting dates and reviewed vacancies on the board and commissions.

### **XIV. EXECUTIVE SESSION**

None.

### **XV. ADJOURNMENT**

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

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





# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: ORD 21-03    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 2/3/2021    In control: City and Borough Assembly

On agenda: 2/9/2021    Final action:

Title: Making supplemental appropriations for fiscal year 2021 (Electric Department - International Crane)  
1st reading

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2021-03](#)  
[Memo and Ord 2021-03](#)

Date	Ver.	Action By	Action	Result
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Should this item be pulled from the Consent Agenda the following motion is suggested:

**POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2021-03 on first reading making supplemental appropriations for fiscal year 2021 (*Electric Department - International Crane*).



# City and Borough of Sitka

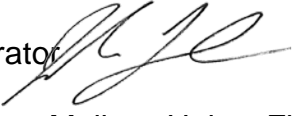
PROVIDING FOR TODAY...PREPARING FOR TOMORROW

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*Coast Guard City, USA*

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**Thru:** John Leach, Municipal Administrator 

**From:** Scott Elder, Electric Utility Director, Melissa Haley, Finance Director

**Date:** February 3, 2021

**Subject:** Supplemental appropriation for purchase of previously budgeted boom truck.

---

### **Background**

\$375,000 was budgeted in the Central Garage fund to purchase a boom truck for the electric department in FY2021. However, the final quoted cost exceeds the budgeted amount by \$25,000 and thus a supplemental appropriation is needed to purchase the equipment

### **Analysis**

The boom truck is a key piece of equipment needed to work around the electric utility power lines. The existing truck is increasingly unreliable and requires more maintenance to be able to be certified to work around power lines. The existing truck is 21 years old.

### **Fiscal Note**

The additional \$25,000 needed would be transferred from the Electric Fund to the Central Garage fund to complete the purchase of the boom truck.

### **Recommendation**

Approve the supplemental appropriation for \$25,000 to complete the replacement of the Electric Fund's aging boom truck (#307).

**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2021-03**

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL  
APPROPRIATIONS FOR FISCAL YEAR 2021  
(International Crane - Electric)**

**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 Capital appropriation for FY2021.

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, 2020 and ending June 30, 2021.

:

<b><u>FISCAL YEAR 2021 EXPENDITURE BUDGETS</u></b>
<b><u>CAPITAL PROJECTS</u></b>
<b>Central Garage – Fixed Assets: Increase appropriations in the amount of \$25,000 for Electric Department boom truck. Funds will be transferred from the Electric Department working capital.</b>

**EXPLANATION**

**\$375,000 was budgeted in the FY21 budget for the replacement of the boom truck for the electric fund. The final quote came in \$25,000 over budget and thus a supplemental appropriation is needed. The Electric fund will transfer the needed working capital to the Central Garage Fund to cover the cost.**

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 23rd Day of February 2021.

**ATTEST:**

\_\_\_\_\_  
**Steven Eisenbeisz, Mayor**

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

**1<sup>st</sup> reading 2/9/2021**

**2<sup>nd</sup> and final reading 2/23/2021**

**Sponsor: Administrator**



# CITY AND BOROUGH OF SITKA

## Legislation Details

---

File #: ORD 21-02    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 2/3/2021    In control: City and Borough Assembly

On agenda: 2/9/2021    Final action:

Title: Making supplemental appropriations for fiscal year 2021 (Bulk Water Line at Gary Paxton Industrial Park) 1st reading

Sponsors:

Indexes:

Code sections:

Attachments: [Motion Ord 2021-02](#)  
[Memo and Ord 2021-02](#)  
[GPIP Bulk Line Repair NSRAA Proposed Budget](#)  
[Signed Water Agreement](#)

Date	Ver.	Action By	Action	Result
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Should this item be pulled from the Consent Agenda the following motion is suggested:

**POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2021-02 on first reading making supplemental appropriations for fiscal year 2021 (*Bulk Water Line at Gary Paxton Industrial Park*).



329 Harbor Drive, Suite 212  
Sitka, AK 99835  
Phone: 907-747-2660

Thursday, January 28, 2021

MEMORANDUM

To: John Leach, CBS Administrator

From: Garry White, Director

Subject: GPIP FY21 Capital Budget Adjustment - Bulk Water Pipeline Repair

**Introduction**

The CBS Bulk Water Pipeline has developed a leak and has been repaired twice in the past few months. A permanent repair is needed to ensure water can be transported to the NSRAA Sawmill Cove Hatchery and for future water export ventures.

NSRAA has made the two temporary repairs as water flow is essential to keeping their fish alive.

The Gary Paxton Industrial Park (GPIP) Board met on January 14<sup>th</sup> 2021 and recommended that the CBS Assembly establish a capital budget in the amount of \$74,000 for this fiscal year to repair the CBS bulk water pipeline. Funding for this repair is recommended to be appropriated from the CBS Raw Water Fund which was established from fees of past bulk water purchase agreements. The Raw Water Fund has a balance of \$846,483.

**Bulk Water Delivery Infrastructure**

The current bulk water delivery infrastructure consists of two main systems; the high pressure system, running from Blue Lake Dam to the former turbine pit or wet well at elevation 148.7' and a lower pressure, system running from the wet well location to the shores edge of Sawmill Cove via 42" and 36" pipe. The system was designed to flow at a rate of at least 33.6 million gallons of water per day.

NSRAA has a tap into the bulk water line which brings water to its Sawmill Cove Hatchery.

Clients interested in exporting Sitka's water via large tanker ships or floating bags have identified a high volume flow rate to minimize the time a ship would need to spend in port taking on water through the existing infrastructure.

Clients interested in exporting Sitka's water in small container sizes of 5 gallon to 20 foot containers have expressed interest in having a lower volume flow rate to allow for the small containers to be filled. The 2017 Water Purchase Agreement between the CBS and Eckert Fine Beverages called for the establishment of a low volume water filling station to be designed,

funded, and constructed by Eckert Beverages to be turned over to the CBS to accommodate all potential low volume water exporters.

