



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, City Manager

DATE: April 28, 2021

RE: **Reduction in Non-Represented and Represented Employee Workweek**

At its meeting of March 18, 2021, the City Council adopted a motion authorizing my office to proceed with General Government and KPU Operating and Capital Budget mitigation plans for substantially reduced or no cruise season conditions in 2021 as detailed in staff's report dated March 10, 2021 and/or as modified by the City Council. During the discussion of this issue, it was suggested that certain employees might be open to a reduced workweek if positions targeted for elimination could be preserved. As the City Council will recall, the proposed General Government mitigation plan referenced the possibility of laying off one Firefighter/EMT and the Parking Enforcement Specialist.

The discussion of possible layoffs continued through the City Council's meeting of April 1, 2021, at which time the City Council directed my office to move forward with the layoff of one Firefighter/EMT position. Consideration of laying off the Parking Enforcement position was put on hold pending completion of an analysis of revenues and expenditures associated with the position.

Based on comments made by various Councilmembers at both meetings, the following information is submitted for City Council review.

1. Exhibit A – Proposed Compensation 2021 Savings for Non-Represented (Based on Reduced Hours of Eight Hours Each Week Effective April 1 thru December 31, 2021).
2. Exhibit B - April 23, 2021 Email from Assistant City Manager confirming layoff of Firefighter/EMT effective April 16, 2021.
3. Exhibit C - Six-Year Revenue/Expenditure Analysis of the Parking Enforcement Division. If parking enforcement is authorized through the end of 2021, historic data indicates that the division will break even or that revenues will exceed expenditures.

4. Exhibit D - April 20, 2021 Memorandum from Safety Coordinator summarizing survey results of employees regarding a reduced workweek for non-represented and represented positions, including individual comments that were submitted with the surveys.

My office and the Human Resources Manager met with the City's non-represented employees to distribute the surveys and answer questions. Department Heads and Division Managers were responsible for collecting the completed surveys and returning them to the Human Resources Manager for tabulation. We also met with the elected officers of the three unions that have contracts with the City and KPU. Union representatives distributed the surveys to their members and collected the results for transmittal to the Human Resources Manager for tabulation.

The mitigation measures adopted by the City Council at its meeting of March 18, 2021 were intended to place the City in an improved financial position going into 2022. Until the City has a better understanding of what COVID-19 financial support might be forthcoming from the federal and state governments' distribution of American Rescue Plan Act funding, imposition of a reduced workweek is, in my opinion, premature. I further recommend that my office be authorized to retain the Parking Enforcement Specialist through the end of 2021.

Alternative motions have been prepared for City Council review.

RECOMMENDATION

It is recommended the City Council adopt Alternative Motion No. 1 directing the City Manager to take no action regarding the implementation of an eight hour reduced workweek for non-represented and represented employees pending receipt of federal American Rescue Plan Act funding; and further authorizing the City Manager to retain the Parking Enforcement Specialist through the end of 2021.

Alternative Motion No. 1: I move the City Council direct the City Manager to take no action regarding the implementation of a reduced workweek for non-represented and represented employees pending the receipt of federal American Rescue Plan Act funding; and further authorize the City Manager to retain the Parking Enforcement Specialist through the end of 2021.

Alternative Motion No. 2: I move the City Council direct the City Manager to take such measures as may be required to implement an eight hour reduced workweek for non-represented and represented employees effective on such date as determined appropriate by the City Council; and further authorize the City Manager to retain the Parking Enforcement Specialist through the end of 2021.

Exhibit A

City of Ketchikan; and

City of Ketchikan, dba Ketchikan Public Utilities

Potential Savings of Eight Hour @ Week Reduction or 20% Reduction in Paid Wages for Non-Represented Employees

Prepared: March 24, 2021

EMPLOYEE GROUPING	FTE	PROPOSED COMPENSATION ANNUAL SAVINGS		
		SALARY	BENEFITS	TOTAL
General Gov't-Non Represented Employees	56.05	\$ 939,026	\$ 320,119	\$ 1,259,145
Council	8.00	16,614	1,768	18,382
General Gov't-Council Appointed Employees	1.50	22,440	7,255	29,695
KPU-Non Represented Employees	20.00	478,050	157,027	635,077
KPU-Council Appointed Employees	0.50	22,440	7,150	29,590
	86.05	\$ 1,478,570	\$ 493,319	\$ 1,971,889
FUND				
General Fund	54.55	\$ 815,175	\$ 269,474	\$ 1,084,649
Sanitation Fund	1.00	18,161	6,220	24,381
Harbor Fund	4.60	60,578	22,773	83,351
Wastewater Fund	1.00	18,069	6,075	24,144
Port Fund	4.40	66,097	24,600	90,697
KPU-Ketchikan Public Utilities Fund	20.50	500,490	164,177	664,667
	86.05	\$ 1,478,570	\$ 493,319	\$ 1,971,889

EMPLOYEE GROUPING	FTE	PROPOSED COMPENSATION 2021 SAVINGS (Based on Reduced Hours of Eight Hours Each Week Effective April 1 thru December 31, 2021)		
		SALARY	BENEFITS	TOTAL
General Gov't-Non Represented Employees	56.05	\$ 704,270	\$ 240,089	\$ 944,359
Council	8.00	12,461	1,326	13,787
General Gov't-Council Appointed Employees	1.50	16,830	5,441	22,271
KPU-Non Represented Employees	20.00	358,538	117,770	476,308
KPU-Council Appointed Employees	0.50	16,830	5,363	22,193
	86.05	\$ 1,108,928	\$ 369,989	\$ 1,478,917
FUND				
General Fund	54.55	\$ 611,381	\$ 202,106	\$ 813,487
Sanitation Fund	1.00	13,621	4,665	18,286
Harbor Fund	4.60	45,434	17,080	62,513
Wastewater Fund	1.00	13,552	4,556	18,108
Port Fund	4.40	49,573	18,450	68,023
KPU-Ketchikan Public Utilities Fund	20.50	375,368	123,133	498,500
	86.05	\$ 1,108,928	\$ 369,989	\$ 1,478,917

Exhibit B

Karl Amylon

From: Lacey Simpson
Sent: Friday, April 23, 2021 2:23 PM
To: Karl Amylon
Subject: FFT

Karl,

The employee occupying the Firefighter/EMT position was laid off effective April 16, 2021. For the purposes of previous discussions, the employee occupying the position was certified as a Firefighter II/EMT I.

