

The reconvened regular Ketchikan City Council meeting was called to order by Mayor Weinstein at 7:07 p.m., March 24, 2009, with the following members present: Sam Bergeron, Dick Coose (via teleconference), Charles Freeman, Jason Harris, Kj Harris and Lew Williams III. Councilmember Marty West 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, Human Resources Manager Miller, Police Chief Talik, Public Works Director Hansen, Telecommunications Division Manager Abbott, Water Division Manager Kleinegger, Senior Project Engineer Brakke, Solid Waste Division Supervisor Sivertsen, Assistant Public Works Director Allen, Telecommunications Division Engineer Hunt and City Clerk Suiter.

COMMUNICATIONS

Mayor Weinstein said there was an aerial photo of Frances Williams' property laid on the table.

Mayor Weinstein said there were two proclamations, one for Inga Brinck Hansen Day and one for Japan Day, both of which he previously read at respective events. He asked if there were any objections to reading and presenting resolutions to two City employees who were retiring, and none were heard.

Resolution No. 09-2264 – Recognizing Bob Sivertsen for His Years of Services at the Public Works Solid Waste Division for the City of Ketchikan

Mayor Weinstein read the Resolution No. 09-2264 and presented it to Bob Sivertsen.

Moved by Williams, seconded by Jason Harris the City Council approve Resolution No. 09-2264 recognizing Bob Sivertsen for his years of services at the Public Works Department Solid Waste Division for the City of Ketchikan and establishing an effective date.

Several councilmembers thanked Mr. Sivertsen for his dedication and wished him well. Mr. Sivertsen said this is an honor, and what has made his job so easy is the support from staff and the rest of the City's departments. He said the public has been wonderful.

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

Resolution No. 09-2268 – Recognizing Rick Thynes for His Years of Service at the Ketchikan Public Utilities Electric Division

Mayor Weinstein read Resolution No. 09-2268.

Moved by Jason Harris, seconded by Williams the City Council approve Resolution No. 09-2268 recognizing Rick Thynes for his years of service at the Ketchikan Public Utilities Electric Division and establishing an effective date.

Mayor Weinstein said Mr. Thynes was present on Thursday when the meeting was postponed due to lack of quorum, but he was not here tonight. Mayor Weinstein thanked him for his many years of dedicated service to KPU.

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

PERSONS TO BE HEARD – None

CONSENT AGENDA

Approval of Minutes

Moved by Jason Harris, seconded by Williams approval of the minutes of the joint City/Borough special meeting of March 4 and regular meeting of March 5, 2009.

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

**Declaration of Surplus Material – Water Division
Redwood Staves**

Moved by Jason Harris, seconded by Williams pursuant to Section 3.12.070 of the Ketchikan Municipal Code, the City Council declare the redwood staves described in the Water Division manager’s memorandum dated March 2, 2009 as surplus and authorize the KPU general manager to dispose of such property as determined appropriate.

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

UNFINISHED BUSINESS

**Ordinance No. 09-1622 – Adding a New Subsection (b) to
KMC Section 10.24.190 Entitled “Proof of Insurance to be
Carried and Exhibited Upon Demand” and Amending
KMC Section 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 – Deferred from March 5, 2009**

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

The deferred motion before the Council was:

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 Williams to postpone to the second regular meeting in April.

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

Appointments to Boards and Commissions – Mayor Weinstein

Mayor Weinstein submitted the name of Mary Beth Schmidt for a position on the Gateway Center for Human Services Advisory Board, and asked if there were any objections. None were heard.

NEW BUSINESS

Discussion of Speed Limit Enforcement – Councilmember Freeman

Councilmember Freeman said he got a lot of phone calls about vehicle speeds in residential neighborhoods. He said there seems to be no enforcement and non-response to complaints. He felt the Council needed to ask the Police Department to pay attention to what goes on in residential areas as far as traffic is concerned and what speeds are involved. He didn't feel that anyone paid attention because everybody knows they are not going to get busted.

