
Regular Ketchikan City Council meeting was called to order by Mayor Kiffer at 7:00 p.m., September 05, 2024, with the following members present: Jai Mahtani, Judy Zenge, Jack Finnegan, Lalette Kistler, Riley Gass and Mark Flora. Janalee Gage was absent.

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

Mayor Kiffer stated the Native Lands Acknowledgement.

Staff present were Manager Walsh, Assistant Manager Simpson (via WebEx), Controller Hart, Public Works Director Brakke, Deputy Police Chief Mattson, Library Director Tully, Fire Chief Hines, Telecommunications Division Manager Lindgren (via WebEx), Deputy Clerk Lee and City Clerk Stanker.

**PUBLIC HEARING FOR RESOLUTION NO. 24-2938 –
AMENDING THE 2024 GENERAL GOVERNMENT
OPERATING AND CAPITAL BUDGET TO PROVIDE FOR
SUPPLEMENTAL APPROPRIATIONS TO VARIOUS
ACCOUNTS**

Mayor Kiffer called the public hearing on Resolution No. 24-2938 to order at 7:02 p.m. and requested public testimony.

As there was no testimony, Mayor Kiffer declared the public hearing closed at 7:02 p.m.

**PUBLIC HEARING ON ORDINANCE NO. 24-1993 –
AMENDING ORDINANCE NO. 18-1867 WHICH
AUTHORIZES JUNIOR LIEN OBLIGATIONS PAYABLE
FROM THE CITY’S SEWER FUND IN THE PRINCIPAL
AMOUNT NOT TO EXCEED \$5,000,000 TO FINANCE
COSTS OF WASTEWATER SYSTEM FACILITIES**

Mayor Kiffer called the public hearing on Ordinance No. 24-1993 to order at 7:03 p.m. and requested public testimony.

As there was no testimony, Mayor Kiffer declared the public hearing closed at 7:03 p.m.

COMMUNICATIONS – None

PERSONS TO BE HEARD

Fire Chief Hines provided information from the landslide rescue that occurred on August 25, 2024. He thanked the Council for approving funding for equipment and training that helped save lives. Fire Captain Frank Divelbliss and Firefighter Crystal Schleif demonstrated for the Council equipment recently purchased that was used for the emergency response to the landslide. Fire Chief Hines thanked his team for their hard work and continued dedication this last week, as well as everyone who has assisted in any capacity. He highlighted the rescue of the pets from a home this week by Fire Fighter Schleif and her work as a firefighter.

Mary Stephenson provided the Council with the information she compiled regarding transportation recommendations for the community. She stated that the Council needs to have a discussion regarding capping the number of ships visiting the community.

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Ty Rettke spoke on the concept of a warming shelter in the community. He recommended the Council stop and think about this and try to work with other community partners. He answered questions from the Council.

Abby Bradberry said she is a volunteer with the Ketchikan Fire Department and assisted with the response to the recent landslide. She stated the need for training and equipment for the Fire Department and other departments within the City and KPU and encouraged the Council to remember that during budget deliberations. She apologized for not recognizing the need for equipment and training for staff while she was on the Council. She stated her concerns regarding the direction of the Tourism Manager position.

CONSENT AGENDA

Councilmember Zenge through the chair said she had a conflict of interest with the Consent Agenda item regarding the Award of Contract No. 23-24, Mayor Kiffer said the Council would consider that item separately, and he asked if there were any objections to moving Ordinance No. 24-1993 authorizing junior lien obligations to the Consent Agenda, and no objections were heard.

Approval of Minutes – The Regular City Council Meeting of August 15, 2024 and Special Meeting of August 29, 2024

Moved by Flora, seconded by Finnegan for the approval of minutes from the regular meeting of August 15, 2024, and the special meeting of August 29, 2024.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

Resolution No. 24-2931 – Amending Section 6.2.1 of the City of Ketchikan Personnel Rules Recognizing Juneteenth as an Official City Holiday

Moved by Flora, seconded by Finnegan the City Council approve Resolution No. 24-2931 establishing Juneteenth as a paid holiday for non-represented employees and the closing of City and KPU offices in commemoration of such.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