Lacey

Parking Enforcement Financial Data

	2016	2017	2018	2019	2020	2021	
Revenue							
Parking Permits	86,755	88,710	101,190	91,065	28,105	33,055	April permit revenue estimate included.
Parking Fines	89,835	97,908	83,923	79,109	23,856	5,606	
	176,590	186,618	185,113	170,174	51,961	38,661	
					(20,000)		If parking Enforcement stopped in April this is the cost of 100 annual permits prorated and refunded.
					<u>\$ 18,661</u>		Adjusted year to date revenue if refunds are issued
	2016	2017	2018	2019	2020	2021*	*Cost Estimates through 4/15/2021
Parking Enforcement Costs							
Labor	76,897	82,265	83,351	78,804	82,573	35,936	
Supplies	16,965	12,150	12,503	12,300	17,567	1,016	
Insurance	429	523	613	676	1,056	1,520	
Vehicle Maint	639	2,798	3,131	2,305	774	600	
	94,291	94,938	96,467	91,780	101,196	38,472	
New parking enforcement vehicle purchased in 2020							
Net Revenues over (under)							
Expenditures	82,299	91,680	88,646	78,394	(49,235)	(19,811)	

Exhibit D



Memo

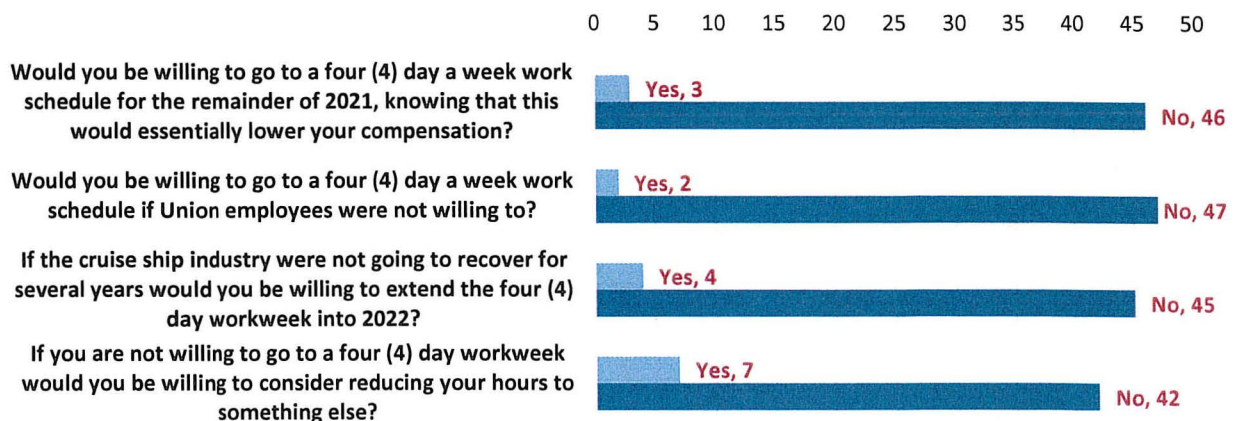
To: Karl Amylon, City/KPU General Manager
From: Jason Alderson, Safety Coordinator
Date: April 20, 2021
Re: **Hour Reduction Survey Results**

At the request of the City Council, meetings were held with all the non-represented employees and a voluntary survey forms were distributed. Employees were asked to complete and return the survey to the Human Resources department. The following questions were asked of non-represented employees:

- Would you be willing to go to a four (4) day a week work schedule for the remainder of 2021, knowing that this would essentially lower your compensation?
- Would you be willing to go to a four (4) day a week work schedule if Union employees were not willing to?
- If the cruise ship industry were not going to recover for several years would you be willing to extend the four (4) day workweek into 2022?
- If you are not willing to go to a four (4) day workweek would you be willing to consider reducing your hours to something else?

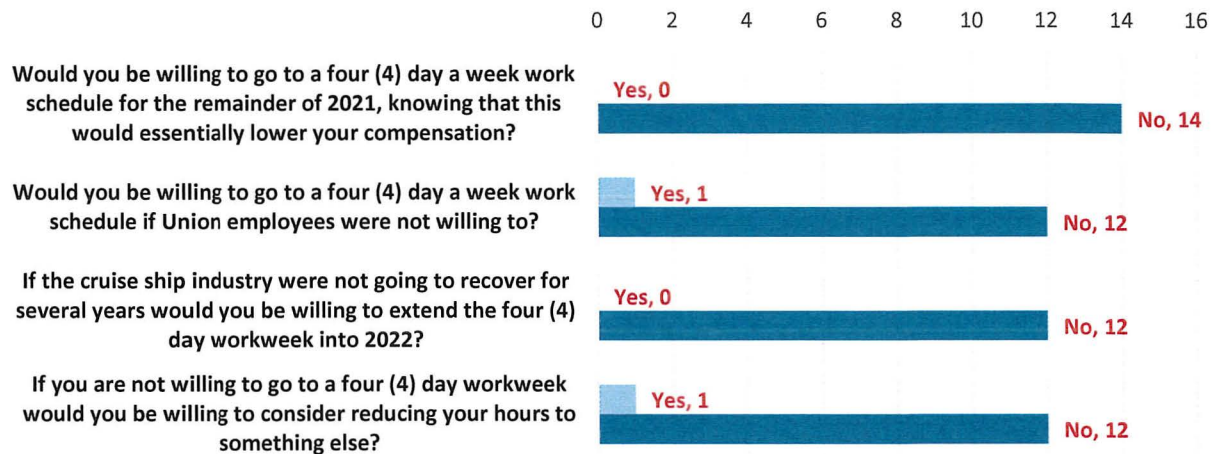
Out of fifty-six (56) General Government Non-Represented employees, the Human Resources Division received forty-nine (49) responses. **Forty-six (46) of those said they would not be willing to go to a four (4) day a week work schedule for the remainder of 2021.** Below are the totals of all the responses:

General Government Non-Rep Voluntary Hour Reduction Survey Results



Out of nineteen (19) KPU Non-Represented employees we received fourteen (14) responses. **All fourteen (14) of those said they would not be willing to go to a four (4) day a week work schedule for the remainder of 2021.** Below are the totals of all the responses:

KPU Non-Rep Voluntary Hour Reduction Survey Results

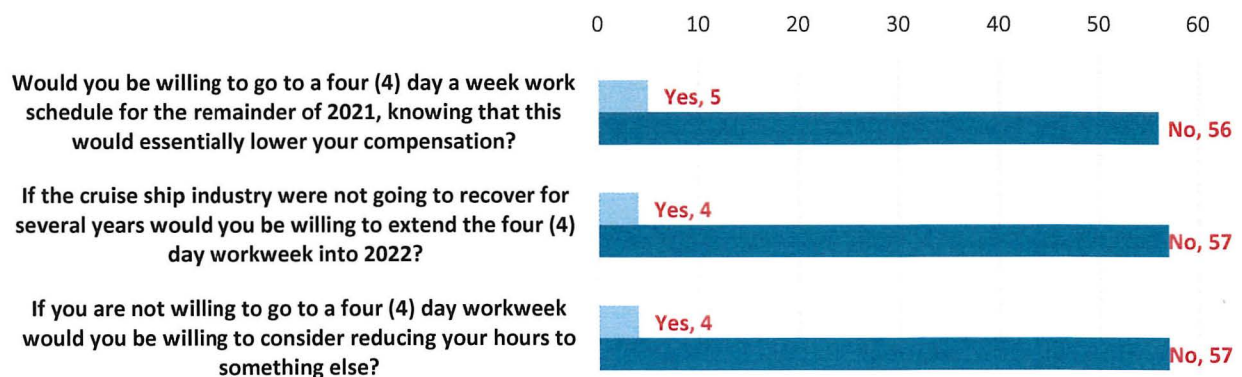


At the request of the City Council meetings were also held with union representatives of the IBEW, IAFF and PSEA and they agreed to meet with their members to distribute the survey. The following questions were asked of union members:

- Would you be willing to go to a four (4) day a week work schedule for the remainder of 2021, knowing that this would essentially lower your compensation?
- If the cruise ship industry were not going to recover for several years would you be willing to extend the four (4) day workweek into 2022?
- If you are not willing to go to a four (4) day workweek would you be willing to consider reducing your hours to something else?

