

Regular Ketchikan City Council meeting was called to order by Mayor Weinstein at 7:01 p.m., March 5, 2009, with the following members present: Sam Bergeron, Dick Coose, Charles Freeman, Kj Harris, Marty West and Lew Williams III. Councilmember Jason Harris arrived at 7:45 p.m.

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

Staff present were Assistant Manager Martin, Finance Director Newell, Fire Chief Hill, Port and Harbors Director Corporon, Police Chief Talik, Public Works Director Hansen, Acting Electric Division Manager Schofield, Telecommunications Division Manager Abbott, Water Division Manager Kleinegger and City Clerk Suiter.



**PUBLIC HEARING ON ORDINANCE NO. 09-1620 – INCREASING  
CANNERIES AND ALLIED INDUSTRIES WATER RATES BY  
11.4% OVER A THREE-YEAR PHASE-IN PERIOD**

Mayor Weinstein called the public hearing on Ordinance No. 09-1620 to order at 7:02 p.m. and requested public testimony.

As there was no testimony, Mayor Weinstein declared the public hearing closed at 7:02 p.m.



**PUBLIC HEARING ON RESOLUTION NO. 09-2266 – AMENDING  
THE 2009 GENERAL GOVERNMENT BUDGET FOR PUBLIC  
WORKS – WASTEWATER DIVISION**

Mayor Weinstein called the public hearing on Resolution No. 09-2266 to order at 7:02 p.m. and requested public testimony.

As there was no testimony, Mayor Weinstein declared the public hearing closed at 7:03 p.m.



**COMMUNICATIONS**

Mayor Weinstein recognized two employees of the Fire Department, Tracy Mettler and Brian Short, for their recent appointments to Captain and career Firefighter, respectively. Fire Chief Hill presented each with their badges, which Mayor Weinstein pinned on.

Mayor Weinstein read a proclamation announcing March as Brain Injury Awareness Month, and presented it to Jessie Chapman. Ms. Chapman thanked the Council for the proclamation, and expressed appreciation for acknowledging Brain Injury Month. She also thanked the Council for installing an entryway that is ADA accessible.

**PERSONS TO BE HEARD**

Rebecca Kleinschmidt, Executive Director of PATCHWorks, spoke on behalf of the Wellness Coalition. She reiterated a survey that was previously conducted by United Way regarding health concerns in Ketchikan and the ensuing results, and she noted there was an event occurring from 4:30 to 6:00 p.m. on March 10. She encouraged the Council and anyone listening to participate. She answered questions from the Council.

Tom Ferry, 1626 Water Street, spoke in support of the motion to accept the Borough's CPV grant for the promenade improvement. He felt it was something that had gone through the cracks, and was needed very badly. He hoped it could get fast-tracked this year.

Tad McNabb, 1251 Millar, spoke in support of the promenade improvement, stating all the businesses would appreciate it.

Anthony Knuteson discussed the low-speed vehicle issue, stating they would like to be able to rent them out this summer. He stated he was aware there is currently an ordinance prohibiting them, and he would like to see that change so he could operate a business.

**CONSENT AGENDA**

**Approval of Minutes**

Moved by West, seconded by Williams approval of the minutes of the regular meeting of February 19, 2009.

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

**UNFINISHED BUSINESS**

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

Moved by Williams, seconded by Freeman the City Council approve in second 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.

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

Mayor Weinstein said there were items laid on the table, which he neglected to mention earlier, including: appointments to the Southeast Alaska Power Agency; prioritization of City of Ketchikan CPV funding requests; an excerpt from the KMC regarding low-speed

vehicles; and a memorandum from Assistant Manager Martin regarding a potential grant for standpipe construction.

He asked if there were five councilmembers who would consent to adding the item regarding CPV funding requests to the agenda, and at least five were noted.

**Appointments to Boards and Commissions – Mayor Weinstein**

Mayor Weinstein forwarded the following names as recommendations for the Southeast Alaska Power Agency Board:

Jack Dawson (voting member – Ketchikan)  
John Jensen (alternate member – Petersburg)

He asked if there were any objections; none were heard. Mayor Weinstein said Ketchikan also has up to two more alternate positions, and when Mr. Amylon returns he will discuss with him any suggestions. He felt there will probably be staff, either as an alternate or attending as technical committee members.

**NEW BUSINESS**

**Retirement of Solid Waste Collections/Disposal Supervisor**

Mayor Weinstein said the manager has written a memorandum basically saying as much as he hates to lose the retiring Solid Waste Division Collections/Disposal supervisor, if an adjustment is made the Council will be faced with making additional adjustments. No action was taken.

