




City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members

Thru: John Leach, Municipal Administrator 

From: Stan Eliason, Harbormaster

Date: September 1, 2020

Subject: COVID-19 Mitigation Funds for Harbor Restrooms

Background

The CBS received \$367,905 from the State of Alaska Department of Commerce, Community, and Economic Development, for the purpose of mitigating the spread of COVID-19. The sources of these funds, totaling \$8.5 million, are the commercial passenger vessel environmental compliance fund (AS 46.03.482) and the commercial vessel passenger tax account (AS 43.52.230(a)). AS 46.03.482 governs the Department of Environmental Conservation and states that the monies in the fund are primarily intended “for the department’s operational costs necessary to carry out activities under AS 46.03.460 — 46.03.490 relating to commercial passenger vessels.” These activities primarily consist of monitoring wastewater discharges from commercial passenger vessels for compliance with water quality standards.

AS 43.52.230(a) is a statute of the Department of Revenue governing the “commercial vessel passenger tax account.” Subject to appropriation, under (b) of this section monies may be distributed to cities and boroughs “for port facilities, harbor infrastructure, and other services provided to the commercial passenger vessels and the passengers on board those vessels.” Under (d) of this section, appropriations may be made to “(1) improve port and harbor infrastructure, (2) provide services to commercial passenger vessels and the passengers on board those vessels, or (3) improve the safety and efficiency of the interstate and foreign commerce activities in which the vessels and the passengers on board those vessels are engaged.”

Analysis

Sitka, like many other coastal communities rely on tourism to support the tax base. Sitka is also home to one of the largest commercial fishing fleets in Southeast Alaska.

The grant funding would be used to upgrade our restroom facilities by installing motion activated fixtures. The restrooms (5) primarily serve the boating community. However, tourists often use them prior to, and after their guided charter. Non guided tourists are also attracted to the many diverse commercial fishing vessels moored in the harbor system. Simply said. the restrooms are shared.

Fiscal Note

Restroom facilities located at the various harbors are owned by both the general fund and the harbor fund. There is an existing appropriation in the general fund (funded from working capital from the General Fund, the Harbor Fund and the CPET fund). After meeting other harbor restroom safety upgrades, we will be able to reduce some of existing appropriations of working capital. We propose the following:

General Fund:

Decrease capital appropriations for the Crescent Harbor Restroom Update of working capital by \$70,000 (with \$24,000 returning to the General Fund and \$24,000 returning to the Harbor Fund and \$22,000 returning to the CPET fund) and increase capital appropriations for grant funds by \$87,905. Increase capital appropriation of grant funds for the Lake and Lincoln restrooms by \$65,000

Harbor Fund:

Increase appropriations for grant funds to upgrade to all other Harbor Fund restrooms by \$215,000.

Recommendation

Approve ordinance 2020-49 making supplemental capital appropriations to upgrade the harbor restrooms to prevent the spread of COVID-19.