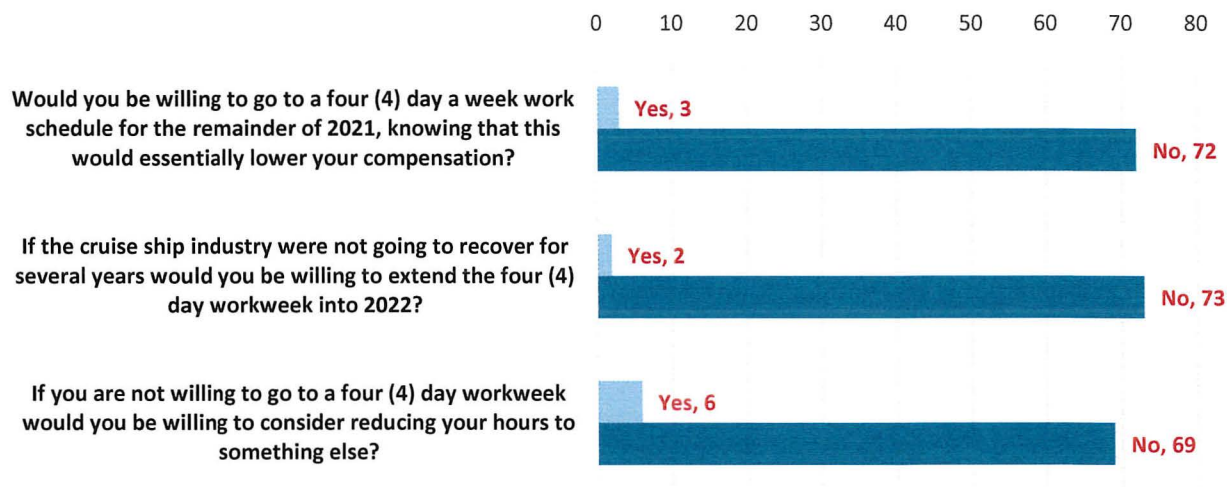
Out of sixty-three (63) IBEW General Government employees, we received sixty-one (61) responses. **Fifty-six (56) of those said they would not be willing to go to a four (4) day a week work schedule for the remainder of 2021.** Below are the totals of all the responses:

City of Ketchikan IBEW General Government Voluntary Hour Reduction Survey Results



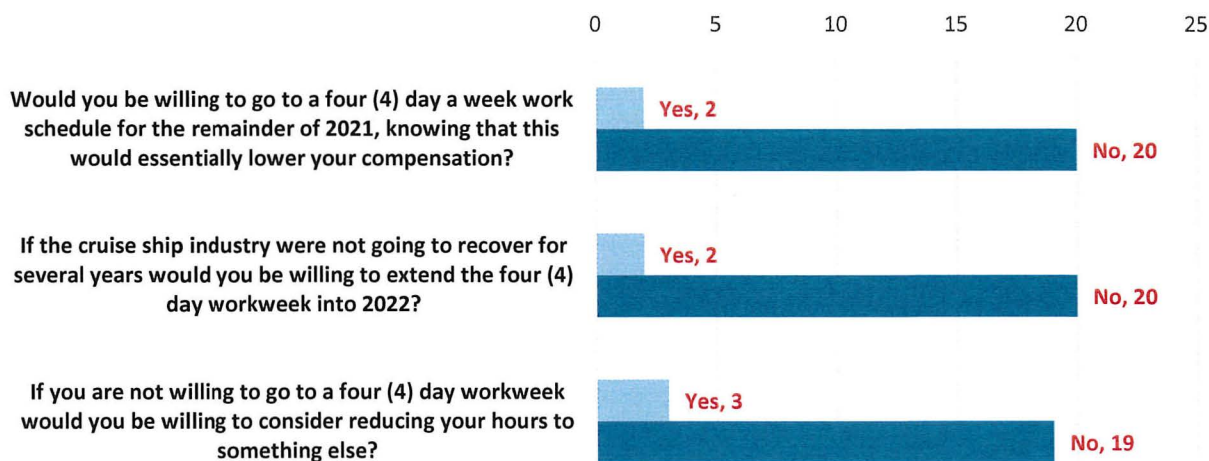
Out of eighty-five (85) IBEW KPU employees we received eighty (80) responses. **Seventy-two (72) of those said they would not be willing to go to a four (4) day a week work schedule for the remainder of 2021.** Below are the totals of all the responses:

IBEW KPU Voluntary Hour Reduction Survey Results



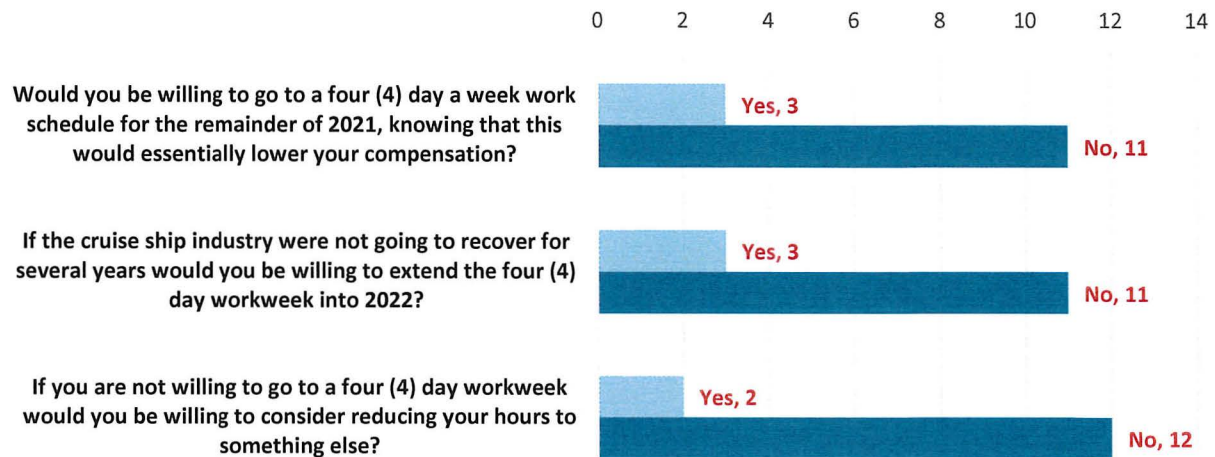
Out of twenty-nine (29) PSEA employees we received twenty-two (22) responses. **Twenty (20) of those said they would not be willing to go to a four (4) day a week work schedule for the remainder of 2021.** Below are the totals of all the responses:

PSEA Voluntary Hour Reduction Survey Results



Out of seventeen (17) IAFF employees we received fourteen (14) responses. **Eleven (11) of those said they would not be willing to go to a four (4) day a week work schedule for the remainder of 2021.** Below are the totals of all the responses:

IAFF Voluntary Hour Reduction Survey Results



Some employees did not answer all the questions. Of the twenty-three (23) employees that answered yes to consider reducing your hours to something else, twenty-one (21) employees added the following comment:

- I'd be willing to consider an alternative
- 10 hours a week
- I would be willing to take up to 120 hours of unpaid vacation days as staffing allowed
- 4 hours in a two-week period
- 8 hours a week
- 1 hour a week
- Let people use LWOP on their own
- Maybe 1.5 hours a week
- LWOP at employees' discretion
- 1 day per month
- 4 hours a week
- 4 hours a week
- 2 hours a week
- 4 hours
- 2 hours
- Would be willing to go to 7.5 hours a day
- 4 hours
- 6-8 hours
- 10 hours
- 4 hours
- 8 hours for one quarter

Out of a total of two hundred and sixty-nine (269) employees asked to fill out the survey, we received a total of two hundred and thirty-two (232) surveys back. Five (5) surveys were received without the questions answered and only had comments.

