

Regular Ketchikan City Council meeting was called to order by Mayor Williams at 7:03 p.m., November 5, 2009, with the following members present: Dick Coose, Jason Harris (via teleconference), Kj Harris, Matthew Olsen, Jack Shay, Robert Sivertsen and Marty West.

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

Staff present were Manager Amylon, Assistant Manager Martin, Finance Director Newell, City Attorney Bradford, Fire Chief Hill, Human Resources Manager Miller, Police Chief Talik, Acting Public Works Director Allen, Electric Division Manager Kline, Assistant Telecommunications Division Manager Lindgren, Water Division Manager Kleinegger, Electric Division Operations Manager Adams, Senior Project Engineer Brakke, Building Official Dearden, Senior Project Engineer Holstrom and City Clerk Suiter.



**PUBLIC HEARING ON RESOLUTION NO. 09-2299 – AMENDING
THE 2009 KETCHIKAN PUBLIC UTILITIES ANNUAL BUDGET –
ELECTRIC DIVISION - \$1.245 MILLION**

Mayor Williams called the public hearing on Resolution No. 09-2299 to order at 7:03 p.m. and requested public testimony.

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



**PUBLIC HEARING ON RESOLUTION NO. 09-2300 – AMENDING
THE 2009 GENERAL GOVERNMENT ANNUAL BUDGET – PORT
DEPARTMENT - \$212,500 AND POLICE DEPARTMENT - \$3,566**

Mayor Williams called the public hearing on Resolution No. 09-2300 to order at 7:04 p.m. and requested public testimony.

As there was no testimony, Mayor Williams declared the public hearing closed at 7:04 p.m.



COMMUNICATIONS

In the Council packet was a memorandum from Councilmember Shay as a spoof on the play, “Wizard of Oz.”

Mayor Williams said there were several items laid on the table including: more information on the proposed restrooms for the Thomas Basin area; a resolution honoring

Tom Friesen; additional information regarding the pedestrian access easement for Talbot's Inc.; a status report regarding the Swan Lake-Lake Tyee Intertie; and a memorandum from Manager Amylon regarding the need for new heating controls at the Ted Ferry Civic Center.

Mayor Williams asked if there were any objections to adding the resolution concerning Tom Friesen and the issue regarding the need for new heating controls at the Ted Ferry Civic Center to the agenda, and none were heard.

PERSONS TO BE HEARD

Robert Boyle, Superintendent of the Ketchikan Gateway Borough School District, spoke regarding the School Resource Officer Program. He felt it was a good example of working together in a collaborative fashion. He emphasized that without the City's support, the program goes away. He said they were requesting an extension of time until May 1, 2010 for the program instead of the original time of December 31, 2009. He discussed funding and methods it might be obtained to retain this position in the schools. He said the time extension would give the school district the opportunity to create the program in terms of funding to bring it forward. He also felt it would provide time for other entities to come up with funding for the program. He answered questions from the Council. Councilmember Kj Harris requested Mr. Boyle bring the issue back to the Council after the next school board meeting, to let the Council know where the school board stands.

Dave Nesje, Chairman of the Ports and Harbors Board, said the board is concerned about the restrooms proposed for location in the Stedman-Thomas Street area. He said they are concerned about maintenance and operation of the sites, as well as ADA accessibility. He also expressed concern about possible costs dealing with existing conduits with one site.

John McCray, owner of J&S Timber Products, spoke to the possibility of purchasing blown down timber from the City. He said the timber is valuable for tone wood, which is timber that has been lying on the ground for at least ten years and is used for musical instruments. In response to Mayor Williams, he cited some areas owned by the City where this timber is located. Mayor Williams encouraged him to talk to the manager's office regarding the issue.

Kyan Reeve spoke about the restrooms in the Stedman-Thomas area, giving a brief history of the process. He related the funds to pay for the facility come from Borough CPV funds, stating they had discussed the issue with the Port and Harbors director and the assistant city manager who agreed there was a definite need. Mr. Reeve answered questions from the Council. Mayor Williams encouraged the Stedman-Thomas Street Association to discuss the issue with the Port and Harbors Advisory Board and work out a compatible location.