Councilmember Bergeron said the safety needed to be improved, and Councilmember Freeman said his comments weren't targeted at kids but at adults who knew better.

Mayor Weinstein commented if the Police Department wants to make some extra revenue, have a unit at the bottom of Forest on the town side, because he is about the only person he knows who uses the stop sign that is there.

Award of Contract No. 09-12 – Rear Loading Truck for Refuse Collection – Cascadia International, LLC - \$155,529

Moved by Williams, seconded by Jason Harris the City Council accept the bid of Cascadia International, LLC of Anchorage, Alaska in the amount of \$155,529 for Contract No. 09-12, Rear Loading Truck for Refuse Collection; authorize funding in the amount of \$155,529 from the Solid Waste Division's 2009 Packer Vehicle Replacement Capital Account; and direct the city manager to execute the contract documents on behalf of the City Council.

Manager Amylon and Solid Waste Division Supervisor Sivertsen answered questions from the Council.

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

Designating April 18 Through April 25, 2009 as Spring Clean-Up Week

Moved by Jason Harris, seconded by Freeman the City Council designate April 18 through April 25, 2009 as Ketchikan Spring Clean-Up Week.

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

Award of 2009 Hazardous Household Waste Collection and Removal Agreement – Carson Dorn, Inc.

Moved by Williams, seconded by Jason Harris pursuant to Sections 3.12.050(a)(2) and (9) of the Ketchikan Municipal Code, the City Council approve the Hazardous Household Waste Collection and Removal Agreement between the City of Ketchikan and Carson Dorn, Inc. in the amount of \$55,500; authorize funding from the Solid Waste Disposal Division's 2009 Contractual Services Account No. 53; and direct the city manager to execute the agreement on behalf of the City Council.

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

Conveyance of Municipally-Owned Property to Ms. Frances Williams – Portions of Lot B and Partial Lot 6, Block 27, U.S. Survey 437

Moved by Williams, seconded by Jason Harris the City Council (1) direct the city manager to prepare the necessary ordinance and documents to quitclaim to Frances

Williams those portions of Lot 5B and partial Lot 6, Block 27, U.S. Survey 437 which lie under her house in exchange for: (A) a release of any claims she may have over the remaining portion of partial Lot 6 which is claimed by the City; and (B) a release of any claims she may have to any rights of easement over Lot 5A and the remainder of Lot 5B; and (2) to the extent permitted by its easement from the University of Alaska, the City release any rights it has under the easement to use the land on which Ms. Williams' house is located for the new East Street right-of-way.

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

Award of Contract No. 09-10 and Authorization of Budget Transfer, Denali Avenue Drainage Improvements Project – S&S General Contractors & Equipment Rental, Inc. - \$236,500

At the request of Mayor Weinstein, Manager Amylon provided staff's position on the project. He reminded a state of emergency was declared relative to the flooding over in the Denali and Hawkins Avenue area. He advised staff stabilized the situation, and in January a report was provided to the Council with three different options relative to how the repair could be affected. He continued at that time staff's concern was it was not a public drainage system, and that the City had no responsibility. He noted staff was directed to try to negotiate with the property owners to share the cost of the repairs, which would have included some City participation. He said several property owners came before the Council and indicated they had no interest in participating in the shared cost other than a city-wide drainage district, which staff is continuing to look at, but they were not interested in an LID or a negotiated settlement. He reported at that time he advised the Council if they elected to award a contract and direct staff to move forward with an LID, if a sufficient percentage of the property owners objected – according to the KMC before the LID could be finalized – it would require six affirmative votes of the Council.

Manager Amylon stated if the Council accepted the bid tonight and if they directed staff to pursue an LID with no firm guarantee that the project will end up in a local improvement district, he felt it was safe to assume there would not be a negotiated agreement with the property owners. He said in case the LID fails, the contract has been awarded and work is the City's and a precedence would be set. He felt there was a strong possibility there will be similar drainage circumstances over time. He advised there has been much private development of these types of drainage systems, and the regulations have not been in place to adequately deal with it. He said the Council is confronted now with what staff knows is not a good situation, and if the City doesn't act there are bound to be problems, and if the City does act the Council runs the risk of indirectly committing the City to address future problems that may or may not be the City's.

