



CITY AND BOROUGH OF SITKA

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

Minutes - Final

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, March 9, 2021

6:00 PM

Assembly Chambers

WORK SESSION 5:00 PM

[21-046](#)

FY2020 CAFR/Audit

Joy Merriner of CPA firm, BDO, reviewed the FY2020 CAFR and Audit.

REGULAR MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Knox arrived at 6:08pm. Himschoot participated by videoconference.

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

IV. CORRESPONDENCE/AGENDA CHANGES

[21-041](#)

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)

[21-044](#)

Special Report: FY2020 CAFR/Audit - BDO, Joy Merriner

Joy Merriner, audit partner with CPA firm BDO, stated the City had conducted an excellent audit process. She noted the CAFR was available on the Finance Department webpage.

VII. PERSONS TO BE HEARD

Jay Erie spoke about International Women's Day and alerted the Assembly of potential harm to wild and hatchery fish from ballast water discharged by ships coming to load bulk water. Richard Wein inquired of the status of the financial dashboard soon to be implemented on the City website and spoke of commodities.

VIII. CONSENT AGENDA

Richard Wein spoke in support of items C and D.

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

A [21-035](#)

Approve the minutes of the February 18, 23, and 25 assembly meetings

This item was APPROVED ON THE CONSENT AGENDA.

B [21-036](#)

Approve a new standard marijuana cultivation facility license application for AKO Farms, LLC dba AKO 2 at 213 Price Street

This item was APPROVED ON THE CONSENT AGENDA.

C [21-037](#)

Approve a transfer of ownership application from Anna M. Cleaver dba Weed Dudes to Weed Dudes Incorporated dba Weed Dudes at 1321 Sawmill Creek Road Suite J&K

This item was APPROVED ON THE CONSENT AGENDA.

D [21-038](#)

Approve a liquor license renewal application for The Channel LLC dba Channel Club at 2906 Halibut Point Road

This item was APPROVED ON THE CONSENT AGENDA.

IX. BOARD, COMMISSION, COMMITTEE APPOINTMENTS**E** [21-039](#)

Reappoint 1) Chris Ystad to a two-year term on the Gary Paxton Industrial Park Board and 2) Robert Sam to a three-year term on the Historic Preservation Commission as the Sitka Tribe of Alaska representative

Richard Wein spoke in support of the applicants.

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

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

- F** [21-040](#) Appoint 1) Stephanie Hawney to an unexpired term on the Health Needs and Human Services Commission and 2) Geraldine Laux to a three-year term on the Local Emergency Planning Committee under Category 2: Law Enforcement, Civil Defense, Fire Fighting, First Aid, Local Environmental/Hospital, and Transportation Personnel

Richard Wein spoke in support of the applicants.

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

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

X. UNFINISHED BUSINESS:

- G** [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"

A motion was made by Knox 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

- H** [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 (this item was postponed at the February 23 meeting)

Richard Wein spoke in opposition to approving the item.

Garry White, Gary Paxton Industrial Park Board Director, spoke to the 20 year agreement length, performance benchmarks, provisions in place to protect the City and Borough of Sitka, and water permits.

A discussion of the Assembly ensued. Questions were asked of infrastructure costs and contract details. White reminded of the costs to the investor.

A motion was made by Nelson to suspend the rules to allow for testimony from Fred Paley. The motion PASSED by the following vote.

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

No: 1 - Eisenbeisz

Richard Wein spoke in support of suspending the rules. Fred Paley told of Arctic Blue Waters intentions and business plan.

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

Yes: 4 - Christianson, Knox, Himschoot, and Duncan

No: 3 - Mosher, Nelson, and Eisenbeisz

XI. NEW BUSINESS:

- I** [21-042](#) Discussion / Direction / Decision on RFP options for the sale of the former Sitka Community Hospital site including the consideration of an advisory vote
- Administrator Leach summarized the process to date, requested the Assembly provide guidance on a public advisory vote, and reviewed the three options: RFP with no advisory vote, RFP with public advisory vote, or RFP with public hearings in lieu of advisory vote.
- Assembly Members told of their preferred option, wondered of the public hearing process, and inquired of the appraisal timeline. Duncan disclosed she was employed by the Alaska Native Tribal Health Consortium with an office located on the SEARHC Campus. Knox disclosed his wife was employed at SEARHC.
- A motion was made supporting an RFP with public hearings in lieu of an advisory vote. From the public, Richard Wein spoke in opposition.
- Leach reviewed the details of option 3 noting town hall meetings to be held on March 16 and March 30. He said comments would be consolidated and brought back to the Assembly with the RFP on April 13. Nelson and Christianson desired an advisory vote. Others wondered of a survey option and spoke to the timeline. Leach reminded the Assembly was in control of the process and noted the only hard deadline was July 27, the ballot deadline.
- A motion was made by Knox to direct the Municipal Administrator to proceed with Option 3: RFP with Public Hearings in lieu of Advisory Vote. The motion PASSED by the following vote.**
- Yes:** 5 - Knox, Mosher, Eisenbeisz, Himschoot, and Duncan
- No:** 2 - Christianson, and Nelson
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- J** [21-043](#) Discussion / Direction / Decision on the creation of a Tourism Master Plan
- Sponsors Himschoot and Knox told of the increase in visitors expected for the 2022 season and expressed a desire for a Tourism Master Plan - the hope being the Planning Commission would be interested in the task. The intent was to get consultation on how to make Sitka welcoming to visitors yet maintain the quality of life for residents.
- Assembly members felt it worthy to make the request of the Planning Commission. It was also reminded to include Visit Sitka and Old Sitka Dock in the conversation.
- From the public, Richard Wein spoke in support of the motion to develop a Tourism master Plan.
- A motion was made by Knox to request the Planning Commission develop a Tourism Master Plan to address the 2022 tourist season and plan going forward. The motion PASSED by the following vote.**
- Yes:** 7 - Christianson, Knox, Mosher, Nelson, Eisenbeisz, Himschoot, and Duncan

XII. PERSONS TO BE HEARD:

Richard Wein voiced support for a lease option of the former Sitka Community Hospital building and adjacent property as opposed to a sale.

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

Mayor - Eisenbeisz told of recent ribbon cutting ceremonies and spoke to the demand for childcare in Sitka.

Administrator - Leach thanked the Finance Department for their excellent work on the audit and told of the new format for Public Works packet updates.

Liaison Representatives - Knox reminded of the next Port and Harbors Commission meeting.

Clerk - Peterson reviewed the March meeting schedule.

XIV. EXECUTIVE SESSION

None.

XV. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 8:00pm.

ATTEST: _____

Sara Peterson, MMC
Municipal Clerk