### **Pipeline Repair Budget**

Please see the attached pipeline repair budget prepared by NSRAA. The budget includes the following:

1. Bulk Water Repair - \$73,370
  - \$66,000 in repairs
  - \$6,670 for design and engineering
  - The GPIP Director is recommending that the CBS enter into a cost sharing agreement with NSRAA to have NSRAA complete the repairs to the system.
    - NSRAA and the CBS have a Water Delivery Agreement (see attached)
2. Bulk Water Line Upgrade - \$5,203
  - \$4,730 in upgrades
  - \$473 for design and engineering
  - NSRAA will be responsible for the costs to upgrade the pipeline
3. Eckert Fine Beverages Line Tap - \$16,880
  - \$15,345 to tap the line and construct the low volume water delivery infrastructure
  - \$1,535 for design and engineering
  - Eckert Fine Beverages will be responsible for the cost of the low volume delivery infrastructure.

### **Action**

- Assembly approval of a FY21 Capital Budget in the amount of \$74,000 with funds appropriated from the CBS Raw Water Fund.



**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2021-02**

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL  
APPROPRIATIONS FOR FISCAL YEAR 2021  
(Bulk Water Line Repair)**

**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 Capital appropriation for FY2021.

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, 2020 and ending June 30, 2021.

:

<b><u>FISCAL YEAR 2021 EXPENDITURE BUDGETS</u></b>
<b>CAPITAL PROJECTS</b>
<b>Fund 780 – Bulk Water Line Repair Project: Increase appropriations in the amount of \$74,000 to repair the Bulk Water Line at the Gary Paxton Industrial Park. Funds will be transferred from the Bulk Water Fund.</b>

**EXPLANATION**

The GPIB Board has recommended to establish a capital budget to repair the bulk water line at the Gary Paxton Industrial Park and that the funds should be taken from the CBS Raw Water Fund.

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 23rd Day of February 2021.

**ATTEST:**

\_\_\_\_\_  
Steven Eisenbeisz, Mayor

\_\_\_\_\_  
Sara Peterson, MMC  
Municipal Clerk

1<sup>st</sup> reading 2/9/2021

2<sup>nd</sup> and final reading 2/23/2021

Sponsor: Administrator

## Gary Paxton Industrial Park Bulk Water Line Repair/Upgrade Budget

Item		Description	Quantity	Unit	Unit costs		Material	Labor		
					Material	Labor	Cost	Cost	Subtotal	Total
1	GPIP Bulk Water Line Repair									\$66,700
	a	site excavation	16	hr		\$180	\$0	\$2,880	\$2,880	
	b	demolition	8	hr		\$70	\$0	\$560	\$560	
	c	42"x24" tee assembly w/ 36" reducer	1	ls	\$13,200		\$13,200	\$0	\$13,200	
	d	42" electrofusion coupling	1	ls	\$8,800		\$8,800	\$0	\$8,800	
	e	36" electrofusion coupling	1	ls	\$6,400		\$6,400	\$0	\$6,400	
	f	pressure transducer/conduit	1	ls	\$1,500		\$1,500	\$0	\$1,500	
	g	rounding clamp and processor rental	1	ls	\$5,620		\$5,620	\$0	\$5,620	
	h	installation tech travel/lodging/per diem	1	ls		\$1,600	\$0	\$1,600	\$1,600	
	i	installation tech time	16	hr		\$150	\$0	\$2,400	\$2,400	
	j	installation assitance	48	hr		\$70	\$0	\$3,360	\$3,360	
	k	pipe bedding	40	cy	\$80		\$3,200	\$0	\$3,200	
	l	backfill	6	hr		\$180	\$0	\$1,080	\$1,080	
	m	freight	1	ls	\$10,000		\$10,000	\$0	\$10,000	
	n	contingency	10%						\$6,060	
2	GPIP Line Upgrade for NSRAA									\$4,730
	a	add on second 42"x24" tee to above assembly	1	ls	\$4,300		\$4,300	\$0	\$4,300	
	b	contingency	10%						\$430	
3	6" Eckert Tap and Equipment									\$15,345
	a	6" tap addition on above tee assebmly	1	ls	\$1,000		\$1,000	\$0	\$1,000	
	b	6" hdpe 90 deg elbow	1	ls	\$80		\$80	\$0	\$80	
	c	6" hdpe pipe	50	ft	\$9		\$450	\$0	\$450	
	d	6" flange adapter w/ ring	6	ls	\$90		\$540	\$0	\$540	
	e	6" valve	2	ls	\$1,000		\$2,000	\$0	\$2,000	
	f	core existing vault	1	ls	\$500		\$500	\$0	\$500	
	g	6" flow meter	1	ls	\$1,500		\$1,500	\$0	\$1,500	
	h	6" backflow preventer	1	ls	\$1,000		\$1,000	\$0	\$1,000	
	i	installation	48	hr		\$70	\$0	\$3,360	\$3,360	
	j	pipe bedding	10	cy	\$80		\$800	\$0	\$800	
	k	backfill	4	hr		\$180	\$0	\$720	\$720	
	l	freight	1	ls	\$2,000	\$0	\$2,000	\$0	\$2,000	
	m	contingency	10%						\$1,395	
Subtotal							\$63,000	\$16,000	\$87,000	\$87,000
Design/Engineering										\$8,700
Total Budget										\$95,700

Water Delivery Agreement  
Between the City and Borough of  
Sitka, Alaska (CBS)  
and  
Northern Southeast Regional Aquaculture Association (NSRAA)

Definitions

cfs – means cubic feet per second, a measure of the volume of water.  
1 cfs is equal to approximately 448 gallons per minute

Penstock – The large diameter pipe and rock tunnel system that transports water from Blue Lake reservoir to the Blue Lake powerhouse for the purpose of generating electricity.

Afterbay – the concrete plunge basin located at the Blue Lake powerhouse where water emerges from the powerhouse after generating electricity. From the afterbay the water flows into Sawmill Creek and eventually into Silver Bay.

