

Regular Ketchikan City Council meeting was called to order by Mayor Weinstein at 7:01 p.m., February 19, 2009, with the following members present: Dick Coose, Charles Freeman, Jason Harris, Kj Harris, Marty West and Lew Williams III. Councilmember Sam Bergeron was absent.

The Pledge of Allegiance was given by all persons in the Chambers.

Staff present were Manager Amylon, Assistant Manager Martin, Finance Director Newell, Acting Executive Director of Gateway Center for Human Services Pacey, Port and Harbors Director Corporon, Public Works Director Hansen, Acting Electric Division Manager Schofield, Telecommunications Division Manager Abbott, Water Division Manager Kleinegger and City Clerk Suiter.

COMMUNICATIONS

Mayor Weinstein noted several items laid on the table, including: a letter from the Gateway Center for Human Services Advisory Board, a letter from city attorney candidate Elke Tober-Purze withdrawing her name from consideration; a letter from Dale Rogers regarding the cutting of trees in the Fifth Avenue right-of-way; and a letter from Dale Robbins addressing the storm water drainage collection system near Bailey Boulevard.

PERSONS TO BE HEARD

David Deal, 5428 Densley Drive, spoke regarding the water drainage on Hawkins/Denali Streets area. He explained the property owners met with Public Works Director Hansen, and it is their opinion the drain collapsed and the water backed up. He asked the City be responsible for the entire repair costs.

Becky Irish, 532 Fifth Street, referred to Dale Rogers letter, stating she was asked to come and ask for continuance in the matter. She noted there was a huge drainage issue with the party involved and Mr. Rogers will be back in two or three weeks to address it. She said he specifically wants to be involved in the thinning of the area due to the drainage issue.

Vivian Kellog, 544 Washington, said she is a neighbor of Mr. Rogers, and over the years there have been problems with drainage coming down. She stated the landowners want a continuance until Mr. Rogers returns.

Dale Robbins, 3710-A Hillside Road, spoke to Hawkins/Denali drainage issues, and referred to a letter he wrote explaining the process used for a culvert he put in 1983. He said this drainage system is just one of twelve in the City of Ketchikan, and is one of three that is beginning to fail. He pointed out a comprehensive assessment that Sitka performed in order to recover costs for maintaining these systems. He felt the options

being presented were not feasible, and noted they would like to see some method developed to spread the costs out for everyone. He answered questions from the Council.

Terri Mahoney, 712 Water Street, spoke regarding her business, Liberty Tax Services. She said they have been asked by the police department to cease having “wavers” on the street. She explained she doesn’t really understand why they cannot do the waving, and she asked for clarification from someone in the City as to how what they are doing applies. She outlined their involvement in several different organizations and events, and pointed out Liberty Tax is in two countries. She answered questions from the Council. She said there may be a double standard as there are other businesses downtown that wear a “uniform” that are basically advertising their business also, but they are never told not to do it.

Louise Kern, 3460 Denali, spoke regarding the Denali drainage concerns. She pointed out the pipe that goes under their lot hasn’t got any problems and she said they would like to see it come from above them, through their lot, under Denali and along because it will be a more practical way of doing it. She said it is a big price tag at \$30,000. She noted her lot value has been reduced to \$26,500 and it doesn’t make any sense to run a \$30,000 pipe through it. She felt they were looking at a public service and safety concern in the City, and the cost should be shared.

John Baldwin, 3437 Denali Avenue, spoke regarding the drainage problem in the Denali/Hawkins area. He reinforced what others have said, pointing out the location and elevation at which it failed was level with Denali Street. He felt this indicated the failure could well be on City property, and the pipe that was put in should never have been put in.

CONSENT AGENDA

Approval of Minutes

Moved by Williams, seconded by Jason Harris approval of the minutes of the regular meeting of February 5, 2009.

Motion passed with Jason Harris, Williams, Freeman, Coose, Kj Harris and West voting yea; Bergeron absent.

UNFINISHED BUSINESS

Ordinance No. 09-1618 – Authorizing the Issuance of General Obligation Bonds in an Amount Not to Exceed \$6,600,000 – Repairs and Replacements of Bridges and Trestles in the City – Submission to the City’s Voters at a Special Election to be Held on April 28, 2009 – Second Reading

Copies of Ordinance No. 09-1618 were available for all persons present.