Public Works Director Hansen answered questions from the Council.

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Councilmember Freeman said he didn't want to award a contract that committed the City to fixing all kinds of problems that may or may not have been partly the City's fault. He said until there is some sort of vehicle to deal with the problem citywide, he is not going to set a precedent.

Mayor Weinstein asked the Council to get their schedules to the clerk, and possibly the week after or in a couple weeks a special meeting could be scheduled to go over some of these issues. He felt there were a number of options, which the Council should go over and weigh.

Councilmember Williams said the problem should be fixed, and then continue working on it. He said it will be really complicated and the Council needs to look at it.

Both Councilmembers Coose and Jason Harris expressed the problem needs to be fixed.

Councilmember Freeman said at the last meeting the Council discussed how to hold the line, not increase the budget and not increase taxes, and here we're taking a quarter of a milling dollar hit out of sympathy for a problem where the City is minimally responsible. He said his sympathy level went down a lot, not for the people who live up there, but for the Council that seems to have a tendency to speak out of both sides of its mouth.

The Council discussed holding a special meeting, and tentatively set the date at April 14.

Moved by Freeman, seconded by Jason Harris the City Council accept the bid of S&S Contractors & Equipment Rental, Inc. of Sitka, Alaska in the amount of \$236,500 for Contract No. 09-10, Denali Avenue Drainage Improvements Project; establish a 10% contingency, bringing the total contract cost to \$260,150; authorize a \$300,000 transfer from Appropriated Reserves of the Public Works Sales Tax Fund to the 2009 Street Division's Denali Avenue and Hawkins Avenue Landslide and Flooding Remediation Capital Account; and direct the city manager to execute the contract documents on behalf of the City Council.

Mayor Weinstein asked the intent of the Council as far as giving direction to staff, and it was discussed that direction could be given at the special meeting.

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

The Council took a short break at 8:05 p.m. and reconvened at 8:15 p.m.

**Offers of Employment – Telecommunications Division
Marketing Manager**

Moved by Williams, seconded by Bergeron the City Council authorize the general manager to offer the position of Telecommunications Division marketing manager to

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Michelle Houtcooper of Tallahassee, Florida based on a compensation level of 56R at an annual salary of \$62,220 and moving expenses not to exceed \$8,500.

Telecommunications Division Manager Abbott answered questions from the Council. After discussion, staff was asked to look at examining the possibility of commission versus salary.

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

Moved by Williams, seconded by Jason Harris the City Council authorize the general manager to offer the position of Telecommunications Division marketing manager to Kim Simpson McCord of Ketchikan, Alaska based on a compensation level of 56R at an annual salary of \$62,220.

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

Resolution No. 09-2267 – Amending the City’s PERS Participation Agreement by Adding the Solid Waste Collections/Disposal Supervisor to the PERS Retirement System

Moved by Jason Harris, seconded by Freeman the City Council approve Resolution No. 09-2267 amending the City’s PERS Participation Agreement by adding the Solid Waste Collections/Disposal supervisor to the PERS Retirement System and establishing an effective date.

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

Award of Contract No. 09-15 – Materials and Equipment for Fiber to the Home – Codale Electric Supply - \$293,586.21

Moved by Williams, seconded by Jason Harris the City Council accept the bid of Codale Electric Supply of Orem, Utah in the amount of \$293,586.21 for Contract No. 09-15, Materials and Equipment for Fiber to the Home; authorize funding in the amount of \$293,586.21 from 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.

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

VOUCHERS

Moved by Jason Harris, seconded by Bergeron for approval of vouchers to Ketchikan Daily News in the amount of \$381.00.

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

CITY MANAGER'S REPORT

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

In his report, Manager Amylon provided a copy of the project status report of the Public Works Department for the month of February 2009.

Acting Solid Waste Division Supervisor

Manager Amylon informed he would appoint Larry Karels as Acting Solid Waste Division Supervisor upon the retirement of Bob Sivertsen.

