



CITY AND BOROUGH OF SITKA

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

Minutes - Draft

City and Borough Assembly

*Mayor Steven Eisenbeisz,
Deputy Mayor Kevin Mosher,
Vice Deputy Mayor Crystal Duncan,
Thor Christianson, Rebecca Himschoot,
Chris Ystad, Timothy Pike*

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

Tuesday, November 8, 2022

6:00 PM

Assembly Chambers

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. RECITAL OF LANDS ACKNOWLEDGEMENT

IV. ROLL CALL

Himschoot left the meeting at 8:10 p.m.

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

V. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

22-166 Reminders, Calendars, and General Correspondence

VI. CEREMONIAL MATTERS

22-159 Proclamation - Honoring Veteran's Day

Mayor Eisenbeisz and Deputy Mayor Mosher read and presented a proclamation in honor of Veteran's Day.

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

22-164 Native American Heritage Month - Sitka Tribe of Alaska

Sitka Tribal Chairman Woody Widmark told of November events celebrating Native American Heritage month.

VIII. PERSONS TO BE HEARD

Kevin Mulligan stated he owned the only commercial floatplane business in Sitka and encouraged a Sitka hub.

Richard Wein thanked Veterans, noted it was Election Day, and mentioned he would be creating an Assembly rubric.

IX. CONSENT AGENDA

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

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

A 22-160 Approve the October 25 Assembly meeting minutes

This item was APPROVED ON THE CONSENT AGENDA.

B 22-161 Approve the following liquor license documents: 1) a liquor license renewal application submitted by BPO Elks Lodge #1662 for 412 Sawmill Creek Road, and 2) a liquor license transfer of controlling interest application, premises diagram application, and restaurant designation permit application submitted by Allen Marine Tours, Inc. dba Allen Marine Tours for Lot 6, Finn Island

This item was APPROVED ON THE CONSENT AGENDA.

X. BOARD, COMMISSION, COMMITTEE APPOINTMENTS**C 22-162** Reappoint: 1) Lakota Harden to a three-year term on the Health Needs and Human Services Commission, 2) Deborah Miller to a three-year term on the Tree and Landscape Committee, 3) James Poulson to a three-year term on the Parks and Recreation Committee, and 4) Michael Reif to a three-year term on the Investment Committee

Richard Wein commented on the applications.

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

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

XI. UNFINISHED BUSINESS:

- D ORD 22-26** Making supplemental appropriations for fiscal year 2023 (Reconstruction of the Sheet Pile Wall and Crane at the Marine Service Center)

Richard Wein commented on the ordinance.

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

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

- E ORD 22-27** Making supplemental appropriations for fiscal year 2023 (DataCenter Disaster Recovery System)

Richard Wein commented on this ordinance.

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

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

XII. NEW BUSINESS:

- F 22-165** Discussion / Direction on the scope and budget for the Seaplane Base Project

Michael Harmon, Public Works Director, reviewed the existing Seaplane Base (features and deficiencies), provided an overview of the September 2021 Planning concept, the revised "minimal" and "full build-out" phased concepts and financial analysis, land acquisition update, and overall project schedule. He stated that a full-scale project would total \$38 million or a scaled-back project would be \$28 million; in either option, the City would cover a 6% match which would be just over \$2.1 million for option 3: full build-out or \$1.5 million for the scaled-back option with a difference of about \$600,000.

A discussion ensued. Topics included fueling options for the full build-out and minimal concept, the possibility of fueling boats, parties providing their own fuel, and maintenance contributions from the FAA. Harmon encouraged setting rates that would create a sustainable fund. Members expressed support for the full build-out option.

Citizens testifying in support of the full build-out option were Jackson McGraw, Schuyler Mace, Kevin Knox, Dave Gordon, Karen Lucas, Kevin Mulligan, and Richard Wein. John Murray spoke in opposition of funding from the Harbor Enterprise Fund.

- G ORD 22-28** Making supplemental appropriations for fiscal year 2023 (Seaplane Base Project)

Himschoot wondered of funding sources. Leach explained all matching funds would come from the General Fund. Eisenbeisz wondered if the Port and Harbors Commission had provided input on the project. Ystad responded no. Eisenbeisz hoped in the future staff would take projects to the respective boards/commissions/committees for input.

A motion was made by Christianson that this Ordinance be APPROVED on

FIRST READING. The motion PASSED by the following vote.

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

H ORD 22-29

Making supplemental appropriations for fiscal year 2023 (Marine Vessel Haul Out and Shipyard)

Municipal Administrator Leach stated this appropriation was necessary to transfer to Capital Fund that would be used for this project.

From the public, Richard Wein provided comments on the ordinance.

Finance Director Melissa Haley stated that the funding was still in the Permanent Fund, however would move into an operating trust. While the investment strategy was different interest would be generated until funds were spent.

A motion was made by Duncan that this Ordinance be APPROVED ON FIRST READING. The motion PASSED by the following vote.

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

I RES 22-29

Supporting full funding (\$8,236,815) for the State of Alaska Municipal Harbor Facility Grant Program in the FY24 State Capital Budget (First and Final Reading)

Harbor Master Stan Eliason gave a briefing on the grant.

From the public Richard Wein spoke about the Resolution.

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

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

XIII. PERSONS TO BE HEARD:

Richard Wein wondered about the investment strategy for funds pulled from the permanent fund for a haulout and told of the importance of diesel generation.

XIV. REPORTS

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

Mayor - Eisenbeisz attended the ribbon-cutting ceremony for the new Sitka Tribe of Alaska building on Siginaka Way.

Administrator - Leach stated everything on the legislative priority list was in motion, applauded Public Works Director Michael Harmon and team, and spoke to strategic plan final copy and webpage.

Liaison Representatives - Christianson reported on the recent Planning Commission meeting, told of next Investment Committee meeting, Duncan reported on the

Parks/Recreation Committee meeting, told of vacancies on the Health Needs and Human Services Commission, and reported on the Library Commission meeting.

Clerk - Peterson told of vacancies on boards/commissions.

XV. EXECUTIVE SESSION

J 22-163 Financial Matter: Sales Tax Debt Settlement

A motion was made by Mosher to go into executive session to discuss settling a sales tax debt, the immediate knowledge of which would adversely affect the finances of the municipality and invite in Finance Director, Melissa Haley. The motion PASSED by the following vote.

Yes: 7 - Himschoot, Mosher, Duncan, Eisenbeisz, Ystad, and Pike.

The Assembly was in executive session from 8:10pm to 9:05pm. Himschoot left the meeting at 8:10pm.

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

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

Absent: 1 - Himschoot

A motion was made by Duncan to authorize the Municipal Administrator to attempt to settle the sales tax debt in accordance with what was discussed in executive session. The motion PASSED by the following vote.

Yes: 6 - Mosher, Ystad, Pike, Duncan, Eisenbeisz, Christianson

Absent: 1 - Himschoot

XVI. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED AT 9:06 p.m.

ATTEST: _____
Jessica Earnshaw
Deputy Clerk