November 5, 2009

Kent Miller said he has been working with the Stedman-Thomas Street Association, and he related the process that has taken place to date. He advised they were encouraged to come before the Council by the Port and Harbors director, and stated they can certainly go back to the Port and Harbors Advisory Board for discussion.

Janine Gibbons, Stedman-Thomas Street area business owner, addressed the need for restrooms in the area. She felt that end of town has been neglected and she is frustrated. She said they have done a lot of work to get this far, and they need confirmation that the City is willing to work with them in putting in the restrooms.

Manager Amylon introduced David Johnston, Foreman of the Water Division, and explained Mr. Johnston has been with the Water Division since 1990. He attested to Mr. Johnston's tireless efforts to make the division what it is today in keeping safe drinking supply available to the citizens of Ketchikan. He said he is Mr. Kleinegger's right hand man and is an invaluable asset to him. He stated he was pleased to learn that the Alaska Rural Water Association named Mr. Johnston the Water Operator of the Year.

Mr. Johnston said he has seen a lot of Councils during the time he has worked here, and it has been a pleasure. He said he hopes to get to retirement age, which is another 19 years.

Dave Nesje addressed the Council once again, reminding the Council that the Port and Harbors Fund is an enterprise fund. He expressed concern about how to pay for maintenance and operations for public restrooms.

Resolution No. 09-2302 – Expressing Sympathy to the Family of Tom Friesen and Recognizing His Service to the City of Ketchikan and Ketchikan Public Utilities

Mayor Williams read Resolution No. 09-2302 aloud.

Moved by Coose, seconded by West the City Council approve Resolution No. 09-2302 expressing sympathy to the family of Tom Friesen and recognizing his service to the City of Ketchikan and Ketchikan Public Utilities; and establishing an effective date.

Motion passed with Kj Harris, Coose, Sivertsen, West, Shay, Olsen and Jason Harris voting yea.

CONSENT AGENDA

Mayor Williams suggested moving several items to the Consent Agenda: the budget transfer for headend expansion and video set top boxes; the budget transfer relative to Amendment No. 1 to Contract No. 09-47; Change Order No. 3 to Contract No. 05-25; various General Government departmental budget transfers; Change Order No. 1 to Contract No. 08-06; and a budget transfer for the 2009 Telecommunications Division Utilities Account. Councilmember West suggested the budget transfer for replacement of

the Ted Ferry Civic Center heating controls also be added. He asked if there were any objections, and none were heard.

Approval of Minutes

Moved by Sivertsen, seconded by Jason Harris approval of the minutes of the special meetings of October 12, 2009 and regular meeting of October 15, 2009.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

**Change Order No. 1 (Final) to Contract No. 09-26, 2009
Bituminous Paving Overlay Program – Secon, Inc.**

Moved by Sivertsen, seconded by Jason Harris the City Council approve Change Order No. 1 (Final) in the amount of \$17,490.10 to Contract No. 09-26, 2009 Bituminous Paving Overlay Program, between the City of Ketchikan and Secon, Inc.; authorize funding from the Street's Division 2009 Overlay Asphalt Streets Capital Account; and direct the city manager to execute the change order on behalf of the City Council.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

Liquor License Renewals

Moved by Sivertsen, seconded by Jason Harris the City Council approve the renewal of liquor license: Beverage Dispensary – Mike's Elbow Room and Sourdough Bar; and Package Store – Sourdough Liquor Store.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

**One-Year Extension of Contract No. 08-27, Ambulance
Billing, Collection and Financial Reporting Services –
Systems Design Northwest, Inc.**

Moved by Sivertsen, seconded by Jason Harris the City Council extend Contract No. 08-27, Ambulance Billing, Collection and Financial Reporting Services between the City of Ketchikan and Systems Design Northwest, Inc. for an additional 12-month period as detailed in staff's report dated October 27, 2009; authorize funding from the Fire Department's 2009 Contractual Services Account No. 53; and direct the city manager to execute the extension on behalf of the City.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

Resolution No. 09-2273 – Adopting Identity Theft Prevention Programs

Moved by Sivertsen, seconded by Jason Harris the City Council approve Resolution No. 09-2273 adopting identity theft prevention programs; and establishing an effective date.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

Resolution No. 09-2299 – Amending the 2009 Ketchikan Public Utilities Annual Budget to Provide a Supplemental Appropriation for the Electric Division in the Amount of \$1,245,000; Approving the Transfer of \$920,000 from the Purchased Power Account to the Generation Fuel Account

Moved by Sivertsen, seconded by Jason Harris the City Council approve Resolution No. 09-2299 amending the 2009 Ketchikan Public Utilities Annual Budget to provide for a supplemental appropriation for the Electric Division in the amount of \$1,245,000; approving the transfer of \$920,000 from the Purchased Power Account No. 69 to the Generation Diesel Fuel Account No. 29; and establishing an effective date.

