

Special Ketchikan City Council meeting was called to order by Mayor Williams at 7:01 p.m., December 8, 2010, with the following members present: Dick Coose, Jason Harris, Kj Harris, Matthew Olsen, Robert Sivertsen and Marty West. Councilmember Jack Shay joined the meeting at 7:30 p.m.

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

Staff present were Manager Amylon, Assistant Manager Martin, Finance Director Newell, Marketing Manager Cushing, Police Chief Talik, Public Works Director Allen, Electric Division Manager Kline, Telecommunications Division Manager Abbott, Water Division Manager Kleinegger and City Clerk Suiter.

COMMUNICATIONS

Mayor Williams said there were several items laid on the table, including: a KPU Budget update relating to an estimate of funds available revision; and General Government Budget updates relating to Museum Department grant funds carryover, Fire Department State Homeland Security Grant Program, and a revised Revenue and Appropriation Summary.

PERSONS TO BE HEARD

David Ledford asked the Council to provide an update on the possible sale of the Telecommunications Division in order to quash the rumors that are circulating. Mayor Williams said the Council will have something out soon. Mr. Ledford continued by speaking in support of the apprentice position that is scheduled to be cut out of the budget. He felt having the apprentices at both the Electric and Telecommunications Divisions is insurance for the future. He provided some examples of people who have completed the apprenticeship program who are still working for KPU.

UNFINISHED BUSINESS

Resolution No. 10-2361 – Draft General Government Annual Budget – Deferred from December 6, 2010

Moved by West, seconded by Olsen the City Council carryover funds in the amount of \$19,964 to 2011 for the purpose of funding the Historic Signage Project for the Museum Department.

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

Moved by Coose, seconded by Sivertsen the City Council increase the Revenues From Other Governments in the General Fund by \$8,445 to reflect the SHSP funding and

increase the appropriation in the Fire Department's Grant Operating Equipment Account 93 by the same amount.

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

Resolution No. 10-2362 – Draft 2011 Ketchikan Public Utilities Annual Budget

Moved by Sivertsen, seconded by Jason Harris the City Council amend the Water Division's proposed 2011 Budget and 2011-2015 Capital Improvement Program by moving \$300,000 for the construction of the UV Facility Warehouse Capital Project from 2012 to 2011.

Water Division Manager Kleinegger answered questions from the Council.

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

Moved by Sivertsen, seconded by Olsen the City Council increase the appropriation for community agencies reflected in the 2011 KPU Mayor and Council Division by \$232,892 from \$69,930 to \$302,822.

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

Moved by Jason Harris, seconded by West the City Council increase the Administration Division's 2011 proposed budget by \$1,738 for the purpose of activating a public information line, standing conference bridge line and subscribing to FlashAlert.

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

Mayor and Council

No action was taken.

Administration

No action was taken.

Engineering

No action was taken.

Sales, Marketing and Customer Service

Marketing Manager Cushing answered questions from the Council. No action was taken.

Councilmember Shay joined the meeting at this point.

Electric

Relative to Swan Lake personnel, Manager Amylon reported SEAPA meets tomorrow and staff will respond accordingly. He and Electric Division Manager Kline answered questions from the Council.

Moved by Olsen, seconded by Kj Harris to reinstate the lineman apprentice position.

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

No further action was taken.

Telecommunications

Telecommunications Division Manager Abbott answered questions from the Council. In response to a question from Councilmember Olsen, Mayor Williams said information relating to the cost of Telecommunications Division temporaries could be brought back to the Council at the next meeting.

Moved by Olsen, seconded by West to reinstate the telephone apprentice position.

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

Councilmember Sivertsen said he would be willing to bring this subject back to the table at such time as there is a clear direction.

No further action was taken.

Water Division

Water Division Manager Kleinegger answered questions from the Council. No action was taken. He clarified staff is still waiting for the permit from the State ADEC to operate the UV Disinfection Facility.

The Council took a break at 8:00 p.m. and reconvened at 8:08 p.m.

Capital Improvement Projects

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Electric Division Manager Kline, Electric Division Operations Manager Adams and Telecommunications Division Manager Abbott answered questions from the Council.

Councilmember Coose brought up the idea of using wood pellets for heating the new library and fire station facilities as backup.

Moved by West, seconded by Shay to fund Ketchikan Area Arts and Humanities Council at the 2010 level (\$47,700).

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

Moved by Jason Harris, seconded by Olsen to fund Southeast Alaska Independent Living at \$5,400.

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

Moved by Kj Harris, seconded by Shay to fund Senior Services at \$22,500.

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

Moved by Jason Harris, seconded by West to delete funding for Ketchikan Youth Court.

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

Moved by Olsen, seconded by Shay to reinstate the funding to hire Victor Four Labor Relations for labor contract negotiations purposes.

Councilmember West said she hoped to discuss the Human Resources Department at the planning meeting.

After discussion, Councilmember Olsen withdrew his motion with the consent of the second.

Mayor Williams said the Council would not meet tomorrow, and both budgets would be on the agenda for the meeting of December 16th for final approval. He reminded in January the Council already has two regular meetings, plus the planning meeting. He said there would need to be a special meeting relative to hiring an attorney, and probably another special meeting regarding the potential Telecommunications Division sale. He stated he and Manager Amylon have a meeting with hospital management on January 5

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to start talking about the hospital project. Councilmember Jason Harris said it possible the 65% design of the fire station may be coming forward as well.

MAYOR AND COUNCIL COMMENTS

Councilmember Sivertsen said he has been getting phone calls relative to a tideland lease on North Tongass, and he wondered if an update could be provided so the Council is informed to get ahead of the curve. Mayor Williams said it would probably end up in the Council's court, and it isn't an easy issue.

Councilmember Coose asked about a meeting that was to take place with Wal-Mart, and Manager Amylon informed it was cancelled until January 5 and 6, 2011.

Mayor Williams said the budgets will be on next Thursday's agenda. He noted the clerk has packets regarding to the attorney position, stating he has been receiving a lot of phone calls on it.

ADJOURNMENT

As there was no further business, the Council adjourned at 8:45 p.m.

Lew Williams III, Mayor

ATTEST:

Katherine M. Suiter
City Clerk