**2009 Community Agency Funding Agreement Between the City of Ketchikan and the Ketchikan Visitors Bureau**

Mayor Weinstein said there was a suggestion last night at the joint City/Borough meeting to engage in a discussion with the City to potentially use some CPV funding to cover some eligible items in the City budget, and then use the supplemented money to fund KVB. He suggested staff engage in a conversation with Borough staff, get something to the Assembly in the near future, and find out if the Assembly will approve it or not. He stated, after that, the Council can deal with it. No objections were heard.

**Discussion of Low-Speed Rental Vehicles – Councilmember Kj Harris**

Councilmember Kj Harris said this was brought forward at the request of Mr. Knuteson, who said he has five of the vehicles already. He answered further questions from the Council.

Several councilmembers spoke in support of revisiting the issue.

March 5, 2009

Mayor Weinstein said the reason the Council got into the low-speed vehicle ordinance at the time was that the Council had spent \$40 million on the berth, and a good portion of it went to rerouting vehicle and pedestrian traffic in an effort to reduce congestion. He reminded there was a proposal to have a number of small, slow-moving vehicles and the Council declined, and used its authority under statute to ban them.

He suggested, based on what he heard, having management and the police chief discuss the issue, criteria, number of vehicles, routes, and no access on the dock itself as that was previously an issue, etc. He said the Council may want to put a one-year trial period on it to see how it goes, and also let the public know.

Councilmember Kj Harris discussed timing, as Mr. Knuteson wanted to conduct business this year.

Mayor Weinstein asked that staff engage in a discussion and bring forward some thoughts and/or issues.

**Reimbursable Services Agreement No. 3-68331-05-07  
Between the City of Ketchikan and the State of Alaska  
Department of Transportation and Public Facilities for  
Tongass Avenue Sewer Replacement Between the Airport  
Ferry and Bryant Street – Change Order No. 5 (Final)**

Moved by Williams, seconded by Coose the City Council approve Change Order No. 5 (final) in the amount of \$24,000 to Reimbursable Services Agreement No. 3-68331-05-07 between the City of Ketchikan and the State of Alaska Department of Transportation and Public Facilities for Tongass Avenue Sewer Replacement between the airport ferry and Bryant Street; and direct the city manager to execute the change order on behalf of the City Council.

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

Councilmember Jason Harris arrived at this point in the meeting.

**Resolution No. 09-2266 – Amending the 2009 General  
Government Annual Budget to Provide a Supplemental  
Appropriation for the Public Works Department –  
Wastewater Division - \$24,000**

Moved by Freeman, seconded by West the City Council approve Resolution No. 09-2266 amending the 2009 General Government Annual Budget to provide a supplemental appropriation for the Public Works Department – Wastewater Division in the amount of \$24,000, and establish an effective date.

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

March 5, 2009

**Ordinance No. 09-1622 – Adding a New Subsection (B) to Ketchikan Municipal Code 10.24.190 Entitled “Proof of Insurance to be Carried and Exhibited Upon Demand” and Amending Ketchikan Municipal Code 10.88.120 Entitled “Disposition of Certain Offenses Without Court Appearance – Schedule of Fines” to Establish a Minimum Fine of \$500.00 Consistent with State Law – First Reading**

Copies of Ordinance No. 09-1622 were available for all persons present.

Moved by Freeman, seconded by Bergeron the City Council approve in first reading Ordinance No. 09-1622 adding a new subsection (b) to Ketchikan Municipal Code 10.24.190 entitled “Proof of insurance to be carried and exhibited upon demand” and amending Ketchikan Municipal Code 10.88.120 entitled “Disposition of certain offenses without court appearance – schedule of fines;” to establish a minimum fine of \$500.00 consistent with State law; and establishing an effective date.

Moved by Jason Harris, seconded by Kj Harris to defer this item to the next meeting.

Motion to defer passed with no objections.

**Amendment No. 3 to Contract No. 07-18 – Design of Phase III Harbor Improvements – PND Engineers, Inc.**

Moved by Williams, seconded by West the City Council approve Amendment No. 3 to Contract No. 07-18 between the City of Ketchikan and PND Engineers, Inc. in an amount not to exceed \$74,820 for design and permit applications for Thomas Basin Phase I – Finger Float Replacement and Bulkhead Repairs; authorize funding in an amount not to exceed \$74,820 from the Port & Harbors Department’s Bar Harbor Phase III Improvements Capital Account; and direct the city manager to execute Amendment No. 3 on behalf of the City Council.