Employees were provided the opportunity to add comments of their own to the survey and/or suggest ideas to reduce costs. The comments that were submitted are attached in a separate document.

Employee's comments from the Hour Reduction Survey:

- It was incredibly disheartening to hear the City Council's comments about "essential" and "nonessential" departments at their March 18, 2021 meeting, words matter. I appreciate Karl's continued efforts to identify cost-saving measures for the City and his advocacy of City staff. A 20% pay cut for me would reduce my salary by \$12,000. Ketchikan rent, utilities and other bills (not including groceries and incidentals) are about 33% of my paycheck. In order to absorb that lost income I would need to use savings or credit cards since I don't qualify for assistance programs. Any "fun money" for eating out, an annual parking pass, or supporting local businesses and non-profits would stop. Likely, I would seek out a second job to fill the income loss. It would be sustainable only for so long before I would look for alternate employment or a job in another community. The savings I have now aren't much but they are for a down payment on a home here. If I blow through my savings, that opportunity is off the table. If I was down south, I could already afford to buy a home.
- The Library provides a unique service to the City and Borough of Ketchikan, serving not only the people, who can afford luxuries such as streaming TV services and vacations, but also serving those that are the poorest and most in need of help in our community. We provide internet and public computer access, we provide early learning education to families, we are a safe place for people to come, we offer resources to those who cannot leave their homes, and we are a community hub that people rely on for information, activities, materials, instructional help and resources. To cut library staff's scheduled working hours would result in diminished open hours to the public, which would have a negative effect throughout all tiers of Ketchikan's socioeconomic tiers. You wouldn't just be reducing employee's compensation, but you would be limiting access to a high valuable and highly used community resource, which will have a negative impact on the community.
- CITY OF KETCHIKAN – BUDGET BAD – TAX BASED
- KETCHIKAN PUBLIC UTILITIES – BUDGET GOOD – UTILITY RATE BASED
- This would basically be a 20% reduction in our income and benefits. If you are willing to give us a 20% increase permanently, then this might be an option I would consider. Stop giving management raises and you could afford to operate under economic restraints. I doubt management will take a 20% cut.
- Does not apply to me as a represented employee.
- Asking non-represented employees to reduce their workweek to 32 hours is the equivalent to a 20% reduction in pay. I cannot afford a 20% reduction in pay and I doubt many employees can. How many Councilmembers would be able to afford a 20% reduction at their regular day job or a 20% reduction in their retirement income? If Council opts to reduce non-represented or Management salaries by 20% there will be no reason for me to continue to live in Ketchikan, I will no longer be able to afford my mortgage, I will have to move. The City will lose employees plain and simple. Employees will be forced to look for positions elsewhere. Your management level employees will be able to find jobs with very little effort. It is very disheartening that City Council does not value their management/non-represented employees. We are hard-working, dedicated employees and most work more than 40 hours a week. You are making a mistake.

- It depends is everyone within the City government also going to give up those hours and related pay to those hours?
- It should be all employees, managers, etc., not only one group.
- If it becomes the norm, we will never go back.
- I understand the councils desire to reduce expenditures. Reduction of hours would be a financial burden however, if everyone on payroll including council are willing to make the sacrifice of wage reduction I can too. As for an extended amount of time with reduced hours, even years that is hard to answer. I do not make over \$45,000 a year and to reduce my income by 20% is not a quality of life. The "survey" does not tell us information such as what a reduction means for medical insurance and would employees receive evaluation wage increases. I believe the council has big budget decisions to make and this survey seems a weak way to approach it.
- Economic analysis worldwide is telling investment in economies is the answer. Forward thinking not blind quick fix answers are the best route to take. There is plenty of research and historical data to review to make educated decisions to move this community of Ketchikan forward.
- Change is among us. Projection, hard work, good conversation, invested representation of all concerned will develop the best ideas on how to move forward.
- Our Department is already at minimal staffing. Further reductions would be a safety concern. Staff is tired of being devalued continually by Council members. This dedicated group deserves better.
- I question what the Council deems as "unessential". Museums and Libraries work every day to enrich the lives of those they serve and connect people with information and ideas – from the Library's family story time, teen advisory groups, and summer reading programs, to the Museums' exhibits and programs that educate, engage, and enrich our community. Ketchikan's museums and libraries have responded to the community's needs during the pandemic, completely shifting gears and moving their classes, workshops, and presentations to a digital platform. These organizations connect cultures and have the power to reflect and shape our society. Without the day-to-day services that museums and libraries provide to enrich the lives of those they serve, Ketchikan cannot fully recover. These organizations and their employees are vital contributors and are ESSENTIAL to the community they serve.
- One day a week is just over 18% of my wage! The City council in 2019 voted in over \$300,000.00 in raises for management positions, as soon as the mayor, city council, city manager and all management positions donate 18% of their gross wages back to the city I will consider reducing my work days. AT MY DISCRETION!
- Maybe after all overtime and the huge raises management got are reduced.
- Let people use LWOP on their own.

- I don't know. I would be willing to sacrifice for a teammate to keep their job but as it is, I can't pay the rent so.....
- When management has 30% taken back and ALL PERKS THEN I WILL CONSIDER IT.
- I would be willing to take one week unpaid in 2021.
- KPU money saving ideas: disconnect customers not paying on their bills. Hiring freeze in the City (not replacing staff that leave) Turn off TV's in office.
- I would be willing to take 1 week a year unpaid, if needed.
- It's very sad that the City Council's first answer to solving budget issues is to cut personnel hours, without even looking at department budgets or having a clear idea of how much money actually needs to be cut. The comments made at recent City Council meetings have created a level of anxiety among city employees that is not necessary. The City Council has repeatedly made comments about how overpaid and nonessential many specific employees are. These flippancy comments do nothing to bring our community together during this trying time. These are employees that have stepped up over this past year, many of them doing two jobs to fill in for top-level vacancies. As a thank you, the City Council continues to tell them they are overpaid and overstaffed. It is unprofessional and quite frankly disrespectful, of the City Council to continue to call out certain departments and staff members as non-essential. Things that are blurted out in a public meeting cannot be taken back. The City Council owes an apology to every City employee who has shown up every day and continued to do their jobs, some having to completely reinvent how they can serve the public during this past year, only to be told that they deserve a pay cut for all their hard work.
- Can't afford to take additional time off. City should relax their stance on buy locally if we can purchase elsewhere and save over 20%. Cut heat in buildings back to less than 68 degrees when not occupied. Raise civic center rates and stop free use policy.
- The City Council should not expect that the public will receive the same level of service they currently receive with a reduced work schedule.
- Ask each Department to cut temp money. Move the City boundary out past Ward Cove. 3% for ALL employees. Make a commercial golf course like the one in Bandon Oregon it tripled the tourism. Get a company like Facebook (something we don't have to ship) to come here and set up – then land or tax breaks abolish the senior no tax for a year – it is abused by family members and business owners. If you have Union employees take one day off a week it would lower their total compensation. If you did it week on and week off for 5 weeks you accomplish the same thing and make it so they can collect unemployment and keep health benefits.
- I would reduce when the union agrees to.
- I could not complete my critical job functions in a 4-day workweek. I spend time after work hours and on weekends, holidays and vacations checking on critical work issues and this would disenfranchise myself from extra efforts during off hours.