Moved by Freeman, seconded by Williams the City Council approve in second reading Ordinance No. 09-1618, authorizing the issuance of general obligation bonds in an amount not to exceed \$6,600,000 to finance costs of capital repairs and replacement of bridges and trestles in the City; providing for submission to the City's voters at a special election to be held on April 28, 2009 of a proposition approving these capital projects, approving this ordinance and ratifying the authorization of general obligation bonds; and establishing an effective date.

In response to Manager Amylon, Finance Director Newell said they can sell the bonds and have the money in hand in approximately 60 days. In response to Councilmember Freeman, he said funding can be used from the Public Works Sales Tax Fund prior to bond approval.

Moved by Williams, seconded by Freeman to amend by scheduling the special election date for May 12, 2009.

Motion to amend passed with Freeman, Kj Harris, West, Jason Harris, Williams and Coose voting yea. Bergeron absent.

Motion passed with Coose, Jason Harris, West, Williams and Freeman voting yea; Kj Harris voting nay; Bergeron absent.

Ordinance No. 09-1619 – Authorizing the Renewal of the December 20, 1994 Solid Waste Transport and Disposal Contract with Regional Disposal Company – Second Reading

Copies of Ordinance No. 09-1619 were available for all persons present.

Moved by Williams, seconded by Freeman the City Council approve in second reading Ordinance No. 09-1619 authorizing the renewal of the December 20, 1994 Solid Waste Transport and Disposal Agreement with Regional Disposal Company; providing for the filing of referendum petitions; and establishing an effective date.

Motion passed with Williams, Jason Harris, Coose, Kj Harris, West and Freeman voting yea; Bergeron absent.

The Council took a short break at 7:35 p.m. and reconvened at 7:50 p.m.

NEW BUSINESS

Ordinance No. 09-1621 – Amending Ketchikan Municipal Code Section 3.04.020 Entitled “Levy of Tax;” Adding a New Subsection (H) to Section 3.04.130 Entitled “Use of Proceeds of Sales Tax” – First Reading

Copies of Ordinance No. 09-1621 were available for all persons present.

Moved by Williams, seconded by West the City Council approve in first reading Ordinance No. 09-1621 amending Ketchikan Municipal Code Section 3.04.020 entitled “Levy of Tax;” adding a new subsection (H) to Section 3.04.130 entitled “Use of Proceeds of Sales Tax;” and establishing an effective date.

Moved by Williams, seconded by Freeman to amend by sunsetting the additional one-half percent tax with the payoff of \$6,600,000 in bonds that may be approved by the voters on May 12, 2009.

Motion to amend passed with West, Freeman, Jason Harris, Kj Harris, Williams and Coose voting yea; Bergeron absent.

Mayor Weinstein said he didn’t really agree with staff breaking out the funds to be specifically for bridges and trestles, and he would like to see the money available for other repair projects as needed.

Mayor Weinstein inquired whether there should be a budget meeting before the ordinance comes back in second reading, and the Council was affirmative. Mayor Weinstein said the ordinance would not come back until the budget has been reviewed.

Motion, as amended, passed with Williams, West, Freeman and Weinstein voting yea; Kj Harris, Coose and Jason Harris voting nay; Bergeron absent.

Ordinance No. 09-1620 – Increasing Canneries and Allied Industries Water Rates by a Total of 11.4% Over A Three- Year Phase-In Period – First Reading

Moved by Williams, seconded by Jason Harris the City Council approve in first reading Ordinance No. 09-1620 increasing canneries and allied industries water rates by a total of 11.4% over a three-year phase-in period; establishing a date for a public hearing; and providing for an effective date.

In response to Councilmember Coose, Finance Director Newell said an audit of the canneries will increase their monthly rate, and with the phase-in rates in three years it will bring their payment up to the 15% that was initially proposed.

Motion passed with Jason Harris, Williams, Freeman, Coose, Kj Harris and West voting yea; Bergeron absent.

