

Regular Ketchikan City Council meeting was called to order by Mayor Williams at 7:01 p.m., November 17, 2011, with the following members present: Sam Bergeron, Dick Coose, Kj Harris, Matthew Olsen, Robert Sivertsen and Marty West. One councilmember seat was vacant.

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 Seaver, Human Resources Manager Miller, Port and Harbors Director Corporon, Acting Police Chief Bengaard, Public Works Director Allen, Acting Telecommunications Division Manager Lindgren and City Clerk Suiter.

COMMUNICATIONS

Mayor Williams noted several items laid on the table, including: a substitute motion for award of Contract No. 11-44 LTE Wireless Deployment Feasibility Study, the water utilization study report for October 2011, and a request from the Kayhi cheerleaders to be allowed to sell doughnuts and coffee on the dock to customers of Tongass Trading.

Mayor Williams asked if there were any objections to the request from the Kayhi cheerleaders, and none were heard.

PERSONS TO BE HEARD

Deborah Hayden, representing the Performing Arts Center, spoke to the drainage problem with the Pioneers building. She praised City staff for assisting her in understanding the issue, and proceeded to describe the problems they have experienced.

Bob Fultz, representing Ketchikan Youth Initiative, spoke in support of a proposed skateboard park. He noted the Borough and KYI are working together to develop the park, and he requested the Council put it on a future agenda item for discussion. He outlined the areas where the City can assist, and Mayor Williams said they would address it.

Ed Zastrow, representing the Pioneers of Alaska Igloo No. 16, provided a history of their building. He described recent maintenance performed, noting it appears to affect the Gilmore and the Performing Arts Center with additional drainage. He said they were willing to install the other 50% of the gutters on the building and tie into the gutters proposed by the City to use the same downspout into the drainage area.

Justin Carro reminded the Council of the plan he proposed relating to the dock vendor bids, as well as the endorsements he received.

CONSENT AGENDA

Mayor Williams asked if there were any objections to moving the item dealing with the award of purchase of ethernet/IP broadband access equipment to KGP Logistics, Inc., and none were heard.

Reinstatement of Annual Leave Accrual – Human Resources Division Administrative Assistant

Moved by West, seconded by Sivertsen the City Council authorize the city manager to reinstate Heidi Benggaard’s annual leave accrual at 26 days per year effective the date of her appointment as Human Resources Division administrative assistant.

Motion passed with Harris, Coose, Sivertsen, West, Olsen and Bergeron voting yea; one seat vacant.

Resolution No. 11-2426 – Supporting House Bill No. 184 Relating to the Sharing of Tax Revenues from the Fisheries Business Tax and Fishery Resource Landing Tax with Municipalities

Moved by West, seconded by Sivertsen the City Council approve Resolution No. 11-2426 supporting House Bill No. 184 relating to the sharing of tax revenues from the Fisheries Business Tax and Fishery Resource Landing Tax with municipalities; and establishing an effective date.

Motion passed with Harris, Coose, Sivertsen, West, Olsen and Bergeron voting yea; one seat vacant.

Resolution No. 11-2427 – Supporting Full Funding of the State of Alaska Municipal Harbor Facility Grant Program in the State FY 2013 Capital Budget

Moved by West, seconded by Sivertsen the City Council approve Resolution No. 11-2427 supporting full funding for the State of Alaska Municipal Harbor Facility Grant Program in the FY 2013 State Capital Budget; and establishing an effective date.

Motion passed with Harris, Coose, Sivertsen, West, Olsen and Bergeron voting yea; one seat vacant.

Contract No. 11-51 – Public Defender Services, Law Office of Dennis L. McCarty

Moved by West, seconded by Sivertsen the City Council accept the proposal of the Law Office of Dennis L. McCarty for Contract No. 11-51, Public Defender Services, and authorize the city manager to execute the agreement on behalf of the City Council.

Motion passed with Harris, Coose, Sivertsen, West, Olsen and Bergeron voting yea; one seat vacant.

Approval of Minutes

Moved by West, seconded by Sivertsen approval of the minutes of the regular meeting of November 3, 2011.

Motion passed with Harris, Coose, Sivertsen, West, Olsen and Bergeron voting yea; one seat vacant.

Contract No. 11-41, Purchase of Ethernet/IP Broadband Access Equipment – KGP Logistics, Inc. - \$135,465

Moved by West, seconded by Sivertsen the City Council accept the proposal of KGP Logistics, Inc. of New Century, KS in the amount of \$135,465 for Contract No. 11-41, Ethernet/IP Broadband Access Equipment; establish a three percent contingency in the amount of \$4,064, bringing the total not-to-exceed contract amount to \$139,529; approve funding from the Telecommunications Division's 2011 Normal Growth and Repair – CO Transmission Capital Account; and direct the general manager to execute the contract documents on behalf of the City Council.

Motion passed with Harris, Coose, Sivertsen, West, Olsen and Bergeron voting yea; one seat vacant.

UNFINISHED BUSINESS

Ordinance No. 11-1685 – Approving Cooperation Agreement Between the Ketchikan Gateway Borough, the City of Ketchikan and the Ketchikan Indian Community Authorizing a Payment of Lieu of Taxes – Second Reading

Copies of Ordinance No. 11-1685 were available for all persons present.

Moved by Sivertsen, seconded by Harris the City Council approve in second reading Ordinance No. 11-1685 approving a cooperation agreement between the Ketchikan Gateway Borough, the City of Ketchikan and the Ketchikan Indian Community authorizing a payment in lieu of taxes; providing for the filing of referendum petitions; and establishing an effective date.

Motion passed with West, Olsen, Harris, Sivertsen and Coose voting yea; Bergeron voting nay; one seat vacant.

Ordinance No. 11-1684 – Amending Section 13.10.030 of the Ketchikan Municipal Code to Reduce the Passenger Wharfage Fees – First Reading – Deferred from October 20, 2011

And

Ordinance No. 11-1688 – Amending Subsection (d) of Ketchikan Municipal Code Section 13.10.030 Entitled “Imposition of Passenger Wharfage Fees” – First Reading

Copies of Ordinance Nos. 11-1684 and 11-1688 were available for all persons present.

The motion on the floor that was deferred from October 20, 2011 was:

Moved by West, seconded by Sivertsen the City Council approve in first reading Ordinance No. 11-1684 amending Section 13.10.030 of the Ketchikan Municipal Code to reduce the passenger wharfage fees; and establishing an effective date.

Motion failed with Sivertsen, Bergeron, Coose, Harris, Olsen and West voting nay; one seat absent.

Moved by Sivertsen, seconded by Coose the City Council approve in first reading Ordinance No. 11-1688 amending Subsection (d) of the Ketchikan Municipal Code Section 13.10.030 entitled “Imposition of Passenger Wharfage Fees;” and establishing an effective date.

Moved by Sivertsen, seconded by Bergeron to remove the last sentence in the proposed change which says, “Regardless of whether such review occurs, one dollar of the fee set in (a) shall expire on December 31, 2013, unless extended or modified by ordinance.”

Motion to amend passed with Harris, Olsen, West, Bergeron, Sivertsen voting yea; Coose voting nay; one seat absent.

Motion passed with Coose, Bergeron, west, Harris, Sivertsen and Olsen voting yea; one seat vacant.

Ordinance No. 11-1687 – Declaring Three Taqua PIC1 Packet Interface Cards to be Surplus City Property; Exempting the Sale of Those Items from Requirements for Competitive Bidding or Sale by Auction and Other Procedures; Authorizing the Sale of Those Items to Taqua, LLC – Second Reading

Copies of Ordinance No. 11-1687 were available for all persons present.

Moved by Olsen, seconded by West the City Council approve in second reading Ordinance No. 11-1687 declaring three Taqua PIC1 Packet Interface Cards to be surplus City property; exempting the sale of those items from requirements for competitive bidding or sale by auction and other procedures; authorizing the sale of those items to Taqua, LLC; providing for the filing of referendum petitions; and establishing an effective date.

Motion passed with Bergeron, Sivertsen, Olsen, Coose, Harris and West voting yea; one seat vacant.

NEW BUSINESS

Competitive Bid of Contract No. 11-34 – 2012-2014 Dock Vendor Program

Moved by Olsen, seconded by Sivertsen the City Council authorize the city manager and Port and Harbors director to competitively bid Contract No. 11-34, 2012-2014 Dock Vendor Program, said bid opening to be scheduled for December 20, 2011.

Motion passed with Harris, Coose, Sivertsen, West, Olsen and Bergeron voting yea; one seat vacant.

Pioneers of Alaska Building Drainage

Moved by Coose, seconded by Sivertsen the City Council direct the city manager to correct the drainage issues associated with the Pioneers of Alaska building as detailed in the report by Project Inspector/EIT Nick Myran.

Senior Project Engineer Brakke answered questions from the Council.

Motion passed with West, Olsen, Bergeron, Harris, Sivertsen and Coose voting yea; one seat vacant.

Consideration of Accepting Resignation of John “Jack” Shay and Consideration of Filling Vacant Councilmember Position – Mayor Williams

Moved by West, seconded by Bergeron the City Council accept the resignation of John “Jack” Shay.

Motion passed with Sivertsen, Bergeron, Coose, Harris, Olsen and West voting yea; one seat vacant.

The Council discussed when to add the letters of interest to the agenda, and he suggested the budget meeting of November 29. Councilmember West requested another date because she cannot make it on Tuesdays. Mayor Williams suggested moving the budget meeting of November 29 to November 28, with the caveat he may have a conflict. He said he would double check and at least have it sometime during that week.

Change Order Nos. 1 and 2 – Contract No. 10-29, Creek Street Boardwalk Replacement Repairs, CBC Construction, Inc.

Moved by Sivertsen, seconded by Coose the City Council approve Change Order Nos. 1 and 2 to Contract No. 10-29, Creek Street Boardwalk Replacement Repairs in the

amounts of \$33,400 and \$17,620 respectively, bringing the total project cost to \$326,450; authorize funding from the Streets Division's 2011 Creek Street Trestle Repairs Capital Account; and direct the city manager to execute the change orders on behalf of the City Council.

Motion passed with Coose, Bergeron, West, Harris, Sivertsen and Olsen voting yea; one seat vacant.

Contract No. 11-38, City-Wide Water, Sewer and Storm Drainage Replacement and Improvement Design – Accepting the Proposal of DOWL HKM and Authorizing the Negotiation of Contract Terms

Moved by West, seconded by Harris the City Council authorize the city manager's office to enter into negotiations with DOWL HKM of Anchorage, Alaska to provide City-Wide Water, Sewer, and Storm Drainage Replacement and Improvement Design under Contract No. 11-38, said contract to be brought back before the City Council for consideration.

Senior Project Engineer Jurczak answered questions from the Council. Public Works Director Allen pointed out having projects that are design-ready really assists the City in getting grants. Manager Amylon agreed, stating the more we have designed on the shelf the better our chances of grant funding. He discussed infrastructure that is disintegrating, noting that if things are not begun now, the problems will grow. Manager Amylon reminded this study is only one component of the many issues that are out there.

Motion passed with Harris, Olsen, West, Bergeron, Sivertsen and Coose voting yea; one seat vacant.

Declaration of Public Emergency

Moved by Coose, seconded by Bergeron pursuant to paragraph (7) of Section 3.12.050 of the Ketchikan Municipal Code, the City Council authorize the city manager to declare a public emergency for the repairs of approximately 233 linear feet of water and sewer mains under the Creek Street pedestrian trestle; authorize funding in the amount of \$83,586 from the Streets Division's Creek Street Trestle Repairs Capital Account; and direct the city manager to execute the contract with CBC Construction, Inc. on behalf of the City Council.

Senior Project Engineer Jurczak answered questions from the Council.

Motion passed with Bergeron, Sivertsen, Olsen, Coose, Harris and West voting yea; one seat vacant

Ordinance No. 11-1686 – Amending Chapter 11.12, Telecommunications Service and Rates – First Reading

Copies of Ordinance No. 11-1686 were available for all persons present.

Moved by Harris, seconded by West the City Council approve in first reading Ordinance No. 11-1686 amending Chapter 11.12, Telecommunications Service and Rates, of the Ketchikan Municipal Code; providing for a public hearing; and establishing an effective date.

Acting Telecommunications Division Manager Lindgren answered questions from the Council.

Motion passed with Harris, Coose, Sivertsen, West, Olsen and Bergeron voting yea; one vacant seat.

Contract No. 11-44, LTE Wireless Deployment Feasibility Study – Televate, LLC - \$49,850

Moved by West, seconded by Olsen the City Council accept the proposal of Televate, LLC of Falls Church, VA in an amount not to exceed \$49,850 for Contract No. 11-44 to conduct an LTE Wireless Deployment Feasibility Study; approve funding in the amount of \$49,850 from the Telecommunications 2011 4G Wireless Study Capital Account; and direct the general manager to execute the contract on behalf of the City Council.

Acting Telecommunications Division Manager Lindgren answered questions from the Council. He spoke to positioning KPU for the future and the devices people are using.

Motion passed with West, Olsen, Bergeron, Harris, Sivertsen and Coose voting yea; one seat vacant.

VOUCHERS

Moved by West, seconded by Sivertsen for approval of vouchers to Ketchikan Daily News in the amount of \$2,728.02.

Motion passed with Sivertsen, Bergeron, Coose, Harris, Olsen and West voting yea; one seat vacant.

CITY MANAGER’S REPORT

Schedule of General Government and KPU Appropriated Reserves Through the City Council Meeting of November 3, 2011

Manager Amylon provided the Council a schedule of the current balance of Appropriated Reserves of various funds of General Government and KPU through the City Council meeting of November 3, 2011.

2011 Sales Tax Report No. 7

Manager Amylon provided a memorandum from Finance Director Newell regarding sales tax collections for 2011. Mr. Newell commented that it appears sales tax revenues for

2011 are on track to beat the estimates, with a possibility of between \$400,000 and \$500,000 more receipts than was projected for 2011.

General Government Financial Statements for the First Eight and Nine Months Ending August 31 and September 30, 2011 Respectively

Assistant Manager Martin copied the Council with the General Government financial statements for the first eight and nine months of the year ending August 31 and September 30, 2011.

Public Works Department Project Status Report – October 2011

Assistant Manager Martin transmitted the project status report of the Public Works Department for the month of October 2011.

Contract No. 11-21 Update – Jackson/Monroe Streets & 4th/7th Avenues Reconstruction Project, Miller Construction Co., Ltd.

Assistant Manager Martin included a report that summarizes the Jackson/Monroe Streets & 4th/7th Avenues Reconstruction Project activities during the month of October.

Police Chief Appointment

Manager Amylon informed he appointed Lieutenant Alan Bengaard as Acting Police Chief and will be bringing a compensation package back to the Council at the first meeting in December.

K.P.U. MANAGER'S REPORT

Project Status Reports of the KPU Operating Divisions – October 2011

Assistant Manager Martin provided the project status reports of the KPU operating divisions for the month of October 2011.

Report of September 28, 2011 Power Outage

Manager Amylon included a memorandum from Senior Electric Systems Engineer Donato detailing the October 29, 2011 power outage.

Ketchikan Public Utilities Financial Statements for the Quarter Ending September 30, 2011

Manager Amylon transmitted the Ketchikan Public Utilities financial statements for the third quarter ending September 30, 2011.

CITY CLERK'S FILE – None

CITY ATTORNEY'S FILE – None

FUTURE AGENDA ITEMS – None

MAYOR AND COUNCIL COMMENTS

Councilmember Olsen said last night the roads were terrible and the City crew did a fantastic job getting them ready. He said he noticed on the drive over the parking lots are pretty nasty and he knew they had their work cut out for them. He urged them to be safe.

Councilmember Sivertsen said there was a SEAPA meeting in Juneau where AEA was present and Mr. Sandberg made a presentation of the IRP. He continued there were some questions about the deliverables of it, and they are looking at a plan for it to go out to the public sometime in December. He said there was also a presentation evaluating the impact of the Whitman Lake Project on SEAPA's operation, and the board discussed the City's request for a waiver which brought a very informative discussion. He said they directed staff to bring back some options to resolve that issue. He informed the board also directed staff to do an RFP to have an independent review of SEAPA projects' operations and maintenance including management staff. He reported there was discussion regarding the roadless issue with regards to Wyoming vs. the US Department of Agriculture, stating the Tenth Circuit Court ruling reversed all the Wyoming district court rulings on it. He said they will keep an eye on it. He concluded they received a letter informing Mr. Carlson will be retiring in the near future.

Councilmember Kj Harris reminded everyone there is a chance to sit on the Council, and they can apply until next Tuesday.

Mayor Williams said there was an Executive Lobbying Committee today, and they will be bringing the final list of everything by next meeting. He said some changes were made by Saxman in theirs, but nothing on the top six has changed. He continued the third week in February is the trip to Juneau.

The Council took a short break at 8:32 p.m. and reconvened at 8:37 p.m.

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 Sivertsen, seconded by Olsen the City Council declare that consistent with the city manager's memorandum dated November 9, 2011 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 November 9, 2011, 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, Bergeron, West, Sivertsen and Olsen voting yea; Harris voting nay; one seat vacant.

The Council recessed into executive session at 8:40 p.m. and reconvened at 9:15 p.m.

Mayor Williams said the Council has completed an executive session to discuss negotiations 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 9:17 p.m.

Lew Williams III, Mayor

ATTEST:

Katherine M. Suiter
City Clerk

FYI ITEMS INCLUDED

Southeast Alaska Independent Living (SAIL) Quarterly Activity Report - July Through September 2011

Community Connections Older Alaskans and Adult Resource Services (OARS) Quarterly Activity Report - July Through September 2011

Lake Levels and System Generation Report for the Month of October 2011

Women in Safe Homes (WISH) Quarterly Activity Report - July Through September 2011