- If directed, I will work a 4-day week. Explanation why this would be to the detriment of the Division is as follows: What we have here is a failure to communicate. The members of City Council appear to not have the least comprehension of daily operational difficulties that are required of their employees to consistently deliver safe, potable water to the community. If they did, they wouldn't even consider suggesting that everything that is required of KPU Water, by State and Federal Regulations can still be accomplished with 20% less available work hours. As a measure of their lack of knowledge, in the almost 35 years I've been employed by KPU, of all the men and women who have served in the City Council during that period, only three Councilmembers have exhibited any interest in the Water Division operations and have toured our facilities. It is also important to note that, unlike the Electric and Telephone Divisions of KPU, Water has only one source of supply and only one method of disinfection to deliver our product to the community. Further, in order to achieve this level of dependability and avoid system-wide interruptions, it requires constant preventative maintenance being performed by our employees backed up with an ample supply of spare parts and disinfection chemicals, which are immediately available in our inventory. As an example, our chlorination disinfection process requires the constant use of ammonium hydroxide, a hazardous chemical. Our only available source of supply on the East Coast is located in California. We purposely purchase it at a reduced 19.5% concentration to minimize the concentrations. The vendor is a large agricultural anhydrous (100%) ammonia producer and it's more of an annoyance to them to refill our chemical totes every couple of months since they have to dilute around 600 gallons of their product to this safer and weaker solution concentration. Fortunately, they have been willing to accommodate us and only require that the sale transaction be completed at their plant. The arranging and monitoring of round-trip shipping of our totes by barge and truck from Ketchikan to California and return is entirely KPU Water's responsibility and it is a lengthy process. From the time the empty totes leave Ketchikan and return refilled typically takes anywhere between 26 – 48 days, which leaves ample time for unexpected disasters to occur. Another example is our critical Trojan UV Disinfection equipment. Almost every part involved is proprietary equipment that is only available from Trojan. There are no spare parts maintained in the United States. Everything is only available from their headquarters in London, Ontario and the fastest we can move spares from Canada, pass them through Customs, and then have them finally arrive in Ketchikan is 8 days. Although we do keep a blank "Boil Water" Notice already prepared should it be needed for any eventuality, this staffing proposal suggesting that everything which is necessary for our daily operation can still be accomplished with 20% less available work hours, is simply increasing the odds that a "Boil Water" Notice will be needed much sooner than anyone imagines.
- The overall concept of reduced workweeks on a voluntary basis is a good tool for reducing overall labor cost, however, it is not a long-term solution for reducing long-term cost. One issue with this request is no objective or goal is included, it is general in nature. Asking an employee to take a year or more of reduced work restructures the why the organization will operate. Non-reps are not generally redundant positions; therefore, voluntary reduced time will negatively impact operations if implemented for long periods of time.
- ½ day Fridays if allowed to use vacation time on books to bring down excessive balance. This is a paycheck-to-paycheck society. I personally cannot afford to lose \$1,050/month. When every member of Council agrees to give up 20% of their income from their day job for an undisclosed period of time you can possibly then understand the financial ramifications of what you are asking of us.

- I have indicated that I would be willing to temporarily reduce my hours by 4 hours a week, to help get the community and the City past this time of economic hardship. Some thoughts about this:
 - Financially I am able to do this, but most City and KPU employees will not be. Their personal expenses will not be less over the next few years, and Ketchikan is an expensive place to live. Employees with small children, in particular, need all the hours and income they can get to get their families through this hard time.
 - In the Library, we take turns working the front desk and answering phones. A reduction in the number of hours worked by the staff will inevitably mean a reduction in open hours.
 - Library staff are not all Librarians, but they are all highly trained and experienced employees who are dedicated to providing a high level of service to our community. It may seem to some that Library work is easy and requires little training, but nothing could be further from the truth. This is not work that volunteers or entry-level staff could take over without extensive training, coordination, and continuous recruitment – requiring more supervising and resulting in considerably fewer and less effective Library services, resources and programs.
By the terms of a long-standing agreement between the City and the Borough, the Borough reimburses the City for 40% of the Library budget, based on the percentage of Borough residents who use the Library and do not live in the City. This percentage has remained constant over the past several years. 40% of the cost savings realized by reducing staff hours will no doubt be claimed by the Borough.
- Very tired of promises – wage studies – rate increases – management raises – no wage increase – another rate increase proposed. I think a strike may be in order. Tired of lies, lies and more lies. Please remember your people! It takes much more talent than management to make it all work. It seems as if the utility did great before ships and before the reserves got robbed – now we generate more revenue than ever before and still told we are short – really!!!
- If it is that or lose job. I choose reduce. No one should have to lose their job to give everyone else a few more dollars.
- Only if this in lieu of laying off positions.
- Even if individuals are able to monetarily afford a 20% reduction in pay (and most, if not all, of us cannot), it doesn't change the fact that there is still more than 5 days per week worth of work. Either we will have to work even harder for significantly less pay, or the burden falls to our peers. Neither of these are tenable options.
- I am willing to reduce my hours if it saves the job of someone else. However, there are functions of my job that are important and can only be completed by me that will not get done. I believe the reputation of the City and KPU will suffer as a result.

- In our department, necessarily without complaint the managers remain connected and available to each other (via text, email, and phone) 24 x 7 including weekends, evenings, holidays, and vacations (and, yes, during Council meetings). We do so out of commitment to ensuring the community and our customers receive the highest positive level of service. The City and the community receive immeasurable benefit from this level of dedication. It should not be taken lightly (but I am concerned it appears to be – given recent comments by some Council members. As a very practical matter – if one or more managers were to reduce their hours – their absence and work would add-on to the work of the remaining managers. It is not practical or possible for “a few managers to cut back on their hours – without negatively affecting and ultimately burning out the remaining managers (as well as the community and our customers). This approach is not sustainable, productive, nor advisable.
- As much as I'd like to do my part, the 18% loss will decrease my pay by almost \$15,000 for the next 9 months. Obviously way more for an entire year. I don't believe there are many of us that can afford to take this large decrease. If only a few people opt for the 4-day week it will not make much difference for the City but it will affect all us personally with a huge impact. This decrease will also greatly affect those who are working on their PERS retirement. I am thankful for having a job and hope it can remain that way. There must be other ways to save on expenses.
- The Borough pays for roughly 40% of the libraries annual budget. If the city does move to reduce employees' hours, it will be expected that the Borough will want their part of these minimal cost savings.
- Reducing working hours makes Ketchikan less competitive when trying to keep professional employee's long term.
- You are creating a negative impact on your entire work force and their families. Many employees cannot take a pay cut and still be able to meet the rising cost of living.
- I will not reduce my hours because if I reduce my hours I cannot get overtime, which needs to be addressed for the positions in the City this affects.
- Would be willing to go to 7 ½ hours a day.
- Perhaps if you started with ½ hour a day – throughout the entire government and moved to something more as needed.
- I personally would have a hard time taking a 20% pay cut. That's what it ends up amounting too. Would any Councilmember be willing to give up 20% of their wages from their current positions? Not your council position, but your regular income.
- To maintain necessary levels of staffing, this is not a money savings option, neither 10 or 8 hour shifts will lower costs.
- As a represented employee I don't feel it's fair to weigh in on non-represented employees, however I am not in favor of furloughs.