Finance Director Newell answered questions from the Council.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

Resolution No. 09-2300 – Amending the 2009 General Government Annual Budget to Provide Supplemental Appropriations for the Port Department in the Amount of \$150,000 and \$46,875 and the Police Department in the Amount of \$3,566; Approving the Transfer of \$15,625 from Appropriated Reserves of the Port Fund to the Mass Evacuation Exercise Account

Moved by Sivertsen, seconded by Jason Harris the City Council approve Resolution No. 09-2300 amending the 2009 General Government Annual Budget to provide supplemental appropriations for the Port Department in the amount of \$150,000 and \$46,875 and the Police Department in the amount of \$3,566; approving the transfer of \$15,625 from Appropriated Reserves of the Port Fund to the Mass Evacuation Exercise Account No. 32; and establishing an effective date.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

Resolution No. 09-2301 – Requesting a Renewable Energy Fund Grant from the Alaska Energy Authority Pursuant to Chapter 31 SLA Alaska House Bill 152 for Ketchikan Public Utilities’ Whitman Lake Hydroelectric Generation Facility

Moved by Sivertsen, seconded by Jason Harris the City Council approve Resolution No. 09-2301 requesting a Renewable Energy Grant from the Alaska Energy Authority pursuant to Chapter 31 SLA House Bill 152 for Ketchikan Public Utilities’ Whitman Lake Hydroelectric Project; and establishing an effective date.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

Budget Transfer – Headend Expansion and Video Set Top Boxes

Moved by Sivertsen, seconded by Jason Harris the City Council authorize the KPU general manager to increase the Telecommunications Division’s 2009 Headend Expansion and Video Set Top Box Capital Accounts by \$85,000 and \$75,000, respectively, by transferring from within the 2009 Telecommunications Division Budget \$5,000 from the Travel Account No. 27, \$15,000 from the Education & Travel Account No. 41, \$50,000 from Contractual Services Account No. 53, \$50,000 from the Professional Services Account No. 60, \$25,000 from the Materials and Services Account No. 89, and \$15,000 from the Normal Growth Wireless Capital Account for a total of \$160,000.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

Budget Transfer – Amendment No. 1 to Contract No. 09-47, 2009/2010 Interim Repairs to Berths I and II, PND Engineers, Inc.

Moved by Sivertsen, seconded by Jason Harris the City Council approve Amendment No. 1 in the amount of \$34,600 to Contract No. 09-47, 2010/2011 Interim Repairs to Berths I and II, between the City of Ketchikan and PND Engineers, Inc.; authorize a budget transfer of \$34,600 from Appropriated Reserves of the Port Enterprise Fund to the 2009 Port Department’s 2009/2010 Interim Repairs to Berths I and II Capital Account; and direct the city manager to execute the amendment on behalf of the City Council.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

**Change Order No. 3 (Final) to Contract No. 05-25,
Engineering Services for Upgrade of Hydroelectric Plants
– Hatch Acres Corporation**

Moved by Sivertsen, seconded by Jason Harris the City Council approve Change Order No. 3 in the amount of \$6,912.56 to Contract No. 05-25, Engineering Services for Upgrade of Hydroelectric Plants, between Ketchikan Public Utilities and Hatch Acres Corporation; increase the project contingency by \$6,769.56, bringing the total project cost to \$542,834.56; authorize funding from the Electric Division's 2009 Hydro Modernization Capital Account; and direct the general manager to execute the change order on behalf of the City Council.