**Offer of Employment – Telecommunications Division
Senior Sales and Marketing Manager**

Moved by Williams, seconded by West the City Council authorize the general manager to offer the position of Telecommunications Division senior sales and marketing manager to Edward Cushing of Ellensburg, Washington based on a compensation level of 73R at an annual salary of \$94,676; annual vacation accrual of 15 days per year; and moving expenses not to exceed \$12,000.

Motion passed with Freeman, West, Williams and Weinstein voting yea; Kj Harris, Jason Harris and Coose voting nay; Bergeron absent.

**Sole Source Procurement of Radiators for Ketchikan
Lakes Hydroelectric Plant Substation Transformer –
Waukesha Electric Systems**

Moved by Williams, seconded by West pursuant to Section 3.12.050(a)(6) of the Ketchikan Municipal Code, the City Council authorize the general manager to purchase four transformer radiators for installation at the Ketchikan Lakes Hydroelectric Plant Substation from Waukesha Electric Systems at a cost of \$60,730 and approve funding from the Electric Division's 2009 Ketchikan Lakes Hydroelectric Plant Facility Upgrades Capital Account.

Motion passed with Coose, Jason Harris, West, Kj Harris, Williams and Freeman voting yea; Bergeron absent.

**Procurement of Programming Content for Ketchikan
Public Utilities CommVision IPTV Services from
Competitive Bidding – National Cable Television
Cooperative (NCTC)**

Moved by Coose, seconded by Williams pursuant to Section 3.12.050(a)(2) of the Ketchikan Municipal Code, the City Council exempt the procurement of CommVision IPTV programming content from competitive bidding requirements; authorize the general manager to purchase National Cable Television Cooperative (NCTC) programming content in an amount not to exceed \$235,443 for 2009; and approve funding in the amount of \$235,443 from the 2009 Telecommunications Division's Licenses & Fees Account No. 68.

Telecommunications Division Manager Abbott answered questions from the Council.

Motion passed with Williams, Jason Harris, Coose, Kj Harris, West and Freeman voting yea; Bergeron absent.

Increase of Professional Services for Regulatory Commission of Alaska Intrastate Access Charge Filings – AKT LLP

Moved by Williams, seconded by Coose pursuant to Section 3.12.051(c)(2)(A) of the Ketchikan Municipal Code, the City Council increase the amount of Purchase Order No. 72-465 issued to AKT LLP to \$75,000 for professional services related to intrastate access charge filings before the Regulatory Commission of Alaska; authorize funding from the 2009 Telecommunications Division's Professional Services Account No. 60; and direct the Telecommunications Division manager to execute a revised purchase order to AKT LLP.

Manager Amylon answered questions from the Council.

Motion passed with West, Freeman, Jason Harris, Kj Harris, Williams and Coose voting yea; Bergeron absent.

Sole Source Procurement of Fiber Network Port Cards – Pannaway Technologies, Inc.

Moved by Jason Harris, seconded by West pursuant to Section 3.12.050(a)(6) of the Ketchikan Municipal Code, the City Council authorize the general manager to purchase fiber network port cards from Pannaway Technologies, Inc. at a cost of \$40,952.20 and approve funding from the Telecommunications Division's 2009 Normal Growth and Repair – Central Office Transmission Capital Account.

Telecommunications Division Manager Abbott answered questions from the Council.

Motion passed with Kj Harris, Coose, Williams, West, Freeman and Jason Harris voting yea; Bergeron absent.

Storm Water Drainage Collection Systems Assessment

Mayor Weinstein said there is no recommendation at this time from staff, and perhaps the Council would like to have a special meeting to spend some time talking about this and some options. He noted perhaps staff can find out what other municipalities are doing in this regard and get that to the Council ahead of time to have a serious discussion about the issue.

Councilmember Jason Harris suggested having a special meeting regarding this in conjunction with the special budget meeting, and hashing it all out. Mayor Weinstein asked if there were any objections to addressing this comprehensively, and none were heard.

Councilmember Coose asked that someone provide a cost estimate for an assessment of

the storm drain system, and how long it might take to repair. Manager Amylon said staff is not in a position to give an educated guess as to what the cost of an evaluation would be, and a definitive number will only come about through an RFP process.