- As a represented employee, I feel that this proposal does not apply to me.
- Does not apply.
- LWOP at employee's discretion. Variable times per request.
- This does not apply to my position.
- This does not apply to represented employees.
- Lastly, thank you to everyone involved in these discussions. I know these are not easy decisions to make but ultimately we are in unprecedented times, which may require unprecedented action.
- Division and Department heads are hired to be responsible for a functional unit, and not for duties done during scheduled hours. A reduction in the number of hours scheduled on the job does not reduce our responsibility for the division or department. We are always on call and working when there is an emergency or inclement weather or staff illness, whether or not it occurs during our work hours. Therefore, a reduction in hours for a salaried department or division head, strictly speaking, is a reduction in pay, with no reduction in responsibility.
- Hire less temporary workers.
- If this happens: Offer ability to work from home so those with kids in daycare can stay home with them as cost saving measure. Also, the Council is making employees feel unappreciated and fearful for their job security. It is an awful way to feel and is very, very scary!
- I believe we need to look at the number of employees who are at retirement age. How much savings would there be by hiring someone younger at a lower starting wage.
- If the City or KPU is interested in saving money, they should seriously look at how many managers and supervisors are on the payroll. How many people need to be in marketing on a small island with limited service choices? A lot of work groups work autonomous from supervisors anyway. Also, you can't have a situation like this, where management gets huge raises, and the next year you ask all the employees to take a cut. Also, if KPU were run more like a business, they would make much more money.
- There are many ways that KPU could save money and reduce expenditures. Every Department has its own perspective and would probably be more efficient. Have a suggestion comment for a paid day off for the winner. The best 10 ideas would probably save more than a 4-day workweek for a small number of employees.
- I would take 4 10's. If we go to 4 days, I want to be able to choose which days. To remove some spending consider cutting some manager pay. That would help.
- My job as a power lineman would not be functional with reduced hours, with an aging system and have been short personnel for some time we are behind on maintenance. Shorting hours would greatly decrease our ability to maintain the system. If you are asking employees to reduce hours, you might think about reducing the amount of management

or hours and pay of them. Wage study did mention Ketchikan City & KPU were management heavy.

- Does not apply to me.
- Speak to my representative.
- Revoke pay raises from management!
- I answered "no" to all of the questions about a voluntary reduction in hours because the workload in my department warrants a 40 + hour week. If the Council decided it was in the best interest of the City to move to a shorter workweek for eligible employees and it was no longer a voluntary decision, I would understand given the current financial situation we are facing. However, if this action is considered I hope it would be taken only if the bulk of City/KPU employees shared in the burden. Because there would be less hurdles associated with a reduction for non-represented personnel, I feel like it would be easier for the Council to target those employees. This would result in them being disproportionately impacted by any cuts. Additionally, many salaried personnel already work more than 40 hours/week to keep up with their responsibilities. If a reduced schedule was mandated by the Council, I hope it would be communicated that the Council/CMO understands there may be delays in work getting done. This would help alleviate some of the pressure salaried personnel might feel to work their 40+ hour schedules while receiving a reduced salary.
- Rather than set 8 hour per week reduction, I would recommend implementing an optional program that allows employees to take up to 16 hours per pay period (or alternatively up to _____ hours per calendar year) of leave without pay. Using a form similar to a leave request form with approval of the Department Head. This would allow employees to schedule the time in advance and supervisors to deconflict schedules as they already do for regular leave. I would be much more likely to use a program like this occasionally as opposed to voluntarily submit to a program of reduced hours that ensures a significant reduction in pay over the course of the year.
- The real answer is I would love to work 4 days per week, however, it is not possible to work only 32 hours per week with current staff levels. Even with reduced CIP's the amount administrative work stays the same.
- This would be a major hardship on me financially. I would be losing at minimum \$450 per month in take home pay. In addition to loss of wages, a reduction in hours would also mean a reduction in the amount of contributions to our retirement plans, which in turn affects the amount we would receive at retirement. A reduction in hours would also mean I would no longer be able to contribute to my 457 plan and my savings would be depleted.
- If I was assured it would resume to normal on 1/1/2022 unless I expressly agreed to continue it. I would want more details about the budget closer to the time.
- It affects retirement, does it also affect medical? No, not good.
- Sole wage earner with health benefits. 4 hours each weeks for 36 hours.

- I would agree to one-day per month/ 12 days per year.
- Eliminate duplicate management within departments (e.g. water, electric) Let planned retirements proceed. Can exempt employees work reduced hours? Doesn't it have to be weekly furloughs for salaried workers?
- A 4-day workweek would not reduce my workload. This is essentially asking me to do the same amount of work (which is already more because of covid) but for less money.
- Based on my job duties a 4-day workweek is not ideal. However reducing the hours I work in a day could work. Instead of 8 hours a day, I could reduce my schedule to 6.5 – 7 hours a day. I process payroll for my department and it doesn't fall on specific days of the week so taking always Mondays/Fridays off wouldn't work and doing payroll early would result in lots of adjustments every payroll.
- I would be willing to consider alternatives.
- I am the sole source of income for my household. I am fairly close to retirement losing any compensation would create difficulties. I could not afford the increase in insurance that loss of hours would most likely accrue. It would be very challenging to complete all aspects of my job duties in under 40 hours. The added stresses of lost time and funds would no doubt be detrimental to my mental and emotional health in this already difficult and challenging situation.
- Quit spending \$\$\$\$.
- Take back huge raises management got.
- As a streets worker everybody else got a raise except us. So no.
- I could go to 4 days a week provided insurance is still covered. As far as extending the 4-day workweek into 2022, I would need to reconsider at the end of the year.
- Start at the top. Just enough to meet essential expenses $\$40,000 \times 20\% = \$8,000$
More than enough for essential expenses $\$100,000 \times 20\% = \$20,000$
 $\$150,000 \times 20\% = \$30,000$
- The City should follow a phrase from a good book. "To whom much is given, much is required".
- ABSOLUTLEY RIDICULOUS – TRY MANAGEMENT FIRST!
- I think it is absolutely disgusting to even consider pay cuts from first responders; these are people that are already sacrificing their time from their families to protect others while already not receiving fair compensation for the amount of hardship placed on them and their families! As if first responders don't already feel unappreciated, you want to have us take pay cuts. Can't imagine that is going to reassure first responders that our time and efforts are valued! If you think that we are already struggling, go ahead and move forward with pay cuts and I am betting the City will be worse off than before. Why would we continue our career in Ketchikan when other agencies are willing to compensate their

employees by offering them salaries that reflect what they are worth and show that they are valued for the sacrifices being made every day!