Electric Division Manager Kline answered questions from the Council.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

**Various General Government Departmental Budget
Transfers**

Moved by Sivertsen, seconded by Jason Harris the City Council authorize the city manager to transfer \$211,521 from various accounts, including \$211,492 from Appropriated Reserves, in order to address requests for additional funding from various departments as outlined in the finance director's report of October 29, 2009.

The transfers in the finance director's report included:

Library Department – Training - \$29
Library Department – Contract Services - \$13,712
Public Works Streets Division – Overtime - \$55,000
Public Works Streets Division – Denali/Hawkins landslide - \$42,780
Public Works Streets Division – Public Art - \$50,000
Port Department – Public Art - \$50,000

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

**Change Order No. 1 (Final) to Contract No. 08-06 –
Ketchikan Police Station Standby Genset Replacement,
Pool Engineering**

Moved by Sivertsen, seconded by Jason Harris the City Council approve Change Order No. 1 (Final) in the amount of \$56,665 to Contract No. 08-06, Ketchikan Police Station Standby Genset Replacement between the City of Ketchikan and Pool Engineering, Inc.; increase the project contingency by \$9,215, bringing the total project cost to \$531,165;

authorize funding from the Police Department and Telecommunications Division's Standby Generator Capital Accounts; and direct the city manager to execute the change order on behalf of the City Council.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

**Budget Transfer – 2009 Telecommunications Division
Utilities Account**

Moved by Sivertsen, seconded by Jason Harris the City Council authorize the KPU general manager to transfer \$42,000 from Appropriated Reserves of the KPU Enterprise Fund to the 2009 Telecommunications Division's Utilities Account No. 65 for the purpose of providing additional funding for utility services.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

**Budget Transfer – Replacement of Ted Ferry Civic
Center Heating Controls**

Moved by Sivertsen, seconded by Jason Harris the City Council authorize the city manager to transfer \$19,165 from Appropriated Reserves of the Public Works Sales Tax Fund to the Civic Center's 2009 Heating Controls Capital Account for the purpose of upgrading the heating controls at the Ted Ferry Civic Center.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

UNFINISHED BUSINESS

Appointments to Boards and Commissions

Mayor Williams appointed Councilmembers to boards and committees for the year:

Marty West – Gateway Center for Human Services Advisory Board and KPU Advisory Board

Matt Olsen – Library Advisory Board and Joint Tax Coordinating Committee

Kj Harris – Museum Advisory Board, Ketchikan Visitors Bureau (alternate), and Public Facility Naming Committee

Jason Harris – Port and Harbors Advisory Board and Ketchikan Visitors Bureau

Dick Coose – Legislative Liaison and PLEDAC

Bob Sivertsen – Public Facility Naming Committee, Solid Waste Committee and PLEDAC

Jack Shay – Joint Tax Coordinating Committee and Solid Waste Committee

Mayor Williams asked if there were any objections, and none were heard.

NEW BUSINESS

Ordinance No. 09-1637 – Amending Section 10.24.220 of the Ketchikan Municipal Code Entitled “Unlawful Use of Low-Speed Vehicles,” Adding a New Section 10.24.230 to the Ketchikan Municipal Code Entitled “Low-Speed Vehicle Permits – First Reading

Copies of Ordinance No. 09-1637 were available for all persons present.

Moved by Coose, seconded by Shay the City Council approve in first reading Ordinance No. 09-1637 amending Section 10.24.200 of the Ketchikan Municipal Code entitled “Unlawful Use of Low-Speed Vehicles,” adding a new Section 10.24.230 to the Ketchikan Municipal Code entitled “Low-Speed Vehicle Permits;” and establishing an effective date.

Motion passed with Sivertsen, Jason Harris, Coose, Kj Harris, Olsen, West and Shay voting yea.

Closeout of Contract No. 09-10, Denali Avenue Drainage Improvements Project, S&S General Contractors & Equipment Rental, Inc.

Moved by Coose, seconded by Shay the City Council direct the city manager to take such actions as may be required for the City to assume ownership and future maintenance responsibility of the Hawkins/Denali Storm Water Drainage System Improvements Project.