Mayor Weinstein said it would be scheduled for the special meeting for budget review.

Budget Transfer – Contract No. 09-13, Berth III Upland Dock Corrosion Assessment and Repair – PND Engineers, Inc.

Moved by Williams, seconded by Jason Harris the City Council authorize the city manager to enter into Contract No. 09-13, Berth III Upland Dock Corrosion Assessment and Repair, with PND Engineers, Inc. at a cost not to exceed \$79,333 and approve a budget transfer of \$79,333 from Appropriated Reserves of the Port Enterprise Fund to the Port Division's 2009 Berth III Upland Dock Corrosion Assessment and Repair Capital Account.

Motion passed with Jason Harris, Williams, Freeman, Coose, Kj Harris and West voting yea; Bergeron absent.

Discussion of and Additional Recruitment Efforts for the Position of City Attorney – Mayor Weinstein

Mayor Weinstein said the city attorney candidate sent an email stating that, due to health issues, she will not be able to accept the position. He recommended the position be advertised immediately, and if desired send a letter to a couple of the ones who were interviewed to encourage them to submit an application if they are still interested, and the application will automatically be considered. He felt the Council needed to advertise and if there are no objections from the Council, he will birddog it a little and get applications to the Council without doing what was done last time.

Councilmember Jason Harris said he is more than happy and willing to call one of the prior candidates, Mr. Bradford in Missouri who was the second choice, and see if he is still interested in the position so it can be filled quickly.

Councilmember Williams said he liked Mr. Bradford as well, and if he doesn't want the position, he is all for re-advertising. He stated Mr. Bradford wasn't strong on some things, but he was strong on others, and he really thought he could do the job.

Councilmember Freeman stated he agreed with Mr. Harris in the respect that the Council has been through the process already, we know who we're dealing with, and he would much prefer to call and see whether Mr. Bradford is available. He explained if he isn't available, he is more than willing to discussing re-advertising. He pointed out the City hasn't been without an attorney, but the City has been paying for someone who is going to cost a lot more money in the long run.

Mayor Weinstein said if Mr. Bradford is not available, should the recruitment process then begin. He said he didn't want to wait another two weeks to begin advertising before beginning the process.

Councilmember West stated there were several of them she thought were reasonable, and she was willing to go down a few to get to one that was willing before starting over from scratch.

Councilmember Kj Harris said he was willing to call Mr. Bradford, and if he is not interested, get out new advertising.

Mayor Weinstein said that is what the Council will do, and Councilmember Jason Harris offered to call Mr. Bradford tomorrow.

Agreement for Professional Services – Hoffman, Silver, Gilman and Blasco

Moved by Jason Harris, seconded by West the City Council approve the 2009 Professional Services Agreement between the City and Hoffman, Silver, Gilman and Blasco for federal lobbying services on behalf of General Government and Ketchikan Public Utilities and authorize the general manager to execute the contract on behalf of the City Council.

Motion passed with Freeman, Kj Harris, West, Jason Harris, Williams and Coose voting yea; Bergeron absent.

Reconsideration of Council Action Regarding the Preparation of an Application for the SFY10 Comprehensive Behavioral Health Treatment & Recovery Grant – Councilmember Coose

Moved by Coose, seconded by West to reconsider Council action taken at the regular Council meeting of February 5, 2009 regarding the preparation of an application for the SFY10 Comprehensive Behavioral Health Treatment & Recovery grant funding on the basis of the Gateway Center for Human Services discontinuing all youth service programs on or about July 1, 2009.

Extensive discussion was held regarding the services at GCHS, and Dr. Pacey, Acting Executive Director of Gateway Center for Human Services, answered questions from the Council. Mayor Weinstein asked if there was any information regarding the possible duplication of services between Community Connections and GCHS.

Mayor Weinstein said the Borough has requested a joint meeting, and one of the subjects he is going to bring up is this. He explained part of the reason for the budget problem is

City taxpayers are being asked to subsidize a Borough-wide program, as it is not limited to people within City limits. He felt it should be if the City residents are the only ones paying taxes toward it. He said the Council needs to ask them to consider it. He explained there is the non-profit option, and there is the option of asking the Borough to take over operation of this critical service in our community. He suspected he knew what the answer would be, but when the streets are falling in and apart, the City cannot afford to provide residents who live outside the City free services. He stated this is not just with Gateway services.