- Quit trying to cut hours and jobs from first responders, we aren't paid enough as it is in this career field to deal with everything we do. I know other jobs with the City who are making \$200,000 + a year to do little to no actual work for the City. Cut their pay, NOT first responders putting their lives on the line. Look at Karl Amylon's pay. Look at Mitch Seaver's pay. If you want to lose first responders, keep doing what you are doing. I make less than \$75,000 a year and sacrifice 20 x more than those who are making \$200,000 + a year. This is an absolute joke and an insult to look at first responders to cut hours. We can't afford to, point blank period. Look at the City's highest paid employee's and ask yourself, how much do they really sacrifice for this city. Try protecting a city of 8,000 people with only two cops on duty. We earn every penny we receive.
- If the reduction would be enough to qualify me for Alaska Housing Rent/Utility Relief or other programs to seek aid from. Alternatively – I would be willing to take up to 120 hours of unpaid vacation days to take as staffing allowed.
- Go back to pre-comp numbers, add back cost of living for 1-year. In the future when things are back to normal, relook at comp study, with independent overseer, this way everyone takes a cut in pay without reduced hours and taking a 20% reduction.
- Maybe King Karl can work without pay for a year. Then we won't have to cut hours to the people making the city run. THIS IS A JOKE!!!
- Great idea! Let's lower the pay for the little people that are already scraping by that actually keep this town running. That'll fix the bad management and wasteful spending.
- The City has frozen/cut three officer positions for the foreseeable future. Approaching this summer, we will be down/unable to use or hire approximately 33% of our positions. Every time the City freezes a position that puts us out additional time to get an officer trained and responding to calls. It already takes about 1 year to get an officer fully trained and by freezing our spots, that time period is getting pushed farther and farther out. First responders were not allowed to work from home and were on the front lines when covid-19 began, and have been on the front lines during the entire time. It is very disrespectful to think we would take less pay when we are required to serve this community 24 hours a day, along with already saving money by freezing/cutting three positions.
- As a represented employee, I do not feel like I should be filling out a survey targeting non-represented employees. I hope that all surveys filled out by essential or represented employees are kept separated from the non-represented. Our opinions shouldn't affect their hours.
- As a last resort, I am willing to reduce pay in an equal % for all staff rather than cutting necessary filled positions. Rather offensive to look at cutting pay or hours for only part of the City staff. I have questions regarding insurance and retirement benefits before any of this occurs, what other measures can be taken before cutting staff or staff hours? Having working city staff is a benefit to the community in multiple ways. We need to work together to get past this.

**General Government and KPU Operating and Capital Budget
Mitigation Plans for Substantially Reduced or No Cruise Season
Conditions in 2021**

Moved by Flora, seconded by Zenge the City Council authorize the City Manager/General Manager to proceed with the General Government and KPU Operating and Capital Budget mitigation plans for substantially reduced or no cruise season conditions in 2021 as detailed in staff's report dated March 10, 2021 and/or as modified by the City Council.

Manager Amylon felt everyone knows what the score is in terms of the 2021 cruise season. He indicated he had forwarded to the Council a memo from Bermello Ajamil and Partners, Inc. (B&A) today that they are now predicting it will be April 2022 before we see foreign flag vessels return to Alaska. He informed staff has put together a mitigation plan for both General Government and Ketchikan Public Utilities.

- General Government:
 - The most impacted funds would be:
 - The General Fund.
 - Hospital Sales Tax Fund.
 - Public Works Sales Tax Fund.
 - Commercial Passenger Vessel (CPV) Fund.
 - Port Enterprise Fund.

Manager Amylon informed those funds would be impacted by \$8.91 million in lost revenues. He said this information was put in a table to summarize the projected losses to show a comparison between what would be revised projected reserves and what would be the recommended year-end reserves for each of the funds according to the fund balance policy that the Council adopted a number of years ago. He indicated in each case the reserves will fall far short of what would be the recommended level. He said clearly the most impacted fund is the Port Enterprise Fund due to lost revenues from the passenger wharfage and dockage fees. He said once they defined what the problem was, staff started to bring together what we thought would be possible ways to address the shortfalls. He said staff identified a number of things that could come into play such as:

- The American Rescue Plan Act of 2021 which President Biden signed into law:
 - From that Ketchikan would receive approximately \$1.7 million in direct relief under that plan. He said guidance is still being drafted. He indicated the amount could be more or less, and come in multiple years. He said it was his recommendation to direct these funds to the General Fund in order to mitigate the loss of sales tax and other revenues.
- Labor Mitigation Measures:
 - The ten vacant positions that were identified during budget deliberations to remain vacant for the balance of 2021. He said we are short one position in the Fire Department that staff identified as a retirement that will not happen, and in order to maintain the budget levels established during budget deliberation in December, he is asking the Council for authorization to layoff one firefighter/EMT on or about April 16, 2021 to keep to that threshold.
 - Suspend parking enforcement, due to the lack of cruise ships. He said if that is something the Council wishes to consider, it is staff's recommendation that the parking enforcement specialist be laid off on or about April 16, 2021.

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- **Defer Capital Spending:**
 - Staff looked at various projects that were programmed for 2021, and identified those projects that could be deferred. He indicated this creates a significant amount of savings.

Mr. Amylon went on to say staff has programmed approximately \$865,000 worth of projects and recommended that all of those be placed on hold, noting those funds be set aside for transfer over to the Port Enterprise Fund along with some other CPV reserves for a total of \$3.1 million dollars. He said this will be necessary in order to keep the Port Enterprise Fund solvent through the end of 2021. He indicated the finance director and himself are recommending those funds be transferred in the form of a loan. He said they didn't feel it would be appropriate for that money to be lost in order to bail out the Port Enterprise Fund. He said normally those funds are used for either waterside or upland projects in the immediate downtown area, and that money should be placed on a repayment schedule in order to address those future needs. He said if you take everything together and apply as outlined in the report, staff is able to get the General Fund to a comfortable level moving into 2022 with sufficient reserves. He informed the Port Enterprise Fund is not ideal, but it will be carrying about \$2 million dollar surplus, if the City is successful in appropriating the \$1.1 million COVID response grant that the legislature gave the City early last year. He indicated many municipalities within the State are having trouble with that grant and are petitioning the legislature as we are for re-appropriation. He said if that does happen staff is recommending those funds be applied to port debts service or the Berth IV lease payments. He said the Hospital Sales Tax Fund and the Public Works Sales Tax Fund don't change much in terms of the mitigation measures staff proposed, noting staff is in discussions with PeaceHealth about sharing the expense to replace the bad hospital roof, and they have indicated they are open to that concept. He indicated if the Council adopts the measures that were outlined, we will be fine in those funds.

Mr. Amylon said the KPU Enterprise Fund is not as straight forward as the General Government Funds. He said they tried to put together information based on what has been incurred since the pandemic began in regards to accounts in arrears or delinquent that will not be recouped. He said we are roughly in a position where this fund will need \$810,000 in mitigation measures. He indicated this was put together primarily by keeping a couple positions vacant, and deferring capital projects. He said by doing this staff was able to make up the loss and actually have reserves in the KPU Enterprise Fund.