Resolution No. 24-2938 – Amending the 2024 General Government Operating and Capital Budget to Provide a Supplemental Appropriation for the Mayor & Council Department in the Amount of \$69,000; Authorizing Budget Transfers from the Appropriated Reserves of the General Fund, Solid Waste Services Fund, Wastewater Services Fund, Harbor Fund, Port Fund and KPU Enterprise Fund in the Amounts of \$28,060, \$2,400, \$1,850, \$1,245, \$3,015 and \$32,430 Respectively

Moved by Flora, seconded by Finnegan the City Council approve Resolution No. 24-2938, amending the 2024 General Government Operating and Capital Budget to provide a supplemental appropriation for the Mayor & Council Department in the amount of \$69,000; authorizing budget transfers from the Appropriated Reserves of the General Fund, Solid Waste Services Fund, Wastewater Services Fund, Harbor Fund, Port Fund and KPU Enterprise Fund in the amounts of \$28,060, \$2,400, \$1,850, \$1,245, \$3,015 and \$32,430, respectively; and establishing an effective date.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

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Establishing October 5, 2024 as a Sales Tax Holiday

Moved by Flora, seconded by Finnegan pursuant to Section 3.04.035 of the Ketchikan Municipal Code, the City Council declare a Sales Tax Holiday on Saturday, October 5, 2024, and suspend the collection of sales tax on goods and services during the Sales Tax Holiday, pursuant to similar action to be taken by the Ketchikan Gateway Borough Assembly.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

Budget Transfer – Sayles/Gorge Street Viaduct Improvement Project

Moved by Flora, seconded by Finnegan the City Council authorize a budget transfer in the amount of \$72,000 from the Public Works – Streets Division’s 2024 Transportation Infrastructure Capital Account to the division’s 2024 Sayles/Gorge St. Bridge Replacement Capital Account and authorize payment to the State of Alaska Department of Transportation & Public Facilities (ADOT&PF) in the amount of \$681,463 from the Public Works – Streets Division’s 2024 Sayles/Gorge St. Bridge Replacement Capital Account for the purposes of fulfilling the City’s local financial match requirements.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

Budget Transfer – Museum Department Director Recruitment

Moved by Flora, seconded by Finnegan that the City Council adopt the motion authorizing the City Manager to transfer \$2,091 from the Museum Department’s 2024 Regular Salaries and Wages Account No. 500.01, \$285 from the department’s Payroll Taxes Account No. 505.00 and \$792 from the department’s Pension Account No. 506.00 and to the department’s Travel - Business Account No. 600.01 to account for expenses associated with Museum Director candidate recruitment efforts.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

Budget Transfer and Change Order No. 1 to Contract No. 24-22 Insulator Replacements – Sturgeon Electric

Moved by Flora, seconded by Finnegan the City Council authorize a budget transfer in the amount of \$30,000 from the Electric Division’s 2024 Beaver Falls Exterior capital account to the division’s Insulator Replacement Capital Account; authorize Change Order No. 1 to Contract No. 24-22, Insulator Replacements, between the City of Ketchikan d.b.a. Ketchikan Public Utilities and Sturgeon Electric in the amount of \$30,000, bringing the contract total to \$942,870; authorize funding in the amount of \$30,000 from the Electric Division’s 2024 Insulator Replacement Capital Account for Change Order No. 1 to Contract No. 24-22; and authorize the General Manager to execute the change order documents on its behalf.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

Budget Transfer and Procurement of Service and Repairs for Electric Division Vehicle No. 185-89 – Terex Utilities, Inc.

Moved by Flora, seconded by Finnegan in accordance with subparagraph 6 Section 3.12.050(a) of the Ketchikan Municipal Code, the City Council authorize the procurement of service and repairs to Electric Division Vehicle No. 185-98 through Terex Utilities, Inc. in an amount not to exceed \$76,584 and authorize a \$7,000 contingency; authorize the creation of an Electric Division 2024 Line Truck Repair Capital Account; authorize a budget transfer in the amount of \$79,084 from the

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Electric Division's 2024 Beaver Falls Exterior Capital Account to the newly created 2024 Line Truck Repair Capital Account; authorize funding in the amount of \$79,084 from the created 2024 Line Truck Repair Capital Account; and direct the General Manager to execute the purchase documents on behalf of the City Council.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