Motion to reconsider passed with Coose, Jason Harris, West, Kj Harris, Williams and Freeman voting yea; Bergeron absent.

The motion before the Council was:

Moved by Williams, seconded by Jason Harris the City Council direct the city manager to prepare an application for the SFY10 Comprehensive Behavioral Health Treatment & Recovery grant funding on the basis of the Gateway Center for Human Services discontinuing all youth service programs on or about July 1, 2009.

Moved by Williams, seconded by Freeman to defer this item until a special meeting can be scheduled.

Motion passed with no objections; Bergeron absent.

Mayor Weinstein asked Manager Amylon to make sure the Council has some data regarding questions that were asked tonight, including statistical information and other things.

VOUCHERS

Moved by Freeman, seconded by West for approval of vouchers to Ketchikan Daily News in the amount of \$426.00.

Motion passed with West, Freeman, Jason Harris, Kj Harris and Coose voting yea; Lew Williams abstaining; Bergeron absent.

CITY MANAGER'S REPORT

Activation of Reverse-911 System

In his report, Manager Amylon provided a memorandum from Fire Chief Hill notifying the Reverse-911 System was recently activated. Fire Chief Hill informed the system worked well regarding the February 10, 2009 rockslide at Mile 5 North Tongass, and feedback from the community has been positive.

**Public Works Department Project Status Report –
January 2009**

Manager Amylon provided the project status report of the Public Works Department for the month of January 2009.

City of Ketchikan Website Resident Inquiry Link

Manager Amylon advised staff has recently upgraded the City's website to provide for direct inquiries from residents regarding requests for information, services and complaints. He explained how the process works.

Councilmember Coose commented he is glad the new inquiry link is there, and he encouraged the public to use it.

Fifth Avenue Tree Trimming

Manager Amylon said he wanted to wait for Council action on Mr. Rogers' letter, and he can put a temporary halt on it if the Council so desires. Mayor Weinstein asked if there were any objections to a temporary halt, and none were heard.

Construction Manager RFP

Manager Amylon reported the responses are in, and staff received five. He noted if the Council wants to participate in this review process to let staff know.

Special Meeting on Budget Review

Manager Amylon asked if the Council wanted staff to curtail any capital projects in light of a special budget review, and Mayor Weinstein said no, not until direction has been given.

K.P.U. MANAGER'S REPORT

Report of January 29, 2009 Power Outage

Manager Amylon provided a report from Electric Division Chief Operator Graham regarding the January 29, 2009 power outage.

Report of January 30, 2009 Power Outage

Manager Amylon provided a report from Electric Division System Operator Kackman regarding the January 30, 2009 power outage.

Report of February 7, 2009 Television Broadcast Outage

Manager Amylon included a report from Telecommunications Division Manager Abbott regarding the February 7, 2009 television broadcast outage.

**Utility Operating Divisions' Project Status Reports –
January 2009**

Manager Amylon provided copies of the project status reports of the Utility's division managers for the month of January 2009.

Use of Diesels

Manager Amylon said if there is no rain by Monday, staff is anticipating firing up the diesels and we will be back in diesel surcharge mode. He noted staff is reviewing the Juneau ordinance, and he hoped to have something to Council soon relative to it.

CITY CLERK'S FILE – None

CITY ATTORNEY'S FILE – None

FUTURE AGENDA ITEMS – None

MAYOR AND COUNCIL COMMENTS

Councilmember Jason Harris discussed the website issue, noting that people came forward a couple of meetings ago who were frustrated because they were not getting information. He hoped the newspaper could print that the public can go to the City website and submit their email address to get information and public notices that are coming out. He advised when a complaint is submitted through the website, it will have a tracking number attached to it, will go through several processes, and if it is not resolved within a certain period of time it will ultimately end up on the city manager's desk. He pointed out there is a lot of other information available as well, and he hoped people will begin to use this tool. He thanked staff for getting it up quickly.