Purpose of Agreement

NSRAA operates a fish hatchery within the Gary Paxton Industrial Park which is owned by CBS. NSRAA has a land lease with CBS for the purpose of operating the hatchery. A reliable source of fresh water is essential to the success of the hatchery venture. It is the desire of NSRAA to acquire their water supply from the CBS industrial water certificate No. ADL 43826, as issued by the State of Alaska to CBS.

CBS is sympathetic to the water supply needs of NSRAA an organization CBS believes to be an important element of the overall Sitka economy. CBS currently has a surplus volume of industrial water available on an annual basis and wishes to make this available for economic development in the GPIIP. CBS currently lacks the ability or controls to reliably supply Industrial Water to the GPIIP through the penstock or via the powerhouse afterbay pumps. This agreement allows NSRAA to manage the Bulk Water Line supply until a point in time when the city may be able to reliably supply water via these methods.

This agreement establishes the technical and economic relationship between CBS and NSRAA for the purpose of providing a long term, reliable source of water for the hatchery.

A schematic diagram of the physical layout of the physical features described in this Agreement is attached as Appendix A.

This Agreement shall be subject to review and re-negotiation 10 years from the date of execution by both parties.

CBS shall:

1. Allow NSRAA to withdraw water from the penstock at Withdrawal Point 1 based upon an expected, calendar year average of 14 cfs with a not-to-exceed, maximum flow of 20 cfs. CBS will allow this withdrawal of water at no charge to NSRAA for the water.
2. Retain the right to determine when NSRAA may withdraw water from the penstock at Withdrawal Point 1 and which piping system is used to deliver the water to NSRAA.
3. Allow NSRAA to withdraw water at Withdrawal Point 2 at no charge to NSRAA for the water.
4. Allow NSRAA, at NSRAA expense, to upgrade existing afterbay water delivery infrastructure at Withdrawal Point 2 subject to CBS prior review and approval.
5. Allow NSRAA to upgrade, at NSRAA expense, certain water control valves, piping and control systems as described in Appendix B of this Agreement subject to CBS prior review and approval. These features are shown on the Water Delivery Agreement Flow Diagram which is attached to this Agreement as Appendix C.
6. Notify NSRAA as soon as possible when penstock water will not be available from Withdrawal Point 1 and/or when afterbay water will not be available from Withdrawal Point 2. CBS will give NSRAA at least 30 days notice of planned changes to water availability from either of these two Withdrawal Points.
7. Coordinate with NSRAA if and when the bulk water pipeline is used to transport bulk water while also supplying water the NSRAA.

It is understood and agreed that there will be unanticipated system failures or emergencies determined by CBS or NSRAA when water will not be available from Withdrawal Point 1. In that situation NSRAA must obtain its water from Withdrawal Point 2 or, if it is not available directly from Withdrawal Point 2, then from Withdrawal Point 3, i.e. directly from Sawmill Creek. There may also be times when the water quality of Withdrawal Point 2 (saltwater intrusions into afterbay) will not be suitable for the hatchery utilization due to elevation of afterbay weir. It is further understood that the surplus volume of raw water available from Withdrawal Point 1 may cease to be available in the future when additional water is needed for electric power generation.

NSRAA shall

1. Provide at its expense capital equipment, maintenance and operations of pumping equipment, valves, pipes and meters at all Withdrawal Points that are necessary to support NSRAA operations.

2. Pay CBS published rates for electric energy necessary to operate NSRAA equipment at all Withdrawal Points.
3. Provide and maintain industrial water flow meters at each Withdrawal Point with a SCADA output to CBS that will allow CBS to remotely monitor NSRAA water usage.
4. Acquire CBS and third-party approvals and permits necessary to construct facilities within Sawmill Creek at Withdrawal Point 3 or to alter Sawmill Creek stream flow to raise water levels in the afterbay at Withdrawal Point 2.
5. For any NSRAA facilities and infrastructure, and for any NSRAA activities, on CBS property, NSRAA shall, during the term of this Agreement, provide and maintain: worker's compensation insurance meeting the requirements of the State of Alaska; comprehensive general liability insurance with limits per occurrence and in the aggregate in the amount of \$2,000,000; and, automobile liability insurance with minimum limits of \$2,000,000. NSRAA shall provide proof of insurance upon written demand by CBS in the form of a Certificate of Insurance, and NSRAA's insurer shall give thirty (30) days written notice to the CBS of any material change, cancellation, or non-renewal of the insurance policies. All insurance policies required shall name the CBS as an additional insured for the purposes of the Agreement and shall contain a waiver of subrogation against the CBS.
6. Coordinate with CBS to service low-volume, third party water contracts that may need access to NSRAA water systems at Gary Paxton Industrial Park from time to time.
7. Indemnify, defend, save, and hold CBS harmless from any claims, lawsuits, or liability, including attorney's fees and costs, arising from any intentional misconduct or negligent act, error, or omission, occurring during the course of or as a result of NSRAA's performance or operations under this Agreement, except those arising from the intentional misconduct or negligent acts, errors, or omissions of CBS.
8. Not assign any rights or interests in this Agreement without the prior written consent of CBS.

[SIGNATURES ON NEXT PAGE]

In recognition of the terms described above the parties approve this Agreement.