Mr. Amylon summarized both sides of the government will have hiring freezes, which includes the ten positions identified during budget deliberations and freezing the finance department's Controller position for the time being and a few positions on the KPU side. He said as identified in his manager reports the payroll coordinator is retiring in the fall and we lost an Information Technology employee last week. He felt in those two cases we have to recruit for replacements. He indicated the bottom line is the finance director and himself believe these are reasonable responses under the circumstance, and we are looking for Council concurrence or modification if Council feels there are adjustments that need to be made. He said the finance director and himself will try and answer any questions the Council may have.

Councilmember Flora questioned if the Council accepts staff's plan as presented, what would be the timeline to revisit the results to modify as needed before the end of the year.

In answer to Councilmember Flora, Manager Amylon felt this plan will have to be evaluated and fine-tuned on a monthly basis depending on circumstances. He pointed out we know we have the resources and the CPV funds to keep the Port Fund solvent. He said he agreed with one thing that Mr. Parks stated was this will be a multiyear recovery, and we want to move slowly. He informed as positions become vacant we will need to look at them on a case by case basis, and we will do the same on the KPU side. He indicated we have the luxury of time and have been recruiting for a number of these positions for many months without any luck, noting we may see additional savings

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there that haven't been identified. He said he would speak with the finance director to see if there is a way to provide the Council with a monthly savings or impact report on the mitigation plan to try and identify whether we are achieving the desired levels.

Councilmember Flora said he would like to see this report as an agenda item rather than a managers report in case the Council wants to weigh in, offer suggestions or take action.

Councilmember Gass questioned if we proceed with this mitigation plan are those two positions to be cut are people who are actively working, and will they lose their job. He felt it would be prudent as the Council to take a 1/3 cut for a year, which would set a precedence and shows leadership.

In answer to Councilmember Gass, Manager Amylon said that was correct.

Councilmember Zenge questioned if we reduce the hours for our non-essential services, such as the library, the Ted Ferry Civic Center and the museum and keep essential services would we be able to keep the fireman/EMT position. She felt it didn't make sense to cut a fireman/EMT position with domestic violence on the rise.

Mayor Sivertsen said during budget, he thought the fire chief had said he could eliminate two positions, and still manage shifts.

Manager Amylon said in both the Police and Fire Departments staffing was predicated on a reduction of positions. He said in answer to Councilmember Zenge we can program reduction in hours for non-represented employees, but if we are only talking one position he would recommend keeping the position and let staff find the money another way.

Mayor Sivertsen questioned where we are at with parking enforcement.

Manager Amylon said we not enforcing parking downtown because City Hall is not open to the public which allows them to come in and buy parking permits and file parking appeals. He said City Hall would probably open up shortly under the present conditions as set by the Emergency Operations Center (EOC). He indicated from past comments the Council didn't want to add to peoples worries with parking enforcement, and gave direction to staff to suspend parking enforcement.

Councilmember Bradberry questioned if besides parking did the parking enforcement specialist check the stop signs, yellow marks, no parking and loading zones throughout the community. She also asked if the City would consider selling City owned properties.

In answer to Councilmember Bradberry, Manager Amylon indicated that parking enforcement is primarily done in the downtown area and the parking lots on the west end. He said they do not enforce parking in the residential neighborhoods because they don't have the staff.

Manager Amylon stated in regards to selling City property there had been previous discussion with the Council before on this subject, and the Ketchikan Municipal Code requires us to obtain an appraisal for each property the City wants to sell, which would be time consuming and is not at the top of their list, but it is something staff can look at. He didn't feel this would raise enough in terms of revenue mitigation versus the other things in the mitigation plan on the table tonight. He said he can bring this conversation back to Acting Port & Harbors Director Hilson and City Attorney Seaver for their input.

Councilmember Bradberry said yes it is a lot of work for the smaller properties, but have we ever considered selling the Ted Ferry Civic Center, noting she knows people who would be interested in it, as it costs the City \$750,000 to operate it annually. She wondered if we could look at the larger properties that would continue to operate without the City's ownership to try and save on the labor side, and to continue our essential services throughout the pandemic.

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In answer to Councilmember Bradberry, Manager Amylon said that would be a policy issue the Council would have to discuss and give direction on. He said many years ago he was tasked to try to privatize both the Ted Ferry Civic Center and the Gateway Center for Human Services. He informed we did privatize Gateway, but had no takers on the Civic Center. He felt this would have to be researched before you can make that determination. He said there may be some type of restriction or covenant due to the federal funding that was involved at the time the building was constructed. He indicated if that is the direction the Council, staff could move forward.

Councilmember Bradberry said in terms of the Port Enterprise Fund does that include no reduction or negotiations with Survey Point Holding on reducing our monthly payment with no cruise.

In answer to Councilmember Bradberry, Manager Amylon said no reduction in the Berth IV lease were included in that projection.

Councilmember Flora questioned how close the parking enforcement specialist position and the cost of operations were supported by revenue received. He said if we know how close that position is to revenue neutral, and the Council agreed collectively to take a reduction in salary to preserve the position, he said this was a conversation he was willing to have. He questioned if the projected layoff position on the Fire Department side was currently active.

In answer to Councilmember Flora, Manager Amylon said he didn't know if the revenues collected by parking enforcement specialist covered the employees expenses, but he could get those numbers. He stated the Fire Department position is currently occupied, and he could not respond if that person was currently active because of personnel matters that are pending.

Councilmember Gage said she brought this up last year, and has no problem with reducing Council salary as Councilmember Gass commented on, however with all of us combined the savings is only \$79,000. She felt if we are going down this road and we want to talk about taking one for team our management positions should also, and suggested a 20% temporary salary reduction. She indicated if we continue to layoff our work force we will only have management, and felt this should be revisited.

Councilmember Gass said he had three points, one in reference to comments made by Councilmember Zenge. He said he has heard this a lot from various organizations who have reduced their work hours in similar situations. He said he agreed with Councilmember Gage that the City seems to be a little top heavy, and felt it would be worth looking at. He questioned why City Hall is still closed to the public, since three quarters of our seniors are vaccinated and vaccinating is open to everyone. He felt that our community is in a safer situation, and City Hall should be open.

In answer to Councilmember Gass, Manager Amylon stated the decision to close City Hall was made in conjunction with direction from the EOC. He indicated he would discuss this with the EOC Incident Commander to see what his present direction is, and would bring it back to the Council.

Councilmember Flora said he agreed with comments made by Councilmember Zenge in regards to a reduced work week. He felt this could possibly be our next step, and is one of the reasons he asked for monthly mitigation updates from staff.

Councilmember Gage agreed and felt it is something we should look into. She stated the State implemented closure of their offices to close at noon on Fridays, and it is working for them.

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Mayor Sivertsen informed we have contracts in place for 40-hour work weeks that we would have to reopen and negotiate. He said with the reduction in hours we need to make sure we can still get the work done to provide the services the City offers. He indicated as we all heard we are scrambling through a lot of stuff, and a lot of departments are short staffed already. He said it puts a lot of strain on everyone else to try and make up the difference.

Manager Amylon clarified you are talking about a variety of measures as he