Councilmember Williams listed out the special meetings anticipated, citing the Library/Fire Department locations, Gateway Center for Human Services, the budget review/bridges and trestles/storm drain. He said if the Council could do the budget one first, it would be good.

Councilmember Coose commented after the Planning and Economic Development meeting a couple of nights ago, he noted the City's special request was forwarded to the Borough and it may come up at the joint meeting. He reported everyone at the PLEDAC meeting was supportive of it. He advised the subject of the stimulus package came up, and the fact that it is voluminous, and the question was why should all three local entities go through it and look for projects that we can do. He wondered if maybe one entity can

do it, share it, and maybe this is a joint meeting discussion as well. He felt it was a waste of everybody's time to have everyone go through it separately, and work should be done together to get it out.

Councilmember Kj Harris said the Council needed public input and ideas.

Councilmember Freeman reported he felt it would be a good idea to perform a budget review after the second quarter is finished, and adjust the budget to fit. He felt everyone was running on fear for the last several months.

Mayor Weinstein said he attended a meeting at which Senator Murkowski spoke, and she stated she was very interested in hearing from people in the business community about what they saw happening now and in the near future. He explained she also commented on the stimulus bill in the sense that while it is a large expenditure, very little of it actually goes to infrastructure projects. He also stated once the state got done with it, very little will trickle down to the local community for various reasons.

Councilmember Jason Harris said the legislative fly-in to Juneau went well. He pointed out the relationship between this community and the state has been strained, and he worked to help improve those relationships. He stated, in turn, as we are all aware it is going to be a tough budget year. He explained some of the projects the City had on the forefront were definitely discussed with the administration and legislators, and he felt about half of them were very supportive and about half were unsure because they didn't know what would be coming through on the stimulus package. He said the City's lobbyist called yesterday, and he felt the fly-in was a very good mending time and when it comes to the budget process, it may be in the City's favor.

Councilmember Coose agreed with Councilmember Harris, and he felt the trip was overall worthwhile. He stated Senator Murkowski commented, when she talked to the PLEDAC Committee, it was a very good thing to come to Washington DC to speak regarding projects.

Mayor Weinstein said there was a legislative committee hearing in the House on House Bill 134, which deals with cruise ship waste, basically in accordance with the resolution passed by the Council. He said it passed out of committee, and people who supported the initiative as written are now suggesting that perhaps some substantial funding come to the coastal communities to upgrade the overall sewage plants to the next level and perhaps the cruise ships can tie into those. He said it was clear from DEC that there is no ship-based technology that can meet the standards.

Mayor Weinstein said next Tuesday SEAPA is meeting in Portland to do the closing paperwork. He noted Councilmember Freeman will be moving from an alternate member to a regular member as Ketchikan is allowed two members. He stated the City is entitled to have two alternates, although they may not be needed at every meeting. He explained

the Board will be changing to 2 from Ketchikan, 1 from Petersburg and 1 from Wrangell, and a fifth from one of the three communities, which will be determined by draw.

Mayor Weinstein said with absences, it is difficult to schedule a meeting without someone being gone. He asked if the Council would rather have one without Manager Amylon or without Mr. Coose, and Councilmember Coose said he can attend through teleconference. He asked if the Council wanted to meet jointly with the Borough on March 4th, and councilmembers agreed. He asked the Council to get agenda items to him. He stated, as best as he can, he will schedule as many of the special meetings as he can.

OTHER NEW BUSINESS – None

EXECUTIVE SESSIONS – None

ADJOURNMENT

As there was no further business, the Council adjourned at 9:25 p.m.

Bob Weinstein, Mayor

ATTEST:

Katherine M. Suiter
City Clerk

FYI ITEMS INCLUDED

January 30, 2009 Edition of the Legislative E-Bulletin
Letters of Appreciation – Staff of the Ted Ferry Civic Center
Rendezvous Senior Day Services, Inc.'s Quarterly Activity Report – October through
December 2008
First City Players' Quarterly Activity and Financial Reports – October-December 2008
February 6, 2009 Edition of the Legislative E-Bulletin
Lake Levels and System Generation Report – January 2009
Water Utilization Study Report – January 2009
Community Connections Older Alaskan and Adult Resource Services Activity Report