Manager Amylon explained the issues are twofold: the project is closed out and the Council hasn't given direction as to whether they want to pursue an LID, and the City has now built a drainage system on private property which will have to be maintained or there will be future problems. He stated staff has already seen some debris coming down from the Tlingit-Haida housing project that is getting into the system. He said, technically, the City doesn't have easements for what was built up there so those need to be obtained if it is going to be a publicly maintained and owned drainage system.

Moved by Jason Harris, seconded by Kj Harris to defer until the next regular meeting.

Motion to defer passed with Coose, Jason Harris, Kj Harris, Sivertsen, Olsen and Shay voting yea; West voting nay.

**Request for Extension of School Resource Officer (SRO)
Program to May 1, 2010 – Ketchikan Gateway Borough
School District**

Moved by Sivertsen, seconded by Coose the City Council reaffirm its position to remove the SRO position on December 31, 2009.

Manager Amylon answered questions from the Council.

Motion passed with Shay, Kj Harris, Olsen, West, Jason Harris, Sivertsen and Coose voting yea.

The Council took a short break at 8:25 p.m. and reconvened at 8:31 p.m.

**Award of Contract No. 09-45 – Thomas Basin Finger
Float Replacement Project – Western Dock & Bridge,
LLC - \$895,650**

Moved by Sivertsen, seconded by Jason Harris the City Council accept the bid of Western Dock & Bridge, LLC in the amount of \$895,650 for Contract No. 09-45, Thomas Basin Finger Float Replacement Project; establish a ten percent contingency in the amount of \$89,565, bringing the total project cost to \$985,215; authorize funding from the Harbors Department's 2009 Thomas Basin Finger Float Replacement Capital Account; and direct the city manager to execute the contract documents on behalf of the City Council.

Motion passed with Jason Harris, Sivertsen, Olsen, Shay, Coose, Kj Harris and West voting yea.

**Award of Contract No. 09-48, Baranof Reservoir
Replacement Site Preparation Project – Southeast
Earthmovers - \$898,825**

Moved by Shay, seconded by West the City Council accept the bid of Southeast Earthmovers in the amount of \$898,825 for Contract No. 09-48, Baranof Reservoir Replacement Site Preparation Project; establish a ten percent contingency in the amount of \$89,882, bringing the total project cost to \$988,707; authorize funding from the Water Division's 2009 Baranof Reservoir Replacement Capital Account; and direct the general manager to execute the contract documents on behalf of the City Council.

Motion passed with West, Olsen, Shay, Jason Harris, Kj Harris, Sivertsen and Coose voting yea.

Change Order No. 8 to Contract No. 07-38, UV Disinfection and Chloramination Facility – Southeast Engineering, Inc.

Moved by Sivertsen, seconded by Olsen the City Council approve Change Order No. 8 in the amount of \$43,531 to Contract No. 07-38, UV Disinfection and Chloramination Facility, between Ketchikan Public Utilities and Southeast Engineering, Inc.; add 15 days to the contract completion date; and authorize the general manager to execute the change order on behalf of the City Council.

Motion passed with Sivertsen, Jason Harris, Coose, Kj Harris, Olsen, West and Shay voting yea.

Ordinance No. 09-1638 – Repealing Existing Chapter 19.04 of the Ketchikan Municipal Code and Adopting a New Chapter 19.04 Entitled “Building Code;” Amending Chapter 19.12 of the Ketchikan Municipal Code Entitled “Electrical Code;” Amending Chapter 19.14 of the Ketchikan Municipal Code Entitled “Plumbing Code;” Repealing Existing Chapter 19.16 of the Ketchikan Municipal Code and Adopting a New Chapter 19.16 Entitled “Housing Code;” Amending Chapter 19.20 of the Ketchikan Municipal Code Entitled “Numbering Buildings;” Repealing Existing Chapter 19.24 of the Ketchikan Municipal Code and Adopting a New Chapter 19.24 of the Ketchikan Municipal Code Entitled “Mechanical Code;” Adding A New Chapter 19.26 to the Ketchikan Municipal Code Entitled “International Energy Conservation Code;” and Amending Chapter 19.35 of the Ketchikan Municipal Code Entitled “Building Regulations Fine Schedule”

Copies of Ordinance No. 09-1638 were available for all persons present.