City Attorney Search

Manager Amylon advised staff received the paperwork from Mr. Bradford to begin the background check, and staff is proceeding. He said once those are back, he will provide them to the mayor, at which time he assumes the mayor will appoint a committee to begin talking to Mr. Bradford.

Gateway Center for Human Services Grants

Manager Amylon reported the grant solicitations for Gateway Center for Human Services were out, and he reminded the Council there would be a special meeting on that to provide staff some direction.

Grant Street Trestle Repair

In response to Councilmember Kj Harris, Manager Amylon said work is proceeding very well. He explained staff is opening the inner lane during the evenings and a portion of the weekends, but it is closed during the day while work is being done. He stated the inner lane should be opened permanently next week and it will be opened to two-way traffic as soon as possible. He commended Pool Engineering for their work, as they have really worked well with the City's structures and are doing a good job. He said the costs would be approximately \$435,000.

K.P.U. MANAGER'S REPORT

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Utility Operating Divisions' Project Status Reports – February 2009

Manager Amylon provided copies of the Utility's operating divisions' project status reports for the month of February 2009.

Report of March 12, 2009 Power Outage

Manager Amylon included a memorandum from Electric Division Powerhouse Operator Kackman regarding the March 12, 2009 power outage.

March 8 and 10, 2009 Telecommunications Division Internet Outages

Manager Amylon copied the Council with a memorandum from Telecommunications Division Manager Abbott regarding the March 8 and 10, 2009 Internet outages.

Diesel Surcharge

Manager Amylon reported the diesel generators have been operating since February 23, 2009 in order to meet demand. He noted it will be necessary to implement the diesel surcharge beginning April 5, 2009. In response to a request from Mayor Weinstein, he noted Finance Director Newell has reviewed the methodology utilized by Alaska Light and Power Company in Juneau, and a copy of Mr. Newell's memorandum was attached.

Manager Amylon said the numbers are still increasing due to continued operation of the diesels. He noted Swan Lake will be going down for maintenance, so right now we're looking at surcharges that will bring the residential kilowatt hour rate to about \$0.1047 cents and \$0.0986 cents per kWh.

Order on Offer of Settlement and Issuing Original License – Whitman Lake Hydroelectric Project

Manager Amylon said FERC has issued a permit for Whitman Lake, which staff is reviewing. He informed the City has 30 days to accept or reject it, and based on the review to date there weren't a lot of surprises so the City will probably end up accepting the permit, under which the City will be obligated to begin construction within two years and complete it within five.

Long Distance Service

In response to Councilmember Jason Harris, Telecommunications Division Manager Abbott said IP long distance is a different product than the normal long distance as it travels over the internet. He said the traffic going into the villages in Alaska doesn't work very well, and they are trying to get it working well so they can offer a full package. He

said they are also short-staffed and he didn't want to introduce the new product while staffing was down. He noted it works very well in the lower 48 and Canada, it is just the Alaska piece that needs to be working properly.

CITY CLERK'S FILE – None

CITY ATTORNEY'S FILE – None

FUTURE AGENDA ITEMS – None

MAYOR AND COUNCIL COMMENTS

Councilmember Jason Harris pointed out a section of minutes that highlighted the motion selecting a site for the new fire station. He said he was gone last week and had a few questions about it the week before, and since he's been home he had has two different people ask him about it. He advised when he went to Juneau on the legislative fly-in, he was asked by legislators whether a site had been chosen, and he told them yes. He noted there was discussion after the motion was adopted, but no other motions were passed alternatively. He said he brought it up with a couple of people in the City today if they knew what the site of the new fire station would be, and they couldn't give him the right answer. He said he hoped the paper or the people watching tonight would note that, yes, the Council has designated that site for a new fire station. He stated the important part is that Juneau understand the Council has made the decision. He continued by thanking Mr. Sivertsen and Mr. Thynes for their efforts over the years.

