

The regular Ketchikan City Council meeting was called to order by Mayor Williams at 7:05 p.m., November 23, 2009, with the following members present: Dick Coose, Jason Harris, 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, Port and Harbors Director Corporon, Police Chief Talik, Acting Public Works Director Allen, Electric Division Manager Kline, Building Official Dearden, Electric Division Operations Manager Adams and City Clerk Suiter.

COMMUNICATIONS

Mayor Williams noted several items laid on the table, including: additional information regarding the Denali Avenue/Hawkins Avenue Drainage Improvements Project; an update regarding the collective bargaining agreement with PSEA; a status report for the Swan Lake/Lake Tyee Intertie Project and a letter from School District Superintendent Boyle regarding the school resource officer program.

PERSONS TO BE HEARD

John Beck, an employee of the KPU Telecommunications Division, discussed the potential sale of the division. He felt the fiber to the home project currently underway makes KPU stand out from the competition. He pointed out that KPU excels in customer service and that the Telecommunications Division makes KPU shine overall. He requested the Council look at the positives and the current market conditions since the study for the sale of the division was done. He felt another independent study would be appropriate.

Steve McDonald spoke in support of extending the dock vendor program. He felt it provided consistency from year to year.

Justin Carro also spoke in favor of extending the dock vendor program. He felt one modification would be to have the agreements modified to ensure the booths are carried by local people, guaranteeing the money to stay in the community.

Marco Angarano spoke in favor of opening up the bid process for the dock vendor program. He felt there were two benefits for the City: 1) increased revenue and 2) increased spirit of competitiveness.

Nils Utterbach spoke in favor of extending the dock vendor program for two years because it helps vendors plan their business strategy.

Anthony Knuteson spoke regarding low-speed vehicles. He suggested the five-vehicle limit should be raised and he felt the proposed route should be the 25-mile per hour zone. He answered questions from the Council.

Mayor Williams said unless someone objected, he intended to move the resolution for John Goucher to this point in the meeting. No objections were heard.

Resolution No. 09-2303 – Recognizing Assistant Fire Chief John Goucher for His Years of Service to the City of Ketchikan

Mayor Williams read the resolution aloud.

Moved by Jason Harris, seconded by West the City Council approve Resolution No. 09-2303 recognizing Assistant Fire Chief John Goucher for his years of service to the City of Ketchikan; and establishing an effective date.

Assistant Fire Chief Goucher said it has been a joy to work for the City, noting it is a group of employees who are real professionals. He thanked the people of the community of Ketchikan for allowing him to work and support his family. He stressed fire prevention during the upcoming holiday season, noting that our country tends to accept people dying in fires. Referring to the Council, he pointed out the lawmakers have the ability to pass laws that keep the community safe. He thanked the Council for the resolution.

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

CONSENT AGENDA

Approval of Minutes

Moved by Jason Harris, seconded by Shay approval of the minutes of the regular meeting of November 5, 2009.

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

Sole Source Procurement of Broadband Licenses Without Competitive Bidding – Broadsoft M6, LLC

Moved by Jason Harris, seconded by Shay pursuant to Section 3.12.050(6) of the Ketchikan Municipal Code, the City Council authorize the general manager to purchase additional Broadsoft M6, LLC licenses at a cost not to exceed \$13,196.25, in order to prevent incompatibility with previously purchased Telecommunications Division equipment.

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

Agreement for Joint Use of Ketchikan Public Utilities System Poles – GCI Communication Corporation

Moved by Jason Harris, seconded by Shay the City Council approve the 2009-2011 Joint Use of Ketchikan Public Utilities System Poles Agreement between GCI Communication Corporation and Ketchikan Public Utilities and authorize the general manager to execute the contract on behalf of the City Council.

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

Sole Source Procurement of Voicemail Licenses Without Competitive Bidding – Taqua LLC

Moved by Jason Harris, seconded by Shay pursuant to Section 3.12.050(6) of the Ketchikan Municipal Code, the City Council authorize the general manager to purchase additional Taqua LLC voicemail licenses at a cost not to exceed \$13,147 in order to prevent incompatibility with previously purchased Telecommunications Division equipment.

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

Liquor License Renewal – Best Western Landing/Jeremiahs

Moved by Jason Harris, seconded by Shay the City Council approve the renewal of liquor license: Beverage Dispensary – Tourism – Best Western Landing/Jeremiahs.