Moved by Shay, seconded by West the City Council approve in first reading Ordinance No. 09-1638 Repealing Existing Chapter 19.04 of the Ketchikan Municipal Code and Adopting a New Chapter 19.04 Entitled “Building Code;” Amending Chapter 19.12 of the Ketchikan Municipal Code Entitled “Electrical Code;” Amending Chapter 19.14 of the Ketchikan Municipal Code Entitled “Plumbing Code;” Repealing Existing Chapter 19.16 of the Ketchikan Municipal Code and Adopting a New Chapter 19.16 Entitled “Housing Code;” Amending Chapter 19.20 of the Ketchikan Municipal Code Entitled “Numbering Buildings;” Repealing Existing Chapter 19.24 of the Ketchikan Municipal

Code and Adopting a New Chapter 19.24 of the Ketchikan Municipal Code Entitled “Mechanical Code;” Adding A New Chapter 19.26 to the Ketchikan Municipal Code Entitled “International Energy Conservation Code;” and Amending Chapter 19.35 of the Ketchikan Municipal Code Entitled “Building Regulations Fine Schedule;” and establishing an effective date.

Building Official Dearden answered questions from the Council.

Motion passed with Jason Harris, West, Kj Harris, Sivertsen, Olsen and Shay voting yea; Coose voting nay.

Public Restrooms – Stedman-Thomas Street Area – Councilmember Shay

Councilmember Shay liked Mayor Williams’ idea of the Stedman-Thomas Street Association and the Port and Harbors Advisory Board working together to find a location for the proposed restrooms. Mayor Williams felt perhaps City management could be present as well to bring back a location that is amenable to all.

Non-Exclusive Pedestrian Access Easement and Restrictive Covenants Between and Among Ketchikan Dock Company, LLC, Survey Point Holdings, Inc., the City of Ketchikan, Alaska and Talbots, Inc.

Moved by West, seconded by Shay the City Council approve the Non-Exclusive Pedestrian Access Easement and Restrictive Covenants between and among Ketchikan Dock Company, LLC, Survey Point Holdings, Inc., the City of Ketchikan, Alaska and Talbot’s, Inc. and authorize the city manager to execute said Non-Exclusive Pedestrian Access Easement and Restrictive Covenants on behalf of the City Council.

Motion passed with Shay, Kj Harris, Olsen, West, Jason Harris, Sivertsen and Coose voting yea.

VOUCHERS

Moved by West, seconded by Sivertsen for approval of vouchers to Ketchikan Daily News in the amount of \$6,358.05.

Motion passed with Jason Harris, Sivertsen, Olsen, Shay, Coose, Kj Harris and West voting yea.

CITY MANAGER’S REPORT

Schedule of General Government and KPU Appropriated Reserves Through the October 15, 2009 City Council Meeting

Manager Amylon provided the Council a schedule of the current balance of Appropriated Reserves of the various funds of General Government and KPU through the City Council meeting of October 15, 2009.

2010 Proposed General Government and Ketchikan Public Utilities Annual Budgets

Manager Amylon advised that the 2010 Proposed General Government and Ketchikan Public Utilities Annual Budgets would be distributed at the meeting of November 5. He also included articles from the Anchorage Daily News and Juneau Empire addressing issues similar to those being faced by Ketchikan.

Binding Commitment for Phase II of the Tongass Avenue Sewer Replacement, ACWF Project No. 481071

Manager Amylon provided a letter from Alaska Department of Environmental Conservation notifying that the State has approved the City's application for the FY 2010 Alaska Clean Water Fund Loan Program for the Tongass Avenue Sewer Main Replacement Phase II. Manager Amylon noted that \$2,222,222 of the \$3,426,742 applied for would qualify for a loan principal forgiveness subsidy under the American Recovery & Reinvestment Act of 2009.

2010 State Capital Budget Appropriation – Central Business District Americans with Disabilities Act (ADA) Compliant Crosswalks and Appurtenances

Manager Amylon notified the Council that the 2010 State Capital Budget contains a \$350,000 appropriation for ADA compliant crosswalk improvements in the Ketchikan Central Business District. He advised his office will be working with the Downtown Steering committee and Southeast Alaska Independent Living to develop a proposed scope of work for consideration by the Department of Transportation.

