

CONSENT AGENDA

POSSIBLE MOTION

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

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 February 18, 23, and 25 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, February 18, 2021

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Present: 6 - Christianson, Knox, Nelson, Eisenbeisz, Himschoot, and Duncan

Absent: 1 - Mosher

IV. CORRESPONDENCE/AGENDA CHANGES

None.

V. PERSONS TO BE HEARD

None.

VI. NEW BUSINESS:

A 21-023

Discussion / Direction / Decision of the FY2022 Municipal Budget: 1) Follow up on General Fund 2) Enterprise Funds

Municipal Administrator John Leach reminded staff was looking for overall guidance on building the draft budget.

Finance Director Melissa Haley reviewed the budget process, meeting dates and topics, and reminded the Charter required the budget be finalized within 10 days prior to the end of the fiscal year otherwise the draft budget would pass.

Haley provided updates and follow up information on the General Fund from the January

21 meeting. At the recommendation of the Assembly, staff had identified two capital projects to add to the budget funded by the Building Maintenance Fund (HCH cedar refinish and City Hall carpet replacement). The Assembly had also requested further information regarding two of the new positions - Assistant Fire Chief and additional 911 Dispatcher. Haley stated the Assistant Fire Chief would provide for continuity of command, cost savings of \$15k-\$20k in overtime/standby, support Fire Marshal duties, manage training, reduce the span of control from 13 to 6, conduct fire investigations, and take care of radio training/maintenance. Haley relayed the need for an additional 911 Dispatcher had been identified in 5 different reports since 1988, spoke of the high turnover and high call volume. The goal of centralized fire and police dispatch would promote faster response times, ensure safety of fire personnel, and improve overall efficiency. Staff noted there would be no infrastructure changes.

Next, Haley reviewed each of the Enterprise Funds. She and Leach explained the staff process used to reach the proposed rates. Haley provided an overview of the Electric Fund, residential rates, and spoke to the need for a master plan. She noted a proposed 2.5% increase for FY22, reviewed the fiscal models, and spoke to current challenges. Haley told of capital projects and proposed changes to the department - e.g. addition of contract/lease manager position and increased wages for the line crew.

Haley provided a summary of the Water Fund. She noted a 4% rate increase for FY22.

For the Wastewater Fund, Haley told of the 2.5% rate increase for FY22 and reviewed capital projects.

Haley reviewed the Harbor Fund. She noted it, like many of the other funds, had no/minimal rate increases for a long time, told of lower raw fish tax receipts, potential of decreased State funding, and needed work to infrastructure plans. Haley relayed the Port and Harbors Commission had reaffirmed their commitment to a 5% increase for FY22 and FY23 to stay on track. They also supported a revision to the master plan with emphasis on reviewing the possibility of extending life of infrastructure. In closing, she reviewed the Harbor Fund capital projects.

Regarding the Solid Waste Fund, Haley noted contract costs drove the rates, told of the goal to get the fund out of a negative cash position and keep up with inflation increases, and told of a proposed rate increase of 4.5% for FY22.

At the end of the presentation the Assembly offered their thoughts. Christianson said no one wanted to see rates go up, however, reminded that for years rates were artificially low and stressed the need for keeping up with inflation. Nelson said she was opposed to any rate increases and reminded the financial ramifications of the pandemic remained unclear. Knox agreed with Christianson's comments and spoke to the need for master plans. Himschoot thanked staff and spoke favorably to no increases above the cpi. Duncan wondered of a solution that would enable rates to remain at current levels.

B 21-024

Discussion / Direction of the FY2022 Municipal Budget as it relates to the General Fund and other Funds (*Assembly action may be taken*)

Nelson wished to see an update on the ramifications of COVID-19 and the differences in bed tax between FY19 and FY20/FY21. Himschoot wondered if in the future there would be gain in implementing water conservation. Members discussed the idea and wondered of associated costs of adding household meters. Public Works Director Michael Harmon noted communities often installed meters because they didn't have an abundance of water. Knox reminded increased regulations were driving costs.

VII. PERSONS TO BE HEARD:

Richard Wein provided thoughts on the addition of 3 FTE's, the increase of enterprise fund rates, told of the need for Sitka to have a comprehensive management plan for waste, and told of the failure of the Congressional Delegation and State Legislature to advocate for Sitka regarding FERC issues. Thor Christianson encouraged Sitkans to register for the COVID-19 vaccine. Valorie Nelson reminded the COVID-19 vaccine was not FDA approved and urged individuals to be cautious.

VIII. EXECUTIVE SESSION

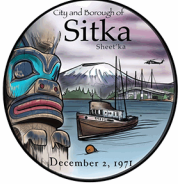
None.

IX. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:48 p.m.

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, February 23, 2021

6:00 PM

Assembly Chambers

WORK SESSION 5:00 PM

[21-030](#)

APEI 101 for Municipal Leaders Training

Carleen Mitchell, Deputy Director of Alaska Public Entity Insurance, provided a virtual training session for the Assembly.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Knox arrived at 6:08pm

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

IV. CORRESPONDENCE/AGENDA CHANGES

[21-031](#)

Reminders, Calendars, and General Correspondence

No agenda changes.