Steve Reifentuhl  
General Manager

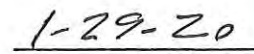
Northern Southeast Regional Aquaculture Association  
1308 Sawmill Creek Road  
Sitka, Alaska 99835



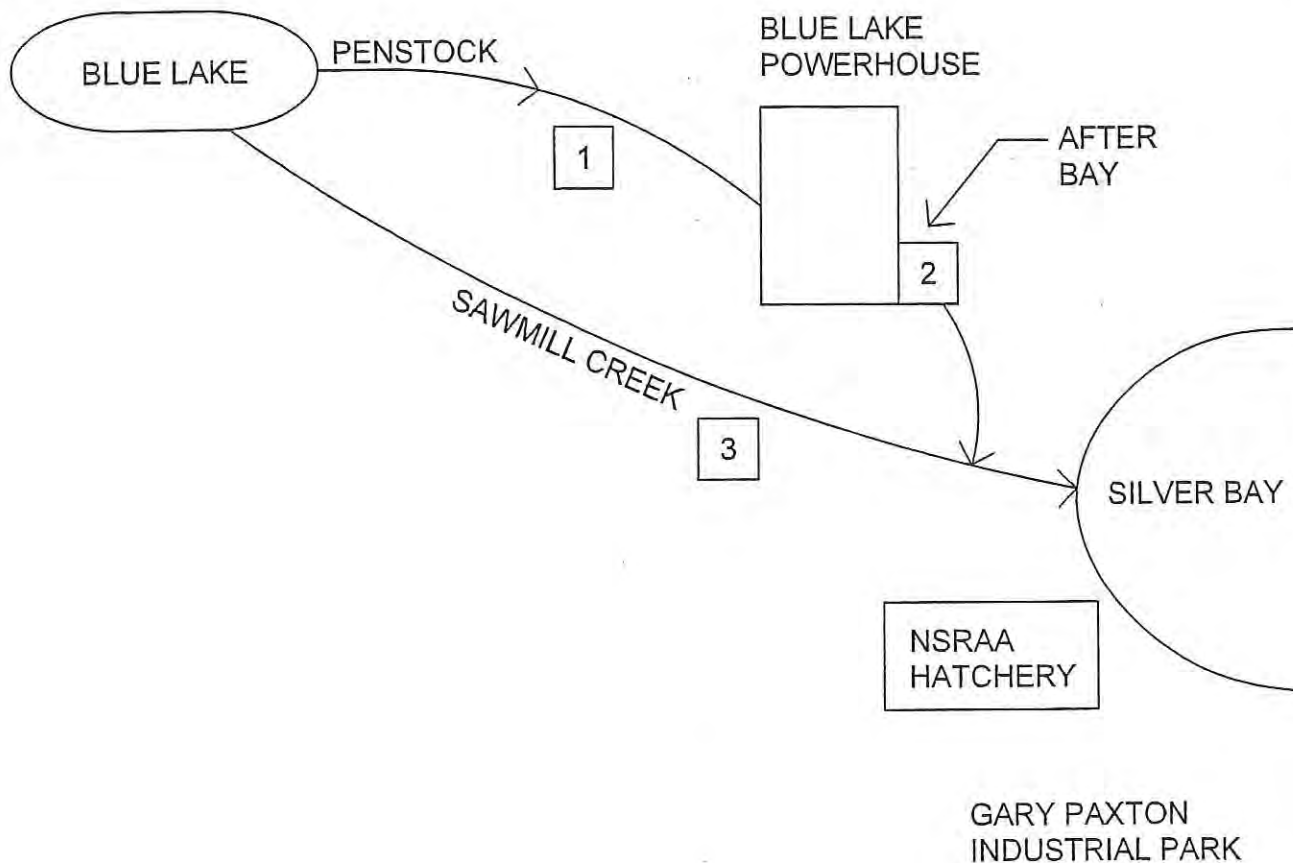
Date



Hugh R. Bevan  
Interim Administrator  
City and Borough of Sitka  
100 Lincoln Street  
Sitka, Alaska 99835



Date



## LEGEND

- 1** PENSTOCK WITHDRAWAL POINT, GRAVITY FED WATER
- 2** AFTER BAY WITHDRAWAL POINT
- 3** SAWMILL CREEK WITHDRAWAL POINT



**City and Borough of Sitka**  
 DEPARTMENT OF PUBLIC WORKS  
 100 LINCOLN STREET • SITKA, ALASKA 99835  
 TEL (907) 747-1804 FAX (907) 747-3158