Exemption of Business Personal Property Tax

Manager Amylon provided communication from Ketchikan Gateway Borough Director of Assessment Hiatt regarding the exemption of personal property tax. He noted one or more Assemblymembers are interested in moving the issue forward. Manager Amylon related if the City exempted business personal property tax, the City would incur a General Fund revenue reduction of \$310,306, or the equivalent of 4/10 of a mill.

Final 2009 Cruise Ship Passenger Traffic Update

Manager Amylon transmitted a memorandum from Finance Director Newell updating the cruise ship passenger count for 2009. He said there was a loss of 530 passengers compared to 2008.

2009 State Homeland Security Program Grant Award

Manager Amylon reported the Fire Department has been awarded a \$158,400 grant from the Department of Homeland Security for procurement of various equipment and specialized training.

Water Street Sidewalk Widening Update – State Historic Preservation Officer Concurrence

Manager Amylon provided correspondence from Judith Bittner, the State Historic Preservation Officer, which concurs with the DOT&PF's finding that the Water Street Sidewalk Widening Project will result in no historic properties being adversely affected. He continued the engineers have advised that with the cooperation of DOT&PF, the company should make the deadline for securing a funding obligation by the end of the year under the American Recovery & Reinvestment Act of 2009.

Site Investigation Findings and Observations and Moisture Management Strategies for Exterior Wood Structures – Totem Heritage Center, BCRA

Manager Amylon transmitted an assessment and resulting recommendations of the Totem Heritage Center structure. He said the estimate to undertake the recommended improvements is approximately \$425,000.

General Government Financial Statements for the Period Ending September 30, 2009

The General Government financial statements for the nine months of the year ending September 30, 2009 were provided for Council review.

Contract No. 09-38 Project Summary Update No. 1 – Millar Street Bridge Replacement, Southeast Engineering, Inc.

Manager Amylon copied the Council with Project Summary Update No. 1 for the Millar Street Bridge Replacement Project.

Contract No. 09-28 Update – Bayview Cemetery Garden Mausoleum/Columbarium Project, Pool Engineering, Inc.

Manager Amylon provided photographs of the work on the new mausoleum-columbarium.

Alaska Association of Harbormasters and Port Administrators – 2009 Ketchikan Port & Harbor Employee of the Year Award, Customer Service Representative Donna Ryan and Election of Port and Harbors Director Steve Corporon as President of the Alaska Association of Harbormasters and Port Administrators

Manager Amylon reported that Port and Harbors Customer Service Representative Donna Ryan was selected as the 2009 Port and Harbor Employee of the year. He also noted Port and Harbors Director Corporon was elected president of the State Association of Harbormasters and Port Administrators for a two-year term.

Library Director Anniversary

Manager Amylon said he had attended a reception this morning for the 30th anniversary of Library Director Judith McQuerry. He said Ms. McQuerry advised him about a week ago that the Foraker Group has decided to take on the new library project. He said it is a critical step forward for Ketchikan in that Foraker is the key to the Rasmusen Foundation.

Gateway Center for Human Services Privatization

Manager Amylon reported that yesterday Laura Medford, David Martin, Nancy Tietje and he participated in a teleconference with State Behavioral Health relative to the privatization process for Gateway and the RFP that is currently out on the streets. He felt it was a construction discussion, and it was agreed to postpone the opening of the RFP to the end of the month in order to get out an addendum that will enable language to be inserted that will hopefully make it much easier for the successor to Gateway in obtaining state funding. He felt the small delay is well worth the effort.

K.P.U. MANAGER'S REPORT

Binding Commitment for Baranof Reservoir Replacement Site Development, ADWF Project No. 481091

Manager Amylon provided a letter from Alaska Department of Environmental Conservation notifying that the State has approved the City's application for the SFY 2010 Alaska Drinking Water Fund for the Baranof Reservoir Replacement Site Development Project. Manager Amylon noted that \$1,101,532 of the \$1,223,924 applied for would qualify for a loan principal forgiveness subsidy under the American Recovery & Reinvestment Act of 2009.

Report of October 13, 2009 Power Outage

Manager Amylon included a report of the October 13, 2009 power outage from Electric Division Chief Powerhouse Operator Graham.