V. CEREMONIAL MATTERS

[21-025](#)

Proclamation Supporting Public Awareness on the Epidemic of Missing and Murdered Indigenous Women, Girls, Relatives, Persons, and other Local Citizens

Mayor Eisenbeisz read a proclamation supporting public awareness on the epidemic of missing and murdered indigenous women, girls, relatives, persons, and other local citizens.

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

Tribal Chairman Woody Widmark provided an update on the work of the Tribal Council during the month of February.

School Board Vice President Eric Van Cise stated the School Board had selected a new School Superintendent and told of the upcoming strategic plan meeting dates.

VII. PERSONS TO BE HEARD

Richard Wein voiced support for a moratorium on herring and spoke to the work of Isaac Newton.

VIII. CONSENT AGENDA

Mayor Eisenbeisz reported some mistakes had been found in the February 9 minutes and an updated version had been sent to the Assembly.

From the public, Richard Wein spoke in support of Resolution 2021-06.

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

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

- A** [21-026](#) Approve the minutes of the February 4 and February 9 assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

- B** [RES 21-06](#) Authorizing the Municipal Administrator to apply for the National Park Service Planning Assistance Program (1st and final reading)

This item was APPROVED ON THE CONSENT AGENDA.

IX. BOARD, COMMISSION, COMMITTEE APPOINTMENTS

None.

X. UNFINISHED BUSINESS:

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

Richard Wein spoke in support of the item.

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, Knox, Mosher, Nelson, Eisenbeisz, Himschoot, and Duncan

D [ORD 21-03](#)

Making supplemental appropriations for fiscal year 2021 (Electric Department - International Crane)

Richard Wein provided an overview of the Ordinance.

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

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

XI. NEW BUSINESS:

New Business First Reading

E [ORD 21-04](#)

Amending Title 13 "Port and Harbors" of the Sitka General Code by amending Chapter 13.12 "Enforcement" at Section 13.12.050 "Fines"

Richard Wein spoke in support and wondered what had created an impetus for change.

Sponsors Knox and Christianson told of the continued non-compliance with Harbor parking regulations. The ordinance would levy a graduated schedule of penalties and impose procedures consistent with parking violations throughout the municipality. Nelson wondered of an appeal process.

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

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

Additional New Business Items

F [20-242](#)

Approve the promotion of Melissa Henshaw from Deputy Clerk/Records Specialist to Public & Government Relations Director

Richard Wein spoke in support of the promotion.

Eisenbeisz, Mosher, Knox, Christianson, and Duncan spoke in support. Nelson, while supportive of Henshaw, did not support filling the position. She reminded when the Assembly had previously approved lobbyist funding she had stated she'd be opposed to filling this position in the future. Leach told of the position being renamed to Public & Government Relations Director and spoke to the job duties: public voice for the City, lobbying, and grant work.

A motion was made by Mosher that this Item be APPROVED. The motion PASSED by the following vote.

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

No: 1 - Nelson

G [RES 21-05](#)

Urging the Federal government to issue a temporary waiver to the Passenger Vessel Services Act and asking the CDC to issue technical

guidance to allow cruise lines to resume operations in Alaska in 2021 (1st and final reading)

Richard Wein spoke in support of the Resolution.

Knox relayed a number of communities and the Alaska State Legislature had approved similar legislation urging the Federal Government to allow the Alaska cruise industry to resume operations with guidance from the Centers for Disease Control and Prevention (CDC). Christianson told of the work by cruise lines to ensure their ships were safe. Duncan wondered when the CDC guidance would be available.

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

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

H [21-027](#)

Approve the First Extension of Lease Agreement between the City and Borough of Sitka and Northern Southeast Regional Aquaculture Association Inc for Block 4 Lot 3 of the Gary Paxton Industrial Park

Richard Wein urged the Assembly to consider increasing lease rates to market value.

Municipal Attorney Brian Hanson relayed the Assessor had assessed the lease rate and the rate of the extension exceeded the current lease rate.

A motion was made by Knox that this Item be APPROVED. The motion PASSED by the following vote.

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

I [21-028](#)

Approve the proposed adjustments to the Gary Paxton Industrial Park Port Tariff Fee Schedule (Port Tariff #4)

Richard Wein spoke in support, noted the use of the ramp for a haul out, and urged the Assembly to consider a passenger fee/security fee for everybody.

A motion was made by Mosher that this Item be APPROVED. The motion PASSED by the following vote.

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

J [21-029](#)

Approve a Purchase Agreement for Raw Water in Bulk for Export between the City and Borough of Sitka and Arctic Blue Waters Alaska Inc

Richard Wein spoke in opposition to approving the Purchase Agreement.