**Budget Transfer and Purchase of Replacement Air Compressor
for Fire Station No. 2 – SeaWestern Fire Fighting Equipment**

Moved by Flora, seconded by Finnegan in accordance with subparagraph 9 Section 3.12.050(a) of the Ketchikan Municipal Code, the City Council authorize the procurement of a replacement air compressor for Fire Station No. 2 under Sourcewell Contract No. 011824-SEW through SeaWestern Fire Fighting Equipment in an amount not to exceed \$105,077 inclusive of shipping fees; authorize the creation of a Fire Department 2024 Fire Station No. 2 Replacement Air Compressor Capital Account; authorize a budget transfer in the amount of \$105,077 from the Fire Department's 2024 E911 Emergency Dispatch & Radio System Upgrades Capital Account to the newly created 2024 Fire Station No. 2 Replacement Air Compressor Capital Account; authorize funding in the amount of \$105,077 from the created 2024 Fire Station No. 2 Replacement Air Compressor Capital Account; and direct the City Manager to execute the contract documents on behalf of the City Council.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

**Ordinance No. 24-1993, Amending Ordinance 18-1867 Which
Authorizes Junior Lien Obligations Payable from the City's
Sewer Fund in the Principal Amount not to Exceed \$5,000,000
to Finance Costs of Wastewater System Facilities – Second
Reading**

Copies of Ordinance No. 24-1993 were available for all present.

Moved by Flora, seconded by Finnegan the City Council approve Ordinance No. 24-1993 in second reading, amending Ordinance 18-1867, which authorizes junior lien obligations payable from the City's Sewer Fund in the principal amount of not to exceed \$5,000,000 to finance costs of improvements to Wastewater System Facilities; and establishing an effective date.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

**Award of Contract No. 24-23 – Valley Court Road Surfacing –
Colaska Inc., d/b/a SECON**

Moved by Finnegan, seconded by Kistler the City Council award Contract No. 24-23, Valley Court Road Surfacing to Colaska Inc., dba Secon, in the amount of \$376,644.00; authorize funding and use of a contingency in the amount of \$37,665 for a total project cost of \$414,309; authorize funding from the Streets Division's Transportation Improvement capital account; and authorize the City Manager to execute the contract on behalf of the City Council.

Motion passed with Gass, Flora, Mahtani, Kistler and Finnegan voting yea; Zenge abstain; Gage absent.

UNFINISHED BUSINESS

Review of Library Collection Development Policy

The motion on the floor as deferred from the July 20, 2023 City Council meeting is:

Moved by Bradberry, seconded by Gass to review the Library Collection Policy, consider any Library Advisory Board recommendations, and direct staff to make any changes conveyed and approved by the City Council.

Moved by Zenge, seconded by Finnegan the City Council postpone this item indefinitely.

Motion to postpone indefinitely passed with Zenge, Flora, Kistler and Finnegan voting yea; Mahtani and Gass voting nay; Gage absent.

NEW BUSINESS

Ordinance No. 24-1994 – Adding a New Section, 18.44.030 Entitled, “Fees and Charges Schedule” to Ketchikan Municipal Code Chapter 18.44; Entitled “Ambulances” – First Reading

Copies of Ordinance No. 24-1994 were available for all present.

Moved by Kistler, seconded by Flora the City Council approve Ordinance No. 24-1994 in first reading, adding a new section, 18.44.030 entitled, “Fees and Charges Schedule” to Ketchikan Municipal Code Chapter 18.44; entitled “Ambulances” and establishing an effective date.

Manager Walsh clarified that this ordinance would allow the Council to set an ambulance fee schedule via resolution versus by ordinance.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

Resolution No. 24-2937 – Approving Loans No. 481151 and No 481201 to the City by the Alaska Department of Environmental Conservation as Authorized by Ordinance No. 18-1867; Approving Forms of the Loan Agreements; Affirming the City’s Junior Lien Pledge of Revenue of the Municipal Wastewater Utility to Secure Payment of Loans

Moved by Flora, seconded by Finnegan the City Council approve Resolution No. 24-2937, approving Loan No. 481211 to the City by the Alaska Department of Environmental Conservation, as authorized by Ordinance No. 24-1993; approving forms of the loan agreements; affirming the City’s junior lien pledge of revenue of the municipal wastewater utility to secure payment of the loans; and establishing an effective date.