Ketchikan Public Utilities Financial Statements for the Quarter Ending September 30, 2009

Manager Amylon transmitted the Ketchikan Public Utilities financial statements for the third quarter ending September 30, 2009.

Swan Lake-Lake Tyee Intertie

Manager Amylon said there was an item laid on the table updating the Council on the commissioning of the Intertie.

Sale of Telecommunications Division

Manager Amylon said it was his intent to have an executive session on November 23rd relative to the process of the sale of the Telecommunications Division to review updated information concerning the first phase. He said Mr. Falkenberg will be participating in the meeting by teleconference.

Manager Amylon said the only executive session required tonight would be the one with IBEW.

2010 Budgets

Manager Amylon reported he and Mr. Newell are not happy with what is being presented to the Council in the budgets, but they were constrained by certain fiscal realities that needed to be addressed. He said certain councilmembers' expectations probably will not have been met. He asked the Council to keep in mind we are entering into what will probably be a minimum three-year economic downturn for Ketchikan. He explained we are not only being hit by what is occurring nationally, but also the added pain of the cruise ship industry redeploying ships out of the Alaskan Market.

Manager Amylon continued that we are fortunate enough to have resources to keep essential services going, but the Council needed to remember – if the projections are right – this will be the first year of a minimum of three years. He felt the responsibility of the Council is to make sure we have sufficient resources to get us through the three-year period. He said the budget is not a one-year document.

Councilmember Shay left the meeting at this point.

CITY CLERK'S FILE – None

CITY ATTORNEY'S FILE

City Attorney Bradford reminded the Council that he has recently been participating in fire training, and he has completed 140 hours of training. He expressed he is confident that Ketchikan has good professional fire and police departments. He said he is now a qualified interior firefighter.

FUTURE AGENDA ITEMS – None

MAYOR AND COUNCIL COMMENTS

Councilmember Sivertsen said he didn't feel as if the Council had given management much direction on the deferral of the Denali/Hawkins drainage issue. He said in the next couple of weeks it should be discussed.

Councilmember Kj Harris reminded everyone about a letter from a constituent regarding the training officer position in the Fire Department. He reminded everyone of the large number of volunteers in the Fire Department and the programs in which they need to be certified and the training involved. He said if we didn't have the volunteers, we would be spending another couple hundred thousand dollars. He thanked them.

Councilmember Olsen said he is encouraged by the dialogue regarding the SRO position, and he hoped the City and School District begin to work together and start applying for grants. He said he didn't support it when it first came out, but he feels the program has proven to be of significant value.

Councilmember West asked when the Christmas lights will go up, and Manager Amylon said it would occur just before Thanksgiving.

Mayor Williams said Jessica Clark from Early Learning at Community Connections called him, and they have received a grant relative to early learning. He said they are having a meeting on November 13th to discuss the community's needs and directions. He encouraged anyone interested to call her back.

Mayor Williams said SEAPA has been meeting and they are beginning to discuss who they want to be and whether they want to get involved in more Intertie work. He said Kake has come to SEAPA and they really need to dig into it to see what they are going to be in the future.

OTHER NEW BUSINESS – None

EXECUTIVE SESSIONS

Collective Bargaining Agreement Between the City of Ketchikan and the International Brotherhood of Electrical Workers, Local 1547

November 5, 2009

Moved by West, seconded by Coose the City Council declare that consistent with the city manager's memorandum dated October 20, 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 October 20, 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 Coose, Sivertsen, West and Olsen voting yea; Kj Harris voting nay; Shay absent.

The Council recessed into executive session at 9:10 p.m. and reconvened at 9:17 p.m.

Mayor Williams 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.

ADJOURNMENT

As there was no further business, the Council adjourned at 9:20 p.m.

Lew Williams III, Mayor

ATTEST:

Katherine M. Suiter
City Clerk

FYI ITEMS INCLUDED

Ketchikan Area Arts & Humanities Council, Inc.'s Quarterly Activity and Financial Reports – July Through September 2009
Boys & Girls Clubs of Southcentral Alaska's Quarterly Activity Report – July Through September 2009
Alaska Legal Services Corporation's Quarterly Financial Report – July through September 2009
Community Connections Older Alaskans and Adult Resource Services (OARS) Quarterly Activity Report – July Through September 2009