

Special Ketchikan City Council meeting was called to order by Mayor Williams at 7:01 p.m., November 30, 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, Acting Police Chief Bengaard, Public Works Director Allen and City Clerk Suiter.

Mayor Williams said, unless there were objections, the New Business item would be considered first to allow a new councilmember to be seated. No objections were heard. He said he would allow each candidate to speak to the Council during consideration of that item.

COMMUNICATIONS

Mayor Williams said there were several items laid on the table, including: General Government Budget Update No. 10 regarding appropriate levels of reserves; General Government Budget Update No. 11 – Revenue and Appropriation Summary Revision No. 2; General Government Budget Update No. 12 – Berths 1C and 1D Fender Pile Replacement Funding Correction; General Government Budget Update No. 13 – Estimated Funds Available from Grants and Bond Proceeds; and General Government Budget Update No. 14 – Small Boat Harbors 2012 Professional Services Account.

PERSONS TO BE HEARD – None

NEW BUSINESS

Consideration of the Filling of a Council Vacancy

Mayor Williams said there were five candidates, and he would have each come forward to state why they would like to serve on the Council, and answer questions from the Council.

Jim Alguire said he has been in Ketchikan a long time, and now he is retired and has the time to put into community service. He noted he served on the school board a number of years ago, and feels he could do a good job. In response to Councilmember Sivertsen, he expressed concern about the Bawden Street building, and taxes shouldn't be raised unless you have to. He did not feel he had any conflicts relative to this position.

Drew O'Kane spoke to the time he has spent researching and talking to people about the issues facing the City. He felt he had a great deal of support and had a lot to bring to the table. He spoke to fiscal conservation and support for public safety and infrastructure. He cited support for police officers in schools, more drug enforcement, youth programs and educational stimulation through recreation, the fishing industry, recycling, Ketchikan Medical Center improvements, non-smoking movement in public areas, Cooperative

Relations Committee, limit and evaluate bond debt, distribution of CPV funds, revitalization of areas and buildings in the downtown, prioritizing Public Works projects by need, responsible City planning, and streamlining of the permitting process. He continued by speaking to energy and sustainability. He said he has a minimal political background, but he is committed to the future and even if not selected, will be running in 2012. In response to Councilmember Sivertsen, he said he has been trying to educate himself and it will be a process he is committed to. He expressed he didn't feel he had a conflict of interest.

Mike Carney noted he has been the airport manager for seven years, and feels he can make a decision based on a lot of things. He said it is not easy to cover issues with a broad brush, and he answered questions from the Council. He expressed he didn't have a conflict of interest in any way to serve on the Council. He said he did not agree with raising taxes and user fees until a complete review has been conducted. In response to Councilmember West, he said when he was sitting in the Council seat, he will do that seat's job. He said he couldn't think of a real-time example of a conflict he might have. He continued that he has a lot of background in failing infrastructure that needs to be addressed.

DeAnn Karlson provided a brief background introduction, and cited her involvement in the community. She stated she wanted to make a difference in the community that will cause children who grow up and move away to come back, live productively and raise their family here. She felt our children are our future, and hoped to have input into solutions for this issue. In response to Councilmember Bergeron, she said until she is really familiar with the budgeting process and saw where expenditures are, it would be difficult to see where the City is in relation to taxes. She emphasized she doesn't want her taxes raised but at times it is a necessity after every other option has been explored. Regarding a conflict of interest, she expressed she works with a variety of clients in the community. She felt she could recuse herself from situations where a conflict may be present, reminding in a community this small, all people interact in some way or another. She indicated she didn't know much about infrastructure, noting it would be a learning curve although she has some basic knowledge in construction.

John Baratki thanked the Council for the opportunity and provided a brief outline of his work in Ketchikan. He explained the help he has received from the citizens of Ketchikan regarding his work with the homeless, and said he would like to continue his work at the Council level. In response to Councilmember Bergeron, he said taxes are sometimes a necessary evil and sometimes an unnecessary evil, depending on if all options have been exhausted. He did not feel anything he was doing would be a conflict of interest, stating he looks forward to the challenge. In response to Councilmember Sivertsen, he said he didn't know much about the budgeting process and it would be a learning curve, but he was a fast study and quick learner.

Mayor Williams said he hoped everyone would jump into the election process next October, noting only one person could be chosen tonight. He reminded the seat would be up for election again in October.

Moved by West, seconded by Harris that DeAnn Karlson be appointed to the vacant City Council seat.

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

Clerk Suiter administered the oath of office to Ms. Karlson.

The Council took a break at 7:37 p.m. and reconvened at 7:43 p.m.

UNFINISHED BUSINESS

Resolution No. 11-2420 – Draft 2012 General Government Annual Budget – Postponed from November 21, 2011

Moved by West, seconded by Sivertsen the City Council amend by decreasing the Port Enterprise Fund revenues from other governments by \$713,000.

Finance Director Newell answered questions from the Council.

Motion passed with Harris, Coose, Sivertsen, West, Karlson, Olsen and Bergeron voting yea.

Moved by Sivertsen, seconded by Coose the City Council amend by decreasing the Small Boat Harbors 2012 Professional Services Account No. 60 by \$25,000.

Motion passed with Bergeron, Sivertsen, Olsen, Karlson, Coose, Harris and West voting yea.

Councilmember Coose requested information regarding the Engineering Division, and Manager Amylon provided a brief history. He related two or three years after the Council asked him to take responsibility for KPU, a number of things occurred in terms of personnel. He explained when he took over KPU, there was the manager, a separate administrative manager, and a power projects manager. He noted the manager and administrative manager have moved on and took other endeavors. He continued at that time he brought forth a reorganization plan, which the Council adopted, that indicated a lot of what the engineers did could be done by a combined General Government/KPU engineering division.

Manager Amylon said over time a couple of things have changed. He advised telephone has gotten very complicated in terms of technology, and there are now two full time engineering positions assigned to KPU, and the engineering done for the telecommunications division is negligible. He said we've started to see the same trend for electric vis a vis Whitman Lake. He said there used to be a senior project engineer assigned to the Engineering Division, representing both General Government and KPU, that is now full-time electric. He said in the past couple of years, this has forced the finance director and himself to ask whether or not KPU is subsidizing General

Government. He reminded in the City's Charter, KPU money has to be used for KPU and cannot be used to support General Government.

Manager Amylon said in the 2012 budget, staff has taken the positions within the combined General Government and KPU Engineering division, tried to assign those positions to the division in which the people were working. He emphasized this was done to reallocate the costs based on what the respective people were actually doing. He said if we keep going on status quo, one of these days the Council will have the auditor write up the City because we've got KPU subsidizing General Government. Finance Director Newell agreed, discussing building "rents" and other internal transfers. He and Manager Amylon answered questions from the Council.

Councilmember Olsen expressed concern about the Harbor Department reserves increasing, and Finance Director Newell answered questions regarding the amount of reserves.

Moved by Olsen, seconded by Bergeron to amend by moving the Raw Fish Tax from the Harbor Department Fund back to the General Fund.

After discussion, the motion was withdrawn with the consent of the second.

MAYOR AND COUNCIL COMMENTS – None

Moved by Sivertsen, seconded by Bergeron to postpone consideration of Resolution No. 11-2420 to December 5, 2011.

Motion passed by unanimous consent.

ADJOURNMENT

As there was no further business, the Council adjourned at 8:20 p.m.

Lew Williams III, Mayor

ATTEST:

Katherine M. Suiter
City Clerk