Manager Walsh stated this is the documentation required for the loans.

Motion passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

Humanitarian Grant Funds

Moved by Zenge, seconded by Mahtani the City Council postpone this item until the next Council meeting of September 19, 2024.

Councilmember Zenge stated her reason for postponing this item is so she and Councilmember Kistler can meet with other key organizations in town and request their support by donating funds to this cause. She said we are all one community, and it should not all be on the shoulders of the City to provide shelter for the unhoused.

Motion to postpone passed with Gass, Zenge, Flora, Mahtani, Kistler and Finnegan voting yea; Gage absent.

APPROVAL OF VOUCHERS - None

MANAGER'S REPORT

Manager's Report to Council

Manager Walsh stated that she would not be providing a regular manager's report due to the community's landslide disaster but provided the following information:

- Thanked staff and crews that have been working tirelessly on response efforts.
- Every decision being made by the unified command has been with safety as the top priority, including evacuating the homes in the slide area; rescuing individuals from collapsed structures and crushed vehicles; establishing road closures; stabilizing the landslide slopes and surrounding area; replacing power poles and restored power poles to all neighborhoods; created new fiber drops into homes that only had copper line; cleared the debris fields on Second and the Third Avenues bypass; created a new access road; drone and lidar imaging completed and assessed by the Department of Geological and Geographical Survey from the State of Alaska; reestablished drainage in the slide body and cleared the drain basins.
- Priority moving forward is to continue providing assistance to the displaced residents who lost their homes. Cases have been opened with the Red Cross as well as the individual assistance program through the State EOC.
- The goal is to restore all services to Second Avenue by next week.
- Completed slope stabilization in the slide area, including hauling off approximately 1,000 dump trucks worth of material and debris.
- Repairs to Third Avenue to include replacing sidewalks, installing guard rails and fencing so the road can open hopefully by September 30, 2024.
- Demolition of three condemned homes by next week.
- Estimated cleanup cost is currently between \$1.2-1.5 million. Staff is currently working with the State of Alaska to apply for public assistance funds. There is potential for FEMA funding but not likely.
- Finance is freezing unencumbered funds as the goal is to be able to pay for this work in this year's appropriated budget without going to reserves.
- Provide public outreach and landslide awareness.
- Thanked Kacie Paxton and Kim Simpson as they have been working hard to keep the community updated with accurate information.
- The EOC will be closing tomorrow morning, however, the incident is not over, and Public Works will be managing the project from now on.
- Clarified that public funds cannot be spent on private property.

Manager Walsh answered questions from the Council.

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Schedule of General Government and KPU Appropriated Reserves Through August 15, 2024

Manager Walsh provided for Council review a schedule of the current balance of Appropriated Reserves of the various funds of General Government and Ketchikan Public Utilities through August 15, 2024.

Public Works Director's Project Status Report – August 2024

Manager Walsh attached for City Council review the August 2024 Project Status Report from the Public Works Director.

Ketchikan Hosts Listening Sessions on Tourism-Related Topics

Manager Walsh attached for City Council review information regarding the Listening Sessions on Tourism-Related topics from the Tourism Manager.

Retirement of Police Chief Jeffery Walls

Manager Walsh informed of the retirement of Police Chief Walls as of September 9, 2024. She cited his accomplishments during his tenure with the City Police Department and said it has been a privilege to have been able to work with him these last several years.

COUNCIL COMMITTEE REPORTS – None

CITY CLERK'S FILE

City Clerk Stanker informed that early in-person voting for the municipal election will be on Monday, September 16, 2024, through Monday, September 30, 2024 from 8:00 a.m. to 5:00 p.m. Voting will be available at both the City Clerk's office and the Borough Clerk's office.

CITY ATTORNEY'S FILE – None

FUTURE AGENDA ITEMS – None

MAYOR AND COUNCIL COMMENTS

Councilmember Zenge thanked staff and was very impressed by all of the work being done. She stated that everyone she has spoken to has been getting the updates and information and enjoyed the interviews on Facebook. She said that everyone felt like they were part of it and kept up to date, and we did a really good job of keeping people informed. She thanked everyone and is looking forward to getting past the election and into the budget. She said it was great to hear from Ms. Bradberry as she always thought she had great ideas, and to see her growth.