## APPENDIX A TO CBS/NSRAA WATER DELIVERY AGREEMENT

DRAWN: JJH	SCALE: N.T.S.
CHECKED: H.BEVAN	DATE: Dec 2019
DRAWING NAME: AppendixA.dwg	
SHEET NO.	1 / 1



## Appendix B

### Water Delivery Agreement Between the City and Borough of Sitka, Alaska (CBS) and

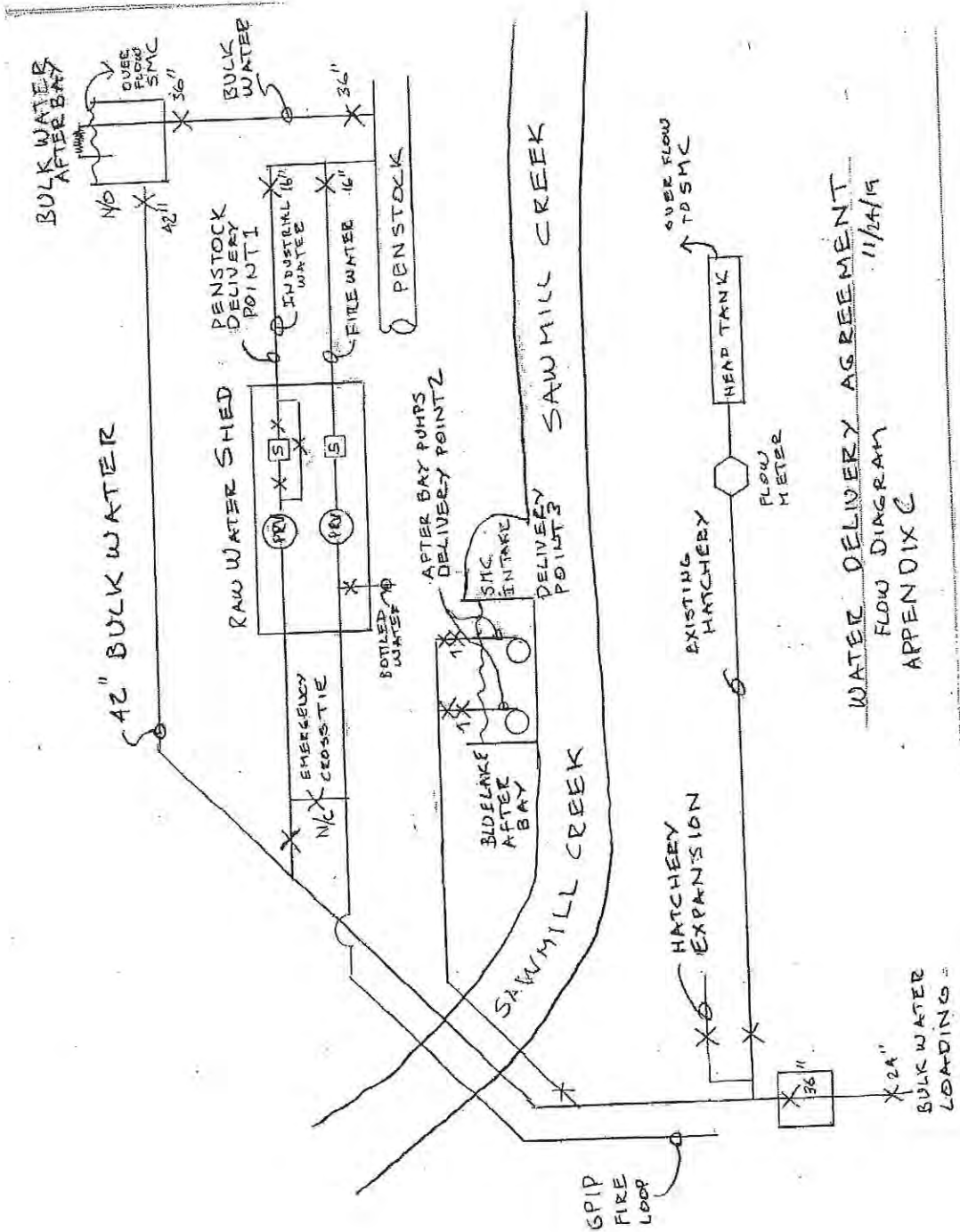
### Northern Southeast Regional Aquaculture Association (NSRAA)

Allow NSRAA to upgrade, at NSRAA expense, certain water control valves, piping and control systems as described below subject to CBS review and approval.

1. CBS shall allow NSRAA to upgrade the 10-inch PRV supply to a 14- inch supply.
2. NSRAA shall insure the 42-inch bulk water valve at the intake end of the bulk water line remains in the open position.
3. CBS shall insure the 24-inch bulk water loading valves at the discharge end of the bulk water line remain in the closed position under normal operation and will coordinate with NSRAA before these valves are opened for line flushing or for any other purpose.
4. CBS shall maintain 39PSI in 36-inch bulk water line during line flushing or any other GPIIP park water delivery purpose. CBS shall notify and coordinate with NSRAA prior to any planned line pressure changes.
5. CBS shall allow NSRAA to install controls on the bulk water line, the afterbay pumps and NSRAA's 16-inch PRV penstock supply subject to CBS review and approval.
6. CBS shall allow NSRAA access to the existing afterbay pumps for testing and operational purposes.
7. CBS shall maintain after bay elevation of 10.7'
8. CBS shall maintain the connection of the two existing after-bay pumps to the Blue Lake Powerhouse standby generator.
9. Situations when CBS will notify NSRAA that water is unavailable at Withdrawal Point 1 and/or Withdrawal Point 2. These situations are generally rare occasions and may include, but not limited to:
  - a. Power Conduit shutdown
  - b. Repair or replacement of any penstock root valve or piping
  - c. Drought- when Blue and Green Lake water levels are 5ft. below the average water rule curve for both lakes for more than 30 consecutive days.
  - d. Reservoir balancing.



- e. Water mismanagement by either CBS or NSRAA, i.e. NSRAA wasting water at Withdrawal Point 1 through the Filter Plant after bay, CBS releasing water unnecessarily at the Fish Valve by-pass valve or penstock drain valve.
- f. Blue Lake Power Plant shutdown.
- g. Dewatering of the Blue Lake after bay for repairs or access to turbine draft tubes.
- h. Many of these situations will also result in CBS turning off interruptible customers which would impact ratepayers also.



WATER DELIVERY AGREEMENT  
 FLOW DIAGRAM  
 APPENDIX C  
 11/24/9



# CITY AND BOROUGH OF SITKA

## Legislation Details

File #: ORD 21-01    Version: 1    Name:

Type: Ordinance    Status: AGENDA READY

File created: 1/20/2021    In control: City and Borough Assembly

On agenda: 2/9/2021    Final action:

Title: Making supplemental appropriations for fiscal year 2021 (Potential Sale Expense Former Sitka Community Hospital Site)

Sponsors:

Indexes:

Code sections:

Attachments: [Motion 2021-01](#)  
[Ord 2021-01](#)

Date	Ver.	Action By	Action	Result
1/26/2021	1	City and Borough Assembly		

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2021-01 on second and final reading making supplemental appropriations for fiscal year 2021 (*Potential Sale Expense Former Sitka Community Hospital Site*).

**CITY AND BOROUGH OF SITKA**

**ORDINANCE NO. 2021-01**

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL  
APPROPRIATIONS FOR FISCAL YEAR 2021**

**(Potential Sale Expense Former Sitka Community Hospital Site)**

**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 Operational appropriation for FY2021.

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, 2020 and ending June 30, 2021.

<b><u>FISCAL YEAR 2021 EXPENDITURE BUDGETS</u></b>
<b><u>CAPITAL PROJECTS</u></b>
<b>Fund 190 – Sitka Community Hospital Dedicated Fund: Increase appropriations in the amount of \$30,000 for professional services relating to the potential sale of the former Sitka Community Hospital Site.</b>

**EXPLANATION**

This funding request is for external support to assess the value of the former Sitka Community Hospital site (land and building) as well as development of an RFP and other services that may include surveying and or site inspections.

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 9th Day of February 2021.