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

UNFINISHED 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 – Second Reading

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

Moved by Coose, seconded by Jason Harris the City Council approve in second reading 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;” and establishing an effective date.

Manager Amylon and Police Chief Talik answered questions from the Council.

Councilmember Olsen noted the language in Section 10.24.230(c) regarding expiration of the permits each year makes it sound as if the entire program ends in October of 2010. Mayor Williams asked Attorney Bradford if there needed to be a motion to change “2010” to “of each calendar year.” Attorney Bradford said it is not a material change so an amendment would not be needed.

Moved by Coose, seconded by Shay to amend by removing Section 10.24.230(b)(4); and to add the words “or the hill to the City dump” at the end of Section 10.24.230(b)(3).

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

Moved by Sivertsen, seconded by Olsen to amend Section 10.24.230(b)(2) to state “The number of low-speed vehicles operated by each permit holder will be at the discretion of the city manager.”

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

Main motion, as amended, passed with Shay, Kj Harris, Olsen, Jason Harris and Sivertsen voting yea; West and Coose voting nay.

Moved by West, seconded by Coose the previous question.

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

The motion, as amended, back on the table was:

Moved by Coose, seconded by Jason Harris the City Council approve in second reading 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;” and establishing an effective date.

Moved by Jason Harris, seconded by Coose to amend by including language that the total number of low-speed vehicles allowed on the streets of the City of Ketchikan is 15.

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

City Attorney Bradford said the ordinance should come back in second reading again because of the changes.

Main motion, as amended, passed with Sivertsen, Jason Harris, Coose, Kj Harris, Olsen, West and Shay voting yea.

The Council took a short break at 7:55 p.m. and reconvened at 8:05 p.m.

Mayor Williams said Mr. Boyle was not able to make it to the meeting under Persons to be Heard, but he wanted to say something about the school resource officer program.

Robert Boyle, Superintendent of Ketchikan Gateway Borough School District, reported the School Board met and action was outlined in the letter the Council received tonight. He noted the final action was a vote that defeated a motion to fund the SRO program. He stated he was just at the Borough Assembly meeting, where the Assembly did not take any action but he received indication from the Assembly that they were willing to participate in funding this program in some manner.

Closeout of Contract No. 09-10, Denali Avenue Drainage Improvements Project, S&S General Contractors & Equipment Rental, Inc. – Deferred from November 5, 2009

The deferred motion on the table was:

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.

Councilmember Coose noted there was a lot of information laid on the table and the Council needed time to digest it. He felt it would be prudent to talk with the property owners about a joint venture in how the problem can be taken care of. He suggested sharing costs, as well as looking at lots and how they are utilized.

Councilmember Jason Harris said he has a conflict of interest as a potential LID involves property he owns. He said he would not be discussing or voting on the issue. Councilmember Olsen said he would also be involved in a potential LID.

In response to Mayor Williams, Attorney Bradford said the LID could have a financial impact on councilmembers who would be involved in any potential LID, and he felt it would be prudent for them to abstain. Mayor Williams ruled both Councilmembers Jason Harris and Olsen would be abstaining from participation in the topic.

Moved by Coose, seconded by Sivertsen to defer in order to allow staff to explore opportunities to work with property owners in the area regarding a joint venture in how the problem can be taken care of.

Councilmember Sivertsen felt another option was a limited LID to do any portion of the project, include possible purchase of property.

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

Manager Amylon requested direction for staff to pursue, and Councilmember Coose discussed the possibility of property purchase and tax deferment. Mayor Williams said

the item will be brought before the Council once staff has had a chance to work on some of the suggestions offered.

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” – Second Reading

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

Moved by Shay, seconded by Olsen the City Council approve in second 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.

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

NEW BUSINESS

One-Year Extension of Contract No. 08-02 – 2008-09 Dock Vendor Program

Moved by Sivertsen, seconded by Olsen the City Council direct the city manager to competitively bid dock vendor leases for the 2010 and 2011 cruise ship seasons, said award to be submitted to the City Council for formal consideration and approval.

Port and Harbors Director Corporon answered questions from the Council.

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

Moved by West, seconded by Jason Harris pursuant to paragraph (1) of Section 13.09.025(b) of the Ketchikan Municipal Code, the City Council authorize the city manager to extend the six dock vendor leases awarded under Contract No. 08-02, 2008-09 Dock Vendor Program, for an additional twelve-month period providing for the same terms and conditions as awarded under the original contact.