Councilmember Finnegan expressed his sincere hope that all of the folks who have been working tirelessly will get some respite from the efforts they've been putting towards this response. He said he is grateful for the nature of the response, the depth of the communication, the relentlessness with which the City employees have responded to this disaster, and the support that they have received.

Councilmember Kistler thanked the EOC and staff for all the updates as it was nice to know what was going on. She said everyone in town felt helpless but at least having the knowledge kept them informed and everyone appreciated having it. She can't imagine all of the work staff has put in including the people on the streets doing the cleanup work. She thanked everyone for their hard work the last two weeks and the efforts they will be putting in moving forward.

Councilmember Gass reiterated his thanks and appreciation for the City and KPU employees and the private sector folks who have been working to clear debris as it has been a community effort. He said he feels for the folks who lost their homes and the amount of money they might be able to get is unfortunately not anywhere near what it's going to take, but the community always goes above and beyond on fundraising for people in need.

Councilmember Mahtani thanked City staff, Public Works, KPU Electric, KPU Telecom, the Fire Department, the Police Department and the volunteers who helped. He said this community is standing today because of your unconditional work and support. He thanked the community as a whole as we stood together even with all of the transportation happening. He said he is disheartened that the people who lost their houses or had business property destroyed will have to go through hoops or tough times to get everything back together. He said hopefully the GoFundMe that has been started will help those people out. The way this community comes together is a testament to where we stand in the state of Alaska. He thanked the Council for supporting management during this time.

Councilmember Flora said he is in awe of the progress that the City staff, private contractors and the community have made to address this disaster. Initially, it looked like months and months of work and recovery, but it is remarkable the progress that the City staff, the people with the dump trucks, everybody has pitched in and has risen to the occasion. Our participation is reflected in small measures, we have the easy part when we sit here and deliberate numbers and budgets but are grateful that we as a Council have made the investments that we need. It is about dollars and cents when it comes to budget time, but those dollars and cents are connected to public safety and lives.

Mayor Kiffer said thank you to the first responders, the public and the private responders. He informed he was on the scene fairly soon after it happened and there was a huge amount of people who rushed to the area asking what they could to help. He stated the Fire and Police departments were there when it was still coming down, you could not have stopped those folks from rushing in and helping. He thanked the private sector, SECON and Dawson, as they were working on Tongass Avenue by 9 o'clock. He informed there were visits from Governor Dunleavy and Senator Murkowski and it was helpful for them to get out and see the damage. He said he has been at the meeting with the folks affected and the Manager informed them of the constraints placed on the City to assist. He stated that the lidar maps and ground radar maps and very interesting and advised everyone to take a look at them as this might be the first of many. He said as a community we have to decide how we want to deal with that, which will then come to the Council. The State EOC was here, the geologists and NOAA, and they have been incredibly helpful. There were also a lot of people from outside of the community who volunteered to help. He said one of the good things about Ketchikan is that every other person in town is a heavy equipment operator. There were a lot of groups, like the Red Cross and the Salvation Army that were there right away to help. He was also impressed by KPU by how incredibly fast they got the majority of that area back up and working again. We owe them and the Public Works crew a huge debt of gratitude. He stated his appreciation for the Public Information Officers for providing the community with all of the updates.

OTHER NEW BUSINESS – None

EXECUTIVE SESSIONS – None

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ADJOURNMENT

As there was no further business the Council adjourned at 8:55 p.m.

David Kiffer, Mayor

ATTEST:

Kim Stanker, MMC
City Clerk

FYI

First City Players – Q2 Community Agency Grant Report

Ketchikan Wellness Coalition – Q2 Community Agency Grant Report

Army Corps of Engineers – Notice for Letter of Permission – Case #POA-2005-00202

Alaska Department of Environmental Conservation Wastewater Discharge Authorization Program
Public Notice for Permit No AKDG320000

Case Number 24-032 – Ketchikan Gateway Borough, Department of Planning and Community
Development – Consolidate Lots

Case Number 24-037 – Ketchikan Gateway Borough, Department of Planning and Community
Development – Major Variance