**ATTEST:**

\_\_\_\_\_  
**Steven Eisenbeisz, Mayor**

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

**1<sup>st</sup> reading 1/26/2021  
2<sup>nd</sup> and final reading 2/9/2021**

**Sponsor: Administrator**



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: RES 21-03      Version: 1      Name:

Type: Resolution      Status: AGENDA READY

File created: 2/2/2021      In control: City and Borough Assembly

On agenda: 2/9/2021      Final action:

Title: Submitting City and Borough of Sitka FY 2022 State Legislative Priorities to State of Alaska and 2021 Legislature

Sponsors:

Indexes:

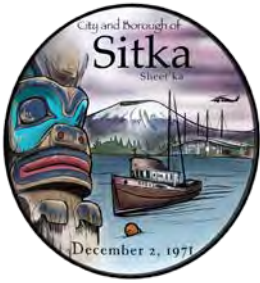
Code sections:

Attachments: [Motion Memo and Res 2021-03](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

**I MOVE TO** approve Resolution 2021-03 on first and final reading submitting City and Borough of Sitka FY 2022 State Legislative Priorities to State of Alaska and 2021 Legislature.



# City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

---

*Coast Guard City, USA*

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**From:** John Leach, Municipal Administrator

**Date:** January 29, 2021

**Subject:** Fiscal Year 2022 CBS Legislative Priorities

---

Our lobbying team of Blank Rome and Larry Markley has suggested we develop a list of priority requests to be submitted to the Alaska Legislature for its current session.

I am submitting the following suggestions for your approval:

1. Funding for Green Lake hydro generation plant renovation estimated at \$13 million.
2. Funding to support Sitka's Working Waterfront, a project that consists of a new marine haul out and renovation of the City cold storage sea wall.
3. Funding for the Sitka Rocky Gutierrez Airport Terminal Improvements Project.
4. Continued support for the transfer of State tidelands and uplands to the City of Sitka necessary for the construction of the Sitka Seaplane Base, and match-funding assistance from the State for the FAA's Airport Improvement Program Grant matching funds.
5. Support for a right-sized and sustainable Alaska Marine Highway system.
6. Continued State reimbursement of school bond debt at 70% as originally agreed to between Alaska and its local governments.
7. Support for Sitka's efforts for removal of FERC's use restrictions on the Green Lake Hydro parcel.
8. Assistance with Sitka's efforts to acquire Federal financial support for shore and utility infrastructure upgrades on Japonski Island necessary for the pending arrival of a Coast Guard Fast Response Cutter and the expansion of Southeast Alaska Regional Health Consortium (SEARHC) to a regional healthcare hub.
9. Financial assistance for a new multi-purpose building to house the Sitka Police Department and jail.
10. Continued support for the State's Community Assistance Program to sufficiently offset unfunded mandates.
11. Stable and predictable funding of school systems.
12. Support for increased Federal assistance for infrastructure repair deferred due to other financial needs resulting from the COVID-19 pandemic.



Encl: Resolution 2021-03  
FY 2022 Legislative Priorities

Sponsor: Administrator

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2021-03

A RESOLUTION BY THE CITY AND BOROUGH OF SITKA  
SUBMITTING CITY AND BOROUGH OF SITKA  
FY 2022 STATE LEGISLATIVE PRIORITIES  
TO STATE OF ALASKA AND 2021 LEGISLATURE

**WHEREAS,** the City and Borough of Sitka advocates cooperating and sharing resources with the State of Alaska to maximize public infrastructure and services for the citizens of Alaska in the most efficient, cost effective manner; and

**WHEREAS,** the attached City and Borough of Sitka FY 2022 Legislative Requests will enable the municipality and State of Alaska to continue to cooperate to make our communities and State more sustainable; and

**WHEREAS,** City and Borough of Sitka continues to support cooperation between cities and State of Alaska to achieve our common goals.

**NOW, THEREFORE, BE IT RESOLVED** that the Assembly of the City and Borough of Sitka, Alaska, adopts the attached FY 2022 City and Borough of Sitka State Legislative Priorities and urges the Alaska State Legislature to support them to the maximum extent possible.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska, on this 9<sup>th</sup> day of February, 2021.

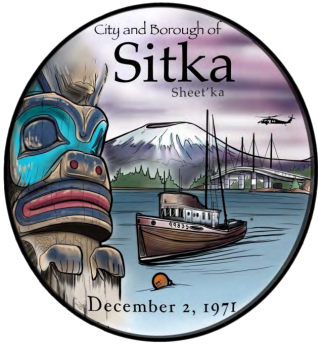
\_\_\_\_\_  
Steven Eisenbeisz, Mayor

ATTEST

\_\_\_\_\_  
Sara Peterson, MMC  
Municipal Clerk

2/9/21 first and final reading

Sponsor: Administrator



# City and Borough of Sitka

## FY 2022

### Legislative Priorities



#### **1. Funding for Green Lake hydro generation plant renovation estimated at \$13 million.**

Green Lake hydro generation plant is nearly 40 years old and is in dire need of major rehabilitation. The Green Lake plant is the backbone of Sitka's electric service, providing half of Sitka's electrical demand.

#### **2. Funding to support Sitka's Working Waterfront, a project that consists of a new marine haul out and renovation of the City cold storage sea wall.**

Both projects are vital to Sitka commerce and our commercial fishing fleet. Sitka's only vessel haul out is privately owned and closure is imminent. Sitka is seeking development of a haul out at its Industrial Park. The estimated cost is \$8 million.

The bulkhead wall that supports our community cold storage is failing and must be renovated. The estimated cost is \$8.3 million.

#### **3. Funding for the Sitka Rocky Gutierrez Airport Terminal Improvements Project.**

Sitka is currently on the FAA & ADOT Airport Improvement Program priority list to receive \$7 million and is requesting from TSA \$3.3 million for baggage screening. However, even with those possible funding streams, as well as a \$4 million revenue bond, there is still a shortfall of \$5.4 million. The estimated total project cost is \$20 million.