Councilmember Kj Harris said we sure have a lot of money projects coming up, and we have to come up with answers on how to pay for them. He noted we don't have the money and he was betting it would come from the citizens.

Councilmember Freeman said, in answer to Kj's question, no taxing body has ever gone broke. He said if the City wants to accept responsibilities and spend money, at some point in time the hard realization will come that you're going to have to pay for it. He stated he would much prefer to see an answer to the question of who is going to pay for it in place before coming to the conclusion that the City is going to pay for it. He said he had nothing against fixing the drainage, and he had nothing against the people who live in the area, he just sees a large can of worms that has been opened that he sees no way around.

Mayor Weinstein said he talked to the manager about the bridges and trestles issue, trying to generate some different ideas as to how it can be approached and still move ahead as a City on many other things that need to be done. He felt there was a way to get there, noting it was helpful the Borough took the action it did preliminarily to contribute \$1 million of CPV money for our port and other projects. He said, with the right package, it might work fine. He continued, with regards to Mr. Bradford, unless there are objections, he reminded a contract was (previously) developed and approved by Council for the first person, and he suggested offering that as pretty much a final contract to Mr. Bradford. No

objections were heard. He said it will come back to the Council but he didn't want to spend a lot of time negotiating.

Mayor Weinstein continued the first meeting of the reconstituted board of the Southeast Alaska Power Agency will be held at the Ted Ferry Civic Center on Thursday at 1:00 p.m.

Councilmember Coose left the meeting at this point.

OTHER NEW BUSINESS – None

EXECUTIVE SESSIONS

Request for Executive Session – Collective Bargaining Agreement Between the City of Ketchikan and the International Brotherhood of Electrical Workers, Local 1547

Moved by Bergeron, seconded by Williams the City Council declare that consistent with the city manager's memorandum dated March 12, 2009 it is in the best interest of the City to discuss negotiations regarding a collective bargaining agreement between the City of Ketchikan and the International Brotherhood of Electrical Workers, Local 1547 in executive session; in accordance with that finding, the City Council go into executive session in accordance with KMC 2.04.025(a)(1) and (b)(2) and AS 44.62.310(c)(1) and (3) to discuss said negotiations and the auxiliary items described in the city manager's memorandum dated March 12, 2009, which matters include the need to discuss subjects the knowledge of which would have an adverse impact upon the finances of the City and upon the City's ability to negotiate favorable labor settlements.

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

The Council recessed into executive session at 8:47 p.m. and reconvened at 8:59 p.m.

Mayor Weinstein said the Council has completed an executive session regarding a collective bargaining agreement between the City of Ketchikan and the International Brotherhood of Electrical Workers, Local 1547, and no action would be taken tonight.

Councilmember Jason Harris left the meeting at this point.

Request for Executive Session – Collective Bargaining Agreement Between the City of Ketchikan and the Public Safety Employees Association

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Moved by Williams, seconded by Freeman the City Council declare that consistent with the city manager's memorandum dated March 12, 2009 it is in the best interest of the City to discuss negotiations regarding a collective bargaining agreement between the City of Ketchikan and the Public Safety Employees Association in executive session; in accordance with that finding, the City Council go into executive session in accordance with KMC 2.04.025(a)(1) and (b)(2) and AS 44.62.310(c)(1) and (3) to discuss said negotiations and the auxiliary items described in the city manager's memorandum dated March 12, 2009, which matters include the need to discuss subjects the knowledge of which would have an adverse impact upon the finances of the City and upon the City's ability to negotiate favorable labor settlements.

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

The Council recessed into executive session at 9:02 p.m. and reconvened at 9:07 p.m.

Mayor Weinstein said the Council has completed an executive session regarding a collective bargaining agreement between the City of Ketchikan and the Public Safety Employees Association and no action would be taken tonight.

ADJOURNMENT

As there was no further business, the Council adjourned at 9:07 p.m.

Bob Weinstein, Mayor

ATTEST:

Katherine M. Suiter
City Clerk

FYI ITEMS INCLUDED

Lake Levels and System Generation Report – February 2009
Water Utilization Study Report – February 2009