Port and Harbors Director Corporon answered questions from the Council.

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

The Council took a break at 8:01 p.m. and reconvened at 8:10 p.m.

**Award of Contract No. 09-04 – Fiber Optic Cable Placement – Northern Powerline Constructors, Inc. - \$1,012,688**

Moved by Williams, seconded by Kj Harris the City Council accept the bid of Northern Powerline Constructors, Inc. in the amount of \$1,012,688 for Contract No. 09-04, Fiber Optic Cable Placement; establish a 5% contingency in the amount of \$50,634, bringing the total project cost to \$1,063,322; authorize funding in the amount of \$1,063,322 from

March 5, 2009

the 2009 Telecommunications Division's Fiber to the Home Capital Account; and direct the general manager to execute the contract documents on behalf of the City Council.

Telecommunications Division Manager Abbott answered questions from the Council.

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

**Award of Contract No. 09-05 – IP Engineering Services – Daniel White Engineering Services**

Moved by Bergeron, seconded by Williams the City Council award Contract No. 09-05 Telecommunications Division IP Switch and Router Engineering Services, to Daniel White Engineering Services at a cost not to exceed \$100,000 as detailed in the Telecommunications Division manager's memorandum dated February 24, 2009; authorize funding in the amount of \$100,000 from the Telecommunications Division's 2009 Professional Services Account No. 60; and direct the general manager to execute the contract documents on behalf of the City Council.

Telecommunications Division Manager Abbott answered questions from the Council.

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

**Award of Contract No. 09-06 – Telephone Outside Plant Engineering Services – John Carlson Professional Services**

Moved by Freeman, seconded by Williams the City Council award Contract No. 09-06 to John Carlson Professional Services; authorize the KPU general manager to execute a 1,000-hour contract at \$60 per hour in an amount not to exceed \$60,000; authorize funding in the amount of \$60,000 from the Telecommunications Division's 2009 Professional Services Account No. 60; and direct the general manager to execute the agreement on behalf of the City Council.

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

**Change Order No. 2 to Contract No. 08-42 – Ketchikan Lakes Unit No. 3 Rehabilitation Project – NAES Power Contractors, Inc.**

Moved by Freeman, seconded by Coose the City Council approve Change Order No. 2 to Contract No. 08-42, Ketchikan Lakes Unit No. 3 Rehabilitation Project, in the amount of \$40,436.44 between the City of Ketchikan and NAES Power Contractors, Inc.; increase the current contract amount from \$336,740.06 to \$377,176.50 with funding to come from the contract contingency of the 2009 Hydro Modernization Capital Account; and direct the general manager to execute Change Order No. 2 on behalf of the City Council.

March 5, 2009

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

**Renewal of Contract No. 08-03 – Electric Line Construction Work – Chatham Electric, Inc. - \$400,000**

Moved by Bergeron, seconded by Jason Harris the City Council authorize renewal of Contract No. 08-03 Electric Line Construction Work with Chatham Electric, Inc. for one year at such hourly and mobilization rates as detailed in the senior project engineer's memorandum dated February 25, 2009 in an amount not to exceed \$400,000; authorize funding in an amount not to exceed \$300,000 and \$100,000 respectively from the 2009 Electric Division's Pole Replacement Capital Account No. 94 and the 2009 Telecommunications Division's Contractual Services Account No. 53; and direct the general manager to execute the contract documents on behalf of the City Council.

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

**Commercial Passenger Vessel (CPV) Fund Grant for Water Street Pedestrian Improvements**

Moved by Jason Harris, seconded by Coose the City Council authorize the city manager to accept the Ketchikan Gateway Borough CPV grant for Water Street Pedestrian Improvements in the amount of \$150,000; and direct the city manager to execute the grant agreement on behalf of the City Council.

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

**Amendment No. 3 to Contract No. 06-19 – Design of Water Street Sidewalk Widening Improvements – PND Engineers, Inc.**

Moved by Bergeron, seconded by Freeman the City Council authorize the city manager to execute Amendment No. 3 to Contract No. 06-19, Design of Water Street Sidewalk Widening Improvements, between the City of Ketchikan and PND Engineers, Inc. in an amount not to exceed \$34,040, bringing the total contract amount to \$471,469; authorize funding from the Commercial Passenger Vessel Fund grant for Water Street Pedestrian Improvements; and direct the city manager to execute the contract amendment on behalf of the City Council.

Port and Harbors Director Corporon answered questions from the Council.

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

**Prioritization of City of Ketchikan CPV Funding Requests**

Moved by Coose, seconded by Williams the City Council direct the city manager to provide the Ketchikan Gateway Borough Assembly with the priority ranking of CPV applications as determined appropriate by the City Council.

During discussion, the Council determined the order of priority for the projects:

1. Creek Street Trestle System
2. Berth I and II Timber Dock Repairs
3. Berth III Floating Dock
4. Bar Harbor Launch Ramp

Motion passed with no objections.

**VOUCHERS**

Moved by West, seconded by Jason Harris for approval of vouchers to Ketchikan Daily News in the amount of \$8,101.45.

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

Moved by Williams, seconded by West for approval of vouchers to Alaska Outboard Service in the amount of \$9.62.

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

**CITY MANAGER'S REPORT**

**General Government Financial Statements for the Period  
Ending December 31, 2008**

In his report, Manager Amylon provided the General Government financial statements for the twelve months of the year ending December 31, 2008.

Councilmember Coose said the report shows the City only spent 85% on the average of the totals. He felt this has an effect on the reserves and balances being dealt with in 2009. He expressed a concern to put a hold on awarding some capital improvement projects on the General Government side, otherwise things may happen before the budget is reviewed that the Council may want to change.

Mayor Weinstein advised in 2008 the revenues were 93% of the budget amount, and reserves were \$5 million less than what was projected.

March 5, 2009

### **2008 Year-In-Review**

Manager Amylon provided a 2008 Year-in-Review for the Council. He outlined the costs of having it published, and requested Council direction as to how to proceed.

In response to Assistant Manager Martin, the Council felt posting it on the City's website and making copies available to those who ask would be appropriate, as well as advertising that it is available.

### **Change in Parking Designation – Bar Harbor Parking Lot**

Manager Amylon advised, unless directed otherwise, staff will be changing the designation of fourteen vehicle spaces at the Bar Harbor parking lot which front Tongass Avenue from 72-hours to 24-hours effective April 1, 2009.

Port and Harbors Director Corporon answered questions from the Council.

### **Gravina Access Pre-Screening Alternative Memorandum – Federal Highway Administration and Alaska Department of Transportation and Public Facilities**

Manager Amylon reported staff has received a letter from ADOT&PF regarding the 18 build alternatives in the original 2004 environmental impact statement and the Department's anticipation that the number will be reduced to 15. He said if Councilmembers wished to direct staff to forward comments or concerns, the deadline is March 9, 2009.

Councilmember Coose said it is hard to comment, but he felt someone should say the Council wants a hard-link access and quit fooling around. He spoke to a meeting he attended today regarding the alternatives, and he felt the Council needed to think about it and submit comments by deadline.

### **Federal Economic Recovery Legislation**

Manager Amylon reminded Council that the Berth I and II Replacement Project was submitted as a top priority for potential funding through the federal economic recovery package. He reported it looked as if funding for this project is doubtful, and after discussing it with the engineers, staff believes that advertising of the project can be delayed from February 27 to April 1, 2009.

### **K.P.U. MANAGER'S REPORT**

#### **Report of February 21 and 23, 2009 Power Outages**

Assistant Manager Martin transmitted reports from Electric Division's Chief Operator Hallman regarding the February 21 and 23, 2009 power outages.

**CITY CLERK'S FILE** – None

### **CITY ATTORNEY'S FILE**

Councilmember Jason Harris reported he talked several times to Mr. Bradford, who today said he had a couple of cases that were coming to trial in the spring and summer, that he was trying to find someone else to take. He advised Mr. Bradford is interested in the position, and would like to move forward with the process.

Mayor Weinstein requested staff institute the background check.

### **FUTURE AGENDA ITEMS** – None

### **MAYOR AND COUNCIL COMMENTS**

Councilmember Jason Harris said he has received a lot of comments that the public cannot hear the Council at home. He encouraged everyone to speak into the microphones and speak up. He congratulated the Fire Department personnel on their appointments. He felt it pertinent for management to encourage employees to suggest ways of saving money in the workplace. He suggested a drop box or some other way for the suggestions to come forward. He said it has been brought to his attention that some employees may not always be putting their best effort forward during the workday. He encouraged them to do that because if people aren't giving their all while on the job, perhaps all the positions that are out there don't need to be filled. He continued by thanking Finance Director Newell for the yearly financial report, and the management team for the Year-in-Review. In reviewing ways to save money, he pointed out the Electric Division manager search has cost approximately \$39,700.

Councilmember Williams handed out a petition he received from Mike Holman, containing signatures from people who are concerned with taxes in the Borough. He said they wanted to make sure the Council had copies before looking at the budget again.

Councilmember Coose said the Year-in-Review is a good report, and it would be good to have it on the website. He stated people he has talked to don't want a tax increase, and employees need to bring forward ideas to save money.

Councilmember Freeman felt the idea of employee suggestions to save money was a good one, but that there should be an incentive behind it. He felt if the Council was going to try and encourage people to bring forward ideas to save money, it would have to be worth their while. He pointed out there are a lot of placeholders in the budget, which artificially inflates it. He felt the Council needed to look closely at those types of things, because there is ton of money to save if they do.

Councilmember Bergeron said he appreciated Mr. Jason Harris' state of the economy, noting we are in serious times. He stated he appreciated Mr. Freeman's idea of rewarding people who save money, but at this point, we're looking at saving jobs. He felt the Council needed to find the economies in the budget where they can, so we can keep as many people as we have around. He explained everyone is losing people because of the government's inability to fund them. He said we are funding positions out of reserves,

March 5, 2009

which he didn't feel was the function of reserves, to continue funding a bureaucracy that has outgrown the size of the ability of the people to pay for it. He stated the Council will have to be doing some serious things. He explained he will be traveling during the next Council meeting, but will be appearing telephonically, hopefully by Skype.

Councilmember West said the KPU Advisory Board has not been forgotten, but a sufficient number of people have not submitted applications to make appointments. She explained the process will continue because there is a lot of potential for the KPU Advisory Board to do good for the utility and the community.

Mayor Weinstein said the SEAPA Board met, and notice to proceed was given to Wilson Construction to construct the Intertie, a \$23 million contract. He said as part of the restructuring, SEAPA bonded for \$16 million, \$5 million of which will go to complete the Intertie if necessary. He said hopefully at the end of the year electricity will be coming across the line, and the new SEAPA Board will be meeting in Ketchikan at the end of the month. He reported DOT had a meeting today to go over the Gravina Access options, and he said one of their spokespeople was on the radio admitting that 6 or 8 of the options are over the budget they think the governor will sign off on. As a result, he didn't feel these options were very serious. He urged everyone to contact their legislators regarding the bridges and trestles, noting he has written a letter. He expressed perhaps if Anchorage and other areas are getting substantial amounts of federal money, the little bit of state money that may be in the capital budget can go to those areas that are not getting the federal money. He urged the Council to write.

Mayor Weinstein continued that HB 134 relative to cruise ship wastewater discharge has moved ahead. He stated the initiative sponsors, in coordination with a legislator from the Kenai Peninsula, introduced an amendment that would set aside up to 50% of the state's marine passenger fee revenue. He said this money would be distributed, for instance, to Ketchikan to upgrade the wastewater treatment plant so we could accept cruise ship waste. He said they could then go to an ultra-high standard for us. He said the preliminary estimate he got was about \$20 million to \$40 million to upgrade it, and an extra \$1 million to \$3 million to maintain it yearly. He said, unless he hears differently, he would oppose the amendment, and he found it ironic that the same people who conspire to deprive the City of any share of the \$50 million the state gets in terms of the first five port of call distribution, are now giving us what we don't want. He resented them telling the Council what their capital priorities ought to be, which he felt was the Council's job.

He said the next few weeks the legislature will be dealing with capital projects and economic stimulus money, so all who are interested should participate and stay tuned.

**OTHER NEW BUSINESS** – None

**EXECUTIVE SESSIONS** – None

**ADJOURNMENT**

As there was no further business, the Council adjourned at 9:05 p.m.

March 5, 2009

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Bob Weinstein, Mayor

ATTEST:

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Katherine M. Suiter  
City Clerk

**FYI ITEMS INCLUDED**

PATCHWorks, Inc.'s Quarterly Activity Report – October Through December 2008  
Southeast Senior Services' Quarterly Activity and Financial Reports – October Through  
December 2008  
February 13 and 20, 2009 Editions of the Legislative E-Bulletin  
February 13, 2009 Senator Bert Stedman Newsletter  
Unapproved Minutes of the February 10, 2009 Port and Harbors Advisory Board  
Meeting