#### **4. Continued support for the transfer of State tidelands and uplands to the City of Sitka necessary for the construction of the Sitka Seaplane Base (SPB), and match-funding assistance from the State for the FAA's Airport Improvement Program Grant matching funds.**

Sitka's application for conveyance of submerged and tidelands for the construction of the new SPB received preliminary approval from DNR. Upon completion of the Environmental Assessment, anticipated in March 2021, the City will proceed with the application process for conveyance of the submerged and tidelands. The City has been working with the DEED, the U.S. Coast Guard, and FAA for the purchase from the State of the upland parcel necessary for the construction of the SPB. The estimated project cost to design, permit, and construct the new Sitka Seaplane Base is \$19.5 million. Sitka anticipates receiving Federal funding through FAA Airport Improvement Program Grants, which require 6.25% matching funds or roughly \$1.2 million.

#### **5. Support for a right-sized and sustainable Alaska Marine Highway system.**

The Alaska Marine Highway system is a critical component of Sitka's transportation system and its link to the rest of the state is critical to Sitka's economy. The drastic reduction of State ferry service to Sitka has caused massive economic and personal dislocations across the SE Alaska region.

#### **6. Continued State reimbursement of school bond debt at 70% as originally agreed to between Alaska and its local governments .**

Sitka's schools were renovated using State bond funds with the expectation that the State would continue to live up to its obligation as a financial partner. Without agreed upon reimbursement, Sitka's sales tax, which funds the 30% share of school bond debt is insufficient to cover debt service.

#### **7. Support for removal of FERC's use restrictions on the Green Lake Hydro parcel .**

In the 1970's, the federal government conveyed approximately 5,500 acres of land near Sitka (Green Lake parcel) to the State of Alaska under the Statehood Act. The patent contained language including a federal power site reservation on areas within the parcel below 450' in elevation. The Green Lake Hydro-electric Project was subsequently constructed, utilizing water flow from Green Lake inside the parcel. The State then conveyed the Green Lake parcel to the City and Borough of Sitka (CBS). While the federal withdrawal for the Green Lake project encompasses 1,281 acres, the facility itself, including reservoir, occupies only about 200 acres. The CBS would like to have the option for development of the Green Lake parcel lands outside the area occupied by the hydro project. In review of their records, BLM noted that Power Site Classification 459 was revoked in 1991 by Public Land Order No. 6859. Because the hydro project is located within the Tongass National Forest, any requests to change the boundaries of the project need to be made to the Forest Service in accordance with 18 CFR 25.1. The CBS respectfully requests that the Forest Service and the Federal Energy Regulatory Commission vacate Power Site Classification No. 459 and the Section 24 withdrawal, respectively.

#### **8. Federal support for shore and utility infrastructure upgrades on Japonski Island necessary for the pending arrival of a Coast Guard Fast Response Cutter and the expansion of Southeast Alaska Regional Health Consortium (SEARHC) to a regional healthcare hub.**

Both SEARHC and USCG expansions could bring a combined 500+ additional citizens into Sitka. Buildings will be constructed on the SEARHC campus and shore infrastructure improvements will be required at the USCG facility. These expansions will place a drastically increased demand on our CBS utilities infrastructure, which will require significant upgrades. The expansion will also burden our already strained housing and childcare capacity. In Sitka, there is currently only one childcare spot for every 3.5 children under the age of 5.5. To meet our expanding workforce needs, Sitka would need to have one space available for every two children.

#### **9. Financial assistance for a new multi-purpose building to house the Police Department and jail.**

The SPD and jail are currently housed within approximately 6,400 square feet of the City/State Building. The ~ 20,000 square foot building was constructed between 1974 and 1976 in partnership with the State. CBS owns a portion of the land the building is located on, and jointly owns the building with the State. The 45-year-old facility does not meet current needs and functions of the SPD. Probable costs for a new police department and jail range from \$18-\$19 million to construct on one of three possible sites.

#### **10. Continued support for the State's Community Assistance Program to sufficiently offset unfunded mandates.**

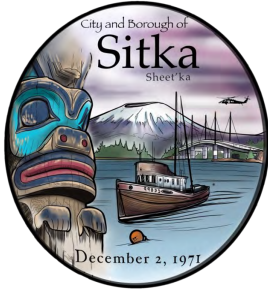
Sitka's jail contract with the State does not cover the cost of jail operations. The CBS requests the State fund the contract at its previous level of \$695K, as by law the State is responsible for caring for persons charged under State law; 89% of our inmates fall into this category. Other examples of unfunded mandates are forcing the CBS to manage the airport parking lot, derelict vehicle removal from State right-of-ways, prosecution expenses of State misdemeanors, State mandated disabled veteran property tax exemptions, and etc...

#### **11. Stable and predictable funding of school systems.**

Sitka supports its school system to the maximum allowed by State law. The Sitka Assembly allocates all the town's property tax revenue plus some of its sales tax to fund the school district. As school costs increase each year, yet state funding remains stagnant, the burden increasingly falls on the CBS.

#### **12. Federal assistance for infrastructure repair deferred due to the financial strain of COVID-19.**

In response to the pandemic and the corresponding drastic reduction in sales tax revenue, the CBS had to eliminate all new funding of capital projects. Allowing municipalities to use future federal stimulus to replace lost revenues would allow for investment in delayed repairs to critical infrastructure.