Christianson spoke in support and told of the State's desire to have the City's export permits go away. Gary Paxton Industrial Park (GPIP) Director Garry White explained there had to be use within a five year period otherwise the permits went away. Nelson disliked the idea of tying up water rights. Eisenbeisz voiced opposition and noted concerns with the business operations. Knox wondered of protections and whether it would be possible to shorten the lease term. Municipal Attorney Hanson reminded the City retained first right and priority to the water. White told of the difficulty in moving water and that Arctic Blue believed they had it figured out this time. Duncan wondered what options were to be explored given previous failed agreements.

After deliberating, a motion to postpone to March 9 was made but then later revised to March 23 to allow for more time if needed by the GPIP Board.

Richard Wein spoke in support of postponement.

Mosher, Nelson, and Himschoot reiterated concern over the lease term.

A motion was made by Knox to POSTPONE this Item to the March 23 meeting. The motion PASSED by the following vote.

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

XII. PERSONS TO BE HEARD:

Richard Wein stated the waiver for cruise ship travel was key, stated the purchase price per gallon in the Arctic Blue Agreement was listed as one-tenth of a cent per gallon, and suggested the City open a water store.

Garry White clarified the water price in the Arctic Blue Agreement was a half cent per gallon.

XIII. REPORTS

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

Mayor - Eisenbeisz reported he met with Tribal Chairman Widmark and learned of their Legislative Priorities.

Administrator - Leach announced in Sitka the COVID-19 incident had reached the recovery phase and he would step down as Incident Commander of the Emergency Operations Center. Fire Chief Craig Warren would assume those duties. Leach thanked members of Sitka Unified Command for their work over the past year.

Attorney - Hanson thanked Leach for his leadership.

Liaison Representatives - Knox reported on the Port and Harbors Commission and Duncan on the Historic Preservation Commission and Health Needs and Human Services Commission.

Clerk - Peterson told of the upcoming meeting schedule.

Other - Knox reported on the February 17 Sitka Seaplane Base Environmental Assessment and public meeting.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:02pm.

ATTEST: _____
Sara Peterson, MMC
Municipal Clerk



CITY AND BOROUGH OF SITKA

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

Minutes - Not Viewable by the Public

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, February 25, 2021

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Knox arrived at 6:08pm

Present: 6 - Christianson, Knox, Mosher, Eisenbeisz, Himschoot, and Duncan

Absent: 1 - Nelson

IV. CORRESPONDENCE/AGENDA CHANGES

Himschoot disclosed she worked for the Sitka School District. Mayor Eisenbeisz ruled there was no conflict.

V. PERSONS TO BE HEARD

None.

VI. UNFINISHED BUSINESS:

- A 21-019** Discussion / Direction / Decision of local support of education to the Sitka School District contained in the proposed FY2022 General Fund Budget and other issues pertaining to the financial support of educational related activities (*this item was previously discussed at a special meeting on*

Mayor Eisenbeisz relayed a decision had been delayed due to the announcement of the cruise ship season cancellation.

Sitka School District Superintendent John Holst told of steps to close the \$1.8M budget deficit and noted the elimination of four unfilled positions and five certified positions.

Assembly members discussed the impact of possible funding scenarios. Knox, Christianson, Himschoot, Eisenbeisz, and Duncan spoke in support of funding to the cap. Mosher, while in support of the schools, expressed concern for what the City could afford and the sustainability of funding to the cap.

Speaking in support to the motion to fund to the cap were Bridgette Hitchcock, Collauna Marley, Katherine Prussian, Kate Johnson, and Beth Short-Rhoades. Richard Wein, while supportive of schools, reminded of the City's deficit budget and associated impacts.

The School Board expressed appreciation for funding to the cap.

A motion was made by Christianson to direct the Municipal Administrator to include in the FY2022 draft Administrator's budget a total amount of \$7,764,150 for local support of public education (including, \$7,557,150 to be paid in appropriate monthly disbursements, \$150,000 for reimbursement for maintenance of school buildings, and up to \$57,000 to be used to pay for the performing arts center utility account #5417-002). Should Secure Rural Schools be reauthorized, it should be included in FY2022 budget for local support of public education at 50%. The motion PASSED by the following vote.

Yes: 5 - Christianson, Knox, Eisenbeisz, Himschoot, and Duncan

No: 1 - Mosher

Absent: 1 - Nelson

VII. NEW BUSINESS:

B 21-032

Discussion / Direction of the FY2022 Draft Municipal Budget as it relates to the General Fund, Enterprise Funds, Internal Service Funds, and other Funds (Assembly action may be taken)

Municipal Administrator John Leach reminded of the March 4 budget meeting focusing on the General Fund.

VIII. PERSONS TO BE HEARD:

Richard Wein expressed concern of the achievement gap and wondered of the City's budget deficit.

Mike Vieira, President of the Sitka's Education Association, thanked the Assembly and staff for their support of the schools.

IX. EXECUTIVE SESSION

None.

X. ADJOURNMENT

A motion was made by Christianson to ADJOURN. Hearing no objections, the meeting ADJOURNED at 7:20 p.m.

ATTEST:

Sara Peterson, MMC
Municipal Clerk