

Regular Ketchikan City Council meeting was called to order by Mayor Williams at 7:00 p.m., February 17, 2011, with the following members present: Dick Coose, Jason Harris (via teleconference), Kj Harris, Matthew Olsen (via teleconference), 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, Human Resources Manager Miller, Marketing Manager Cushing, Police Chief Talik, Public Works Director Allen and City Clerk Suiter.

### **COMMUNICATIONS**

Mayor Williams said there was a report of reservoir elevations laid on the table.

### **PERSONS TO BE HEARD**

Dean Bengen spoke regarding Bed and Breakfast operations, triplexes and vacation homes in residential areas. He noted the Borough Planning and Community Development Department was saying there is a mess, but will solve the problem by ignoring current laws. He questioned why a business would build a business in a commercial area when they can build in the residential areas and have no regulations or enforcement. He requested the Council keep this in mind when Planning Director Williams presents the neighborhood plan this evening.

Tom Ferry requested a crossing guard in the Newtown area, stating it would help promote economic development. He commented on Mr. Bengen's statements, and felt the development of bed and breakfast businesses occurred very quickly, and there are not enough people to enforce the regulations.

Kathleen Light, Director of Ketchikan Area Arts and Humanities Council, updated the Council on the activities and events that have occurred. She invited the Council to attend a meeting with Charlotte Fox, Executive Director of the Alaska State Council on the Arts, on February 23 at 5:30 in the Arts Council building. She explained Ms. Fox is visiting all the communities and talking about the arts in the community and how the Alaska State Arts Council can help individual communities. She introduced Victoria Lord, Project Manager for Year of the Artist, which is mostly a marketing campaign for Ketchikan.

Victoria Lord explained her most recent work history with Rasmuson Foundation, and felt this opportunity was a great one because it is on the forward edge of things. She said she would specifically be working on an online artists guide and a print guide. She described Ketchikan's incredible participation in the arts.

Jack Shay, speaking as a citizen, stated the City has a great arts community and great City staff. He referred to the financial statements, noting that budgeted expenses were

underspent and revenue was more than anticipated. He reported on the Alaska Municipal League Legislative meeting, noting several subjects that were discussed with government officials: Whitman Lake, permitting processes, APOC regulations, PERS/TERS systems, revenue sharing, ferry system, and many officials who have Ketchikan connections.

**CONSENT AGENDA**

**Approval of Minutes**

Moved by Jason Harris, seconded by West approval of the minutes of the regular meeting of February 3, 2011.

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

**Exempting Purchase of Sirsi Dynix Annual Maintenance Services from the Competitive Bidding/Quotation Requirements of the Ketchikan Municipal Code**

Moved by Jason Harris, seconded by West pursuant to Subparagraph 6 of Section 3.12.050(a) of the Ketchikan Municipal Code, the City Council exempt the purchase of annual maintenance services for the First City Libraries' Sirsi Dynix management system from the requirements of competitive bidding or obtaining written quotations and authorize the city manager to purchase the annual maintenance services from Sirsi Dynix at a cost of \$22,029.

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

**Acceptance of Amendments to ADEC Loan Numbers 481071 and 481072 Modifying the Loan Amounts to \$2,926,317 and \$650,070 Respectively**

Moved by Jason Harris, seconded by West the City Council accept the amendments for ADEC Loan Number 481071 and ADEC Loan Number 481072 modifying the loan amounts \$2,926,317 and \$650,070 respectively and directing the city manager to execute the loan amendments on behalf of the City Council.

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

**UNFINISHED BUSINESS**

**Two Percent Cost of Living Adjustment for Non-Represented General Government and Ketchikan Public Utilities Employees Effective January 1, 2011**

Moved by West, seconded by Sivertsen the City Council authorize a two percent cost of living adjustment for General Government and Ketchikan Public Utilities non-represented employees effective January 1, 2011.

Mayor Williams said both Councilmembers Sivertsen and Olsen would abstain from voting due to their financial interest.

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

## **NEW BUSINESS**

### **Presentation of Revitalizing Ketchikan's Neighborhoods Project – Dr. Thomas Williams, Director of the Ketchikan Gateway Borough Department of Planning and Community Development**

Dr. Tom Williams, Director of Planning and Community Development, provided a brief history of events that led to the Revitalizing Ketchikan Neighborhoods booklet. He provided the reasons for the plan, which included stimulating economic activity in the Newtown area, developing strategies for doing improvements to aesthetics of the area, enhancing neighborhood character, and ways to enhance Ketchikan's heritage. He continued it was a combined effort of several firms holding public meetings, and combining the comments that were offered.