## CITY AND BOROUGH OF SITKA ASSEMBLY MEMBERS

NAME	CONTACT NUMBERS	TERM STARTS	EXPIRES
STEVEN EISENBEISZ <i>Mayor</i> 208 Lincoln Street	738-9075 assemblyeisenbeisz@cityofsitka.org	10/14 10/17 10/20	10/17 10/20 10/22 <i>Mayor</i>
THOR CHRISTIANSON <i>Deputy Mayor</i> 500 Lincoln Street A9	738-2491 assemblychristianson@cityofsitka.org	10/19	10/22
VALORIE NELSON <i>Vice Deputy Mayor</i> 107 Littlebyrd Way	747-4589 assemblynelson@cityofsitka.org	10/18	10/21
KEVIN KNOX PO Box 8415	738-4664 assemblyknox@cityofsitka.org	10/16 10/19	10/19 10/22
KEVIN MOSHER 100 Lincoln Street	752-0467 assemblymosher@cityofsitka.org	10/18	10/21
CRYSTAL DUNCAN PO Box 174	738-1910 assemblyduncan@cityofsitka.org	10/20	10/23
REBECCA HIMSCHOOT PO Box 8075	623-8235 assemblyhimschoot@cityofsitka.org	10/20	10/23
John Leach Municipal Administrator 100 Lincoln Street	747-1812 w 747-7403 f administrator@cityofsitka.org		
Sara Peterson Municipal Clerk 100 Lincoln Street	747-1811 w 747-7403 f sara.peterson@cityofsitka.org		

Group email address: [assembly@cityofsitka.org](mailto:assembly@cityofsitka.org)

*Note: Written communications with public officials generally are considered a public record and subject to disclosure (viewing and/or copying of the communication) pursuant to a public records request.*

6 Elected Assembly Members

3-year terms

1 Elected Mayor (full voting member)

2-year term (beginning in 2000, even-year elections)

REGULAR MEETINGS: 2nd and 4th Tuesday



# CITY AND BOROUGH OF SITKA

## Legislation Details

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File #: RES 21-04      Version: 1      Name:

Type: Resolution      Status: AGENDA READY

File created: 2/3/2021      In control: City and Borough Assembly

On agenda: 2/9/2021      Final action:

Title: Authorizing the Municipal Administrator to apply for the National Renewable Energy Laboratories Energy Transitions Initiative Partnership Project

Sponsors:

Indexes:

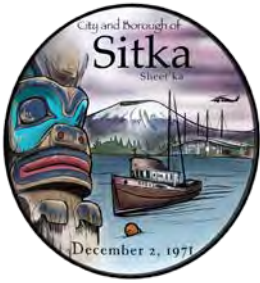
Code sections:

Attachments: [Motion Memo and Res 2021-04](#)

Date	Ver.	Action By	Action	Result
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## **POSSIBLE MOTION**

**I MOVE TO** approve Resolution 2021-04 on first and final reading authorizing the Municipal Administrator to apply for the National Renewable Energy Laboratories Energy Transitions Initiative Partnership Project.



# City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

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*Coast Guard City, USA*

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**Thru:** John Leach, Municipal Administrator *[Signature]*

**From:** Scott Elder, Electric Utility Director *Scott Elder*

**Date:** February 2, 2021

**Subject:** National Renewable Energy Laboratory (NREL) Energy Transitions Initiative Partnership Project (ETIPP) application.

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### **Background:**

The City and Borough of Sitka has repeatedly demonstrated its support for renewable energy and concern for climate change; most recently, with the creation of the Climate Action Task Force. CBS now has an opportunity to apply for a Department of Energy funded program whose focus is to ramp up resilience in remote island communities. The NREL will work alongside community-based partner organizations over a 12 to 18-month period to assist communities in developing community-driven work plans that support energy system planning and implementation and that prioritize community safety, sustainability, and self-sufficiency. The program aims to empower communities to identify and advance strategic, whole-system solutions customized to their needs.

### **Analysis**

Applicants will be scored in three main areas to determine selection. By issuing a statement of support, the CBS demonstrates its commitment to this program. The following items are key portions of the selection criteria.

1. Their chosen objectives to be achieved through energy resilience efforts
2. The candidate's likelihood of implementing plans developed through technical assistance
3. The commitment from relevant decision-makers to support the technical assistance objectives developed by the community.

### **Fiscal Note**

If the CBS is selected, the Department of Energy laboratories will work with the CBS to achieve higher energy resilience at no cost. The only investment that Sitka will have is



staff labor costs associated with collaboration.

**Recommendation**

Approve the Resolution supporting the ETIPP application and pursuing assistance with the NREL.

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2021-04

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA (CBS) AUTHORIZING  
THE MUNICIPAL ADMINISTRATOR TO APPLY FOR THE NATIONAL RENEWABLE ENERGY  
LABORATORIES (NREL) ENERGY TRANSITIONS INITIATIVE PARTNERSHIP PROJECT (ETIPP)**

**WHEREAS**, renewable energy and climate change are issues for which the CBS has repeatedly demonstrated its support; and

**WHEREAS**, the CBS desires to show the NREL that the CBS has a firm commitment by its stakeholders and a proven track record of implementing energy efficiency and renewable energy projects; and

**WHEREAS**, CBS has previously created the Sitka Climate Action Plan Task Force; and

**WHEREAS**, the Sitka Climate Action Plan Task Force issued the 2010 Climate Action Plan which prompted CBS Assembly members to pass resolution 2009-37, setting a 25% reduction target for municipal greenhouse gas from the 2003 levels by 2020; and

**WHEREAS**, in 2020 the CBS Electric Department's interruptible electric boiler program reduced the municipal greenhouse gas levels by 64% from the 2003 baseline which is approximately 2 ½ times the goal set in 2010, equaling a reduction of CO2 by 2,407 tons in 2020; and

**WHEREAS**, the CBS desires to continue its success by finding new partners to collaborate with; and

**WHEREAS**, the NREL program is in alignment with the goals and ambitions of the CBS, with a focus on energy resiliency, renewable energy development, efficiency planning, community training, grid analysis, short and long-term planning, program financing, carbon reduction, permitting, new technologies, disaster preparedness, and resource analysis.

**NOW, THEREFORE, BE IT RESOLVED** that the Assembly of the City and Borough of Sitka hereby supports the project and authorizes the CBS Municipal Administrator to apply for the National Renewable Energy Laboratories Energy Transitions Initiative Partnership Project.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska on this 9th day of February 2021.

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Steven Eisenbeisz, Mayor

ATTEST:

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Sara Peterson, MMC  
Municipal Clerk

1<sup>st</sup> and final reading 2/9/2021

Sponsor: Administrator