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

Negotiation of Contract No. 09-49 – Rewind and Core Repair of KPU Bailey Unit No. 2 – Delta Electric Motors

Moved by Sivertsen, seconded by Jason Harris the City Council authorize the general manager to negotiate an agreement with Delta Electric Motors of Auburn, Washington for Contract No. 09-49, Rewind and Core Repair of Bailey Unit No. 2, said agreement to be submitted to the City Council for formal consideration and approval.

Electric Division Operations Manager Adams answered questions from the Council.

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

Award of Contract No. 09-51 – Bailey Diesel Unit No. 2 Parts – Power Parts Supply, LLC - \$97,940

Moved by Jason Harris, seconded by Olsen the City Council accept the bid of Power Parts Supply, LLC in the amount of \$97,940 for Contract No. 09-51, Bailey Diesel Unit No. 2 Parts; authorize funding from the Electric Division's 2009 Bailey Unit No. 2 Re-Commissioning Capital Account; and direct the general manager to execute the contract documents on behalf of the City Council.

Electric Division Operations Manager Adams answered questions from the Council.

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

Phase IV of Contract No. 08-43, Ketchikan Bridge Inspection – Shearer Design, LLC

Moved by Jason Harris, seconded by Coose pursuant to the motion adopted by the City Council at its meeting of November 6, 2008 declaring the interim repair of municipal bridges and trestles as a public emergency, the City Council authorize Phase IV Services under Contract No. 08-43, Ketchikan Bridge Inspection, between the City of Ketchikan and Shearer Design, LLC in the amount of \$345,194 as detailed in the senior project engineer's report dated November 10, 2009 and authorize funding from the Streets Division's Bridges and Trestles Repair and/or Replacement Capital Account.

Acting Public Works Director Allen answered questions from the Council.

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

Increase of Purchase Order for Interim Repairs to Water Street Trestle No. 2, Pool Engineering, Inc.

Moved by Sivertsen, seconded by Jason Harris pursuant to the motion adopted by the City Council at its meeting of November 6, 2008 declaring the interim repair of municipal bridges and trestles as a public emergency, the City Council direct the city manager to execute a purchase order to Pool Engineering, Inc. in the revised amount of \$352,819 for repairs to Water Street Trestle No. 2; and authorize funding from the Streets Division's Bridges and Trestles Repair and/or Replacement Capital Account.

Acting Public Works Director Allen answered questions from the Council.

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

2009-2011 Collective Bargaining Agreement Between the City of Ketchikan and the Public Safety Employees Association (PSEA)

Moved by West, seconded by Olsen the City Council approve the 2009-2011 Collective Bargaining Agreement between the City of Ketchikan and the Public Safety Employees Association and direct the city manager to execute the agreement on behalf of the City Council.

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

VOUCHERS – None

CITY MANAGER'S REPORT

Schedule of General Government and KPU Appropriated Reserves Through November 5, 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 November 5, 2009.

Contract No. 09-45 Update – Projected Contract Completion Date

As requested by Councilmember Coose, Manager Amylon provided a memorandum from Port and Harbors Director Corporon informing that Western Dock and Bridge anticipates performing the work in Thomas Basin during February and March of 2010.

Public Works Department Project Status Report – October 2009

Manager Amylon included copies of the project status report of the Public Works Department for the month of October 2009. Councilmember Coose requested completion dates for projects.

School Resource Officer Program

Manager Amylon transmitted a letter from Robert Boyle, Superintendent of the Ketchikan Gateway Borough School District, outlining the discussion by the School Board at their meeting of November 18, 2009 regarding the School Resource Officer Program.

Waterfront Promenade

Councilmember Jason Harris requested an update on the waterfront promenade. Councilmember Coose said this has been going on since he has been on the Council and it is a problem that should be resolved.

Fire Station Grant

In response to Councilmember Jason Harris, Manager Amylon said nothing has been heard regarding the status of the fire station grant. He noted he has heard the process has generally been delayed.

Third Quarter Sales Tax Receipts

Manager Amylon said the budget that was submitted to the Council on November 5th contained an estimate of \$9,450,000 in sales tax revenue for 2009, and now the revenues appear to be coming in at \$9,458,129.

K.P.U. MANAGER'S REPORT

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

Manager Amylon included the project status reports of the Utility Division managers for the month of October 2009. Councilmember Coose said it may be good to send out a notice to ratepayers to let them know what to do to keep their waterlines from freezing.

Swan Lake/Lake Tye Intertie Status Report

Manager Amylon provided a memorandum from Electric Division Manager Kline regarding the commissioning of the Swan Lake/Lake Tye Intertie. In response to Councilmember West, Electric Division Manager Kline said we should be fully on line by December 8.

Mayor Williams said the executive sessions scheduled for this evening have both been cancelled.

CITY CLERK'S FILE

**Gaming Permit Application – Fraternal Order of Eagles
Ketchikan Aerie #162**

Clerk Suiter provided the gaming permit applications for the Fraternal Order of Eagles, Ketchikan Aerie #162. She noted if the Council wished to deny any application, a resolution could be prepared accordingly.

CITY ATTORNEY'S FILE – None

FUTURE AGENDA ITEMS – None

MAYOR AND COUNCIL COMMENTS

Councilmember Jason Harris said the Alaska Municipal League Conference was good and it was good to do some networking. He felt it would be prudent for the governing bodies to form a subcommittee of two councilmembers, two assembly members and two school board members to come up with a reasonable solution to the school resource officer issue.

Councilmember Sivertsen said AML was wonderful and the classes offered were right on point. He appreciated the networking and information.

Councilmember Olsen said AML was valuable. He felt the SRO program needed to be funded and there are a lot of ways to accomplish that. He appreciated the superintendent's letter because it is getting beyond the issue of money.

Councilmember Shay said he also appreciated the AML Conference, and he cited several who were present. He stated he would be taking a seat on the Board of Directors and Borough Mayor Kiffer was elected as a representative of this region as well, so Southeast Alaska will be well represented.

Councilmember Jason Harris said he attended Congressman Don Young's luncheon today, and the presentation was really good.

Councilmember Shay said he was pleased to see management getting together with others relative to the issue of bathrooms in the Stedman Street area. He said the SSRAA Board had been looking for someone to serve, and Mayor Williams intended to appoint Charles Freeman. He noted the Board contacted him and they are looking for an elected official. He said he would be out of town for about a week visiting his granddaughter who is dealing with cancer. He said she recently received a Vikings jersey from the team. He thanked everyone for their prayers and thoughts.

Councilmember Kj Harris said budget is coming up and he asked everyone in the public to realize it costs a lot of money to run this town. He stated nothing is free and everything is planned, organized and budgeted. He reminded the money intake on sales tax is down and it won't get much better. He said he will be shutting down his bar because he can no longer afford to stay open.

Councilmember Coose said he wished there was a way to put the budget document online. He said if anyone wanted to look at it, he was sure staff would be happy to burn a copy. He congratulated Clerk Suiter for being sworn in as the AAMC president, and he attended the Mayor's Conference at AML. He reported as others discussed what was going on in their community the biggest issue brought up was federal regulations and lawsuits from environmentalists. He noted he also attended the Don Young presentation, and apparently the State attorney general is expressing some interest in the State taking on the federal government and regulators. He wondered if the City might want to encourage it because the federal government is a barrier to our economic development. He advised one of the sessions at AML was presented by Jeff Otsen of the Department of Transportation, giving an evaluation strictly from the State transportation aspect of the climate change bill that has been passed by the House and is being considered by the Senate. He said it will devastate economic development and the way we operate in this country.

Councilmember Coose continued by speaking of sessions addressing the permitting for hydro projects and economic development. He said the AML investment pool reported they did not lose at all during the economic downturn and the City may want to look into it.

November 23, 2009

Councilmember Olsen requested a formal projection of sales tax receipts if the sales limit is increased from \$1,000 to \$2,000 prior to budget meetings.

Mayor Williams reminded the budget meetings start next Monday.

OTHER NEW BUSINESS – None

EXECUTIVE SESSIONS – None

ADJOURNMENT

As there was no further business, the Council adjourned at 9:16 p.m.

Lew Williams III, Mayor

ATTEST:

Katherine M. Suiter
City Clerk

FYI ITEMS INCLUDED

Unapproved Minutes of the October 7, 2009 KPU Advisory Board Meeting
Southeast Senior Services' Quarterly Activity and Financial Reports – July Through September
2009

Southeast Alaska Independent Living, Inc.'s Quarterly Activity Report – July Through
September 2009

Lake levels and System Generator Report – October 2009

Water Utilization Study Report – October 2009