

Special Ketchikan City Council meeting was called to order by Mayor Williams at 7:00 p.m., December 1, 2014, with the following members present: Dick Coose, Kj Harris, DeAnn Karlson, David Kiffer, Matthew Olsen, Robert Sivertsen and Judy Zenge.

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

Staff present were Manager Amylon, Assistant Manager Martin, Finance Director Newell, Civic Center Manager Bolling, Fire Chief Hoage, Human Resources Manager Miller, Information Technology Manager Thomas, Library Director Gens, Museum Director Simpson, Port and Harbors Director Corporon, Police Chief Bengaard and City Clerk Suiter.

COMMUNICATIONS

Mayor Williams said laid on the table was General Government Budget Update No. 1 regarding community agency funding.

PERSONS TO BE HEARD

Patti Mackey, representing the Ketchikan Visitors Bureau, said she is available to answer any questions the Council may have regarding their funding request. She also spoke to an invitation sent to the Council related to the Alaska Travel Industry Association's Board of Directors meeting to be held in Ketchikan the next two days. She described the meeting, stating the Council is encouraged to attend the events. She pointed out the Board's chair this year is Ketchikan's Scott Habberstad.

NEW BUSINESS

Resolution No. 14-2572 – Adopting the Budget for the Year 2015, Appropriating from the General Government Funds for the Fiscal Year 2015

Moved by Sivertsen, seconded by Olsen the City Council approve Resolution No. 14-2572 adopting the budget for the year 2015, appropriating from the General Government funds for the Fiscal Year 2015, and establishing an effective date.

Manager Amylon provided a brief overview of the transmittal letter, saying the 2015 proposed spending plan represents a status quo budget. He said the finance director is proposing reorganization of the Finance Department, reinstating the position of the accounting technician. He went on to say the budget has been structured to restore Sunday service at the Ketchikan Public Library, noting that since opening in 2013 the new library has experienced an approximate 50% increase in usage. He continued by pointing out that wastewater rates are programmed to increase by eight percent as the Wastewater Services Fund lacks the financial resources to fund operations and required infrastructure replacement. Manager Amylon also said that harbor rates are programmed

to increase by an additional seven percent based on the issuance of Council-authorized \$1 million of the \$5 million bond issue previously authorized by the voters. He reminded the bond was predicated on a seven percent increase in harbor rates for each \$1 million borrowed.

At the prompting of Councilmember Sivertsen, Manager Amylon informed the solid waste transport contract with Regional Disposal Company expires at the end of this year, and our costs are going to escalate significantly. He went on to say they are in the process of trying to put together an agreement, but the company has made it clear that there isn't a lot of negotiating latitude. He said staff has secured a two-month extension of the current agreement in order to allow a new agreement to be put in place. He acknowledged staff's efforts in getting that extension.

Councilmember Coose asked for several items: a spreadsheet and explanation regarding the increase in engineering costs for Solid Waste, Wastewater, Harbors, Port and KPU and an explanation as to how that money is accounted for; a spreadsheet from IT as to who is purchasing computers this year; and an explanation of whether funding sources have been secured and where the funding comes from for some of the capital projects.

Mayor and Council

In response to Councilmember Zenge, Manager Amylon said staff can request that the City's state lobbyist report to the Council. No action was taken.

City Attorney

City Attorney Seaver answered questions from the Council. No action was taken.

City Clerk

Clerk Suiter answered questions from the Council. No action was taken.

City Manager

No action was taken.

Finance

Finance Director Newell answered questions from the Council.

Moved by Sivertsen, seconded by Olsen to amend the 2015 General Government Operating and Capital Budget by eliminating Offices Services Line Item 735.00, Software, by \$10,000.

Motion passed with Harris, Zenge, Sivertsen, Kiffer, Karlson, Olsen and Coose voting yea.

In response to Councilmember Kiffer, Finance Director Newell explained how reserves are accounted for. He related concerns by ADEC on the lack of reserves in the Wastewater Fund, and by the bond bank relating to the amount of debt being issued by the City.

Information Technology

Information Technology Manager Thomas answered questions from the Council. No action was taken.

Fire

Fire Chief Hoage and Deputy Fire Chief Dorman answered questions from the Council. Councilmember Coose questioned what it is costing to heat the fire station, pointing out it is a mixture of oil and electricity, and Manager Amylon said staff would look at it. In response to Councilmember Sivertsen, Manager Amylon said staff would get an answer as to what type of pipe is being considered for the water line replacement at Fire Station No. 2.

No action was taken.

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

Police

Police Chief Bengaard answered questions from the Council. In response to a question from Councilmember Olsen, Information Technology Manager Thomas said he would examine the cost of computers scheduled for replacement.

No action was taken.

Public Health

Finance Director Newell answered questions from the Council. No action was taken.

Manager Amylon said the Council will be getting a document on Thursday night with an amended version of the Compliance Order by Consent that is to the City's benefit.

MAYOR AND COUNCIL COMMENTS

Councilmember Sivertsen pointed out there were substantial changes at the capitol with the new governor. He felt doing business in Juneau will be different for every community. He thanked all state elected officials for their service.

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Councilmember Olsen reminded the Council reduced the KPU pole replacement project from \$350,000 to \$250,000. He asked that the CIP be annualized. He said he would not be available for the meeting of December 11.

Councilmember Coose thanked the Streets Division for their work in getting the streets clear during the snowfall.

Councilmember Harris said the Police Department did a great job of getting the druggies off the street.

Mayor Williams reminded of the upcoming meetings. He said he will be missing the people in the governor's office.

ADJOURNMENT

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

Lew Williams III, Mayor

ATTEST:

Katherine M. Suiter
City Clerk