Dr. Williams said there are quite a few projects, and in looking at the downtown core the Commercial Passenger Vessel funds would be an appropriate funding source. He outlined other projects that could be covered by CPV funds. He pointed out they are trying to use the book as a guidelines for the next five to ten years, and the first ones they are trying to get approved are the Thomas-Stedman bathrooms, some paint-up, fix-up projects for Newtown, improvements to the Harborview Park, and a rest area at the corner of Spruce and Mill. He said these items are going in front of the Assembly for consideration, along with other projects. He answered questions from the Council. In response to Councilmember Coose, he said the document will be used as a reference, but some of the projects may not be appropriate. He explained the process used for developing a parking management plan for the downtown area.

[Clerk's Note: Councilmember Olsen lost his teleconference connection at some point during Dr. Williams' presentation.]

### **City Council Representative to the Alaska Southeast Ketchikan Campus Advisory Council**

Mayor Williams said he put this item on the agenda to determine if there was any interest on the Council to be part of this Advisory Council. He asked if there were any volunteers, please let him or the clerk know.

**Ordinance No. 11-1667 – Approving a Memorandum of Agreement with the State of Alaska Concerning the Rehabilitation/Replacement of Off-System Bridges – First Reading**

Copies of Ordinance No. 11-1667 were available for all persons present.

Moved by Sivertsen, seconded by Shay the City Council approve in first reading Ordinance No. 11-1667 approving a Memorandum of Agreement with the State of Alaska concerning the rehabilitation/replacement of off-system bridges; providing for the filing of referendum petitions; and establishing an effective date.

Councilmember Coose voiced his objection to using CPV funds for such projects.

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

**Right-of-Way and Utility Easement and Corrected Right-of-Way and Utility Easement Between the City of Ketchikan and the Great Alaska Lumberjack Show and The Wharf, LLC – Waterfront Promenade**

Moved by Coose, seconded by West the City Council approve the right-of-way and utility easement and corrected right-of-way and utility easement between the City of Ketchikan and the Great Alaska Lumberjack Show and The Wharf, LLC in connection with the development of the waterfront promenade.

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

**Resolution No. 11-2388 Opposing the Administrative Imposition of the Roadless Rule and Opposing Any Additional Wilderness, Roadless or Conservation Area Set Aside in Southeast Alaska – Councilmember Coose**

Moved by Coose, seconded by Kj Harris the City Council approve Resolution No. 11-2388 opposing the administrative imposition of the Roadless Rule and opposing any additional wilderness, roadless or conservation area set aside in Southeast Alaska.

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

[Clerk's Note: Councilmember Olsen rejoined the meeting by teleconference.]

**Award of Contract No. 11-03, Three-Year Publication of the Ketchikan Telephone Directory – Directory Publishing Solutions, Inc.**

Moved by West, seconded by Coose the City Council authorize the award of Contract No. 11-03, Three-Year Publication of the Ketchikan Telephone Directory to Directory Publishing Solutions, Inc. of Chesterfield, Missouri and direct the general 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.

**VOUCHERS**

Moved by West, seconded by Sivertsen for approval of vouchers to Ketchikan Daily News in the amount of \$294.00.

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

**CITY MANAGER'S REPORT**

**General Government and KPU Appropriated Reserves Through the City Council Meeting of February 3, 2011**

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 February 3, 2011.

**Capital Fundraising Campaign for the Construction of a New Ketchikan Public Library – Friends of the Ketchikan Public Library**

Manager Amylon transmitted correspondence from the Friends of the Ketchikan Public Library, indicating they have initiated efforts towards a capital fundraising campaign for the construction of a new library. He noted staff looks forward to working with the Friends on this effort, in order to lessen the final cost of the project to local taxpayers.

**Report of Federal Lobbyist**

Manager Amylon included the February 9, 2011 report from the City's federal lobbyist, Steve Silver.

**“Coffee with the Chief”**

Manager Amylon included a memorandum from Police Chief Talik detailing a new outreach program where the chief makes himself available to the public on a monthly basis.

**Invitation to Submit Tier 2 Proposal for the New Ketchikan Public Library Project – Rasmuson Foundation**

Manager Amylon provided correspondence from Diane Kaplin, President of the Rasmuson Foundation, indicating the City has been invited to submit a Tier 2 proposal for the project. He noted staff, RISE Alaska and the firm’s grant writer will attempt to complete the proposal by the April 15, 2011 deadline.

**General Government Financial Statements for the Twelve Months Ending December 31, 2010**

Manager Amylon included the financial statements for the calendar year 2010.

**Public Works Department Project Status Report – January 2011**

Manager Amylon transmitted the project status report of the Public Works Department for the month of January 2011.

**Investigation of Copper Levels in Municipal Wastewater Effluent Stream**

Manager Amylon provided a report from Public Works Director Allen updating the progress of analyzing of copper levels in the municipal wastewater effluent stream. Mr. Allen’s report indicated it is likely to be an issue that will necessitate ongoing replacement of deteriorated infrastructure.

**Legislative Liaison Fly-In**

Manager Amylon reported he will be participating in the legislative fly-in next week in Juneau.

**2012-2015 Statewide Transportation Improvement Program**

Manager Amylon said staff is working with DOT relative to the preparation of the 2012-2015 STIP. He said right now nothing has been definitively decided, but it looks like a couple of the projects for downtown in the vicinity of Dock and Mission Streets are going

to score high enough to be funded under the STIP, as well as two of the promenade projects.

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

### **Project Status Reports of the KPU Operating Divisions – January 2011**

Manager Amylon transmitted the project status reports of the KPU operating divisions for the month of January 2011.

## **CITY CLERK'S FILE**

### **Gaming Permit Application – Alaska Judicial Observers, Inc.**

Clerk Suiter provided the gaming permit application for Alaska Judicial Observers, Inc. She noted if the Council wished to deny any application, a resolution could be prepared accordingly.

### **AML Legislative Meeting**

Clerk Suiter provided a report relating to her trip to the Alaska Municipal League Legislative Meeting that took place in Juneau from February 8-10, 2011. She noted she is an ex-officio member of the AML Board due to her position as immediate past president of the Alaska Association of Municipal Clerks.

## **CITY ATTORNEY'S FILE** – None

## **FUTURE AGENDA ITEMS**

Mayor Williams said he would like to see the issue of a crossing guard at Newtown on the next agenda.

## **MAYOR AND COUNCIL COMMENTS**

Councilmember Harris said he was sorry to miss the meeting, but he is ill. He said he is looking forward to Juneau next week.

Councilmember Sivertsen recognized “Coffee with the Chief,” saying he felt it was a great public outreach program. He said at the last SEAPA Board meeting, Charles Freeman was elected as the chairman of the SEAPA Board.

Councilmember Coose said the Integrated Resource Plan is proceeding under state funding, and the timing is not going to be timely to meet the governor’s idea that it has to

go through that process before we need the money. He said throughout the project, they are going to talk about the way new projects may get funded so it may affect how and what we do, and he referred to the Bradley Lake process which he believed dealt with very long-term loans. He hoped we could work it out this year with the legislature.

Councilmember Kj Harris said he is concerned about this roadless issue, and he hoped everyone would call their congressman and legislator to let them know how we feel about it. He said it is a real tight squeeze.

Councilmember Shay thanked the clerk for the AML report, noting the issue of Essential Air Subsidy funding issue is dead.

Mayor Williams thanked Assistant Public Works Director Brakke for his work on handicapped access.

**OTHER NEW BUSINESS** – None

**EXECUTIVE SESSIONS**

**Request for Executive Session – Discussion of Strategies  
Concerning Potential Litigation with Legal Counsel  
Within the Attorney-Client Privilege – Acquisition of Lot  
10-A1**

Moved by West, seconded by Sivertsen the City Council declare that consistent with the city manager's memorandum dated February 8, 2011 it is in the best interests of the City Council to go into executive session in accordance with KMC 2.04.025(a)(1) and AS 44.62.310(c)(1) to discuss issues relating to the City's acquisition of Lot 10-A1, Plat 2003-13, Ketchikan Recording District, the immediate knowledge of which would clearly have an adverse effect upon the finances of the City and to discuss strategies concerning potential litigation with legal counsel within the attorney-client privilege.

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

The Council recessed into executive session at 8:15 p.m. and reconvened at 8:35 p.m.

Mayor Williams said the Council has completed an executive session to discuss issues relating to the City's acquisition of Lot 10-A1, Plat 2003-13, Ketchikan Recording District and no action would be taken tonight.

**ADJOURNMENT**

As there was no further business, the Council adjourned at 8:35 p.m.

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Lew Williams III, Mayor

ATTEST:

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Katherine M. Suiter  
City Clerk

**FYI ITEMS INCLUDED**

Southeast Alaska Independent Living, Inc.'s Quarterly Activity and Financial Reports – October Through December 2010  
Small Business Development Center – First Quarter Report FY 2011 – October Through December 2010  
Community Connections Older Alaskans and Adult Resource Services (OARS) Quarterly Activity and Financial Reports – October Through December 2010  
Alaska Legal Services Corporation's Quarterly Financial Report – October Through December 2010  
Southeast Senior Services' Quarterly Activity and Financial Reports – October Through December 2010  
Compliments to City Staff – Engineering Division and Building Inspection  
Lake Levels and System Generation Report - January 2011  
Water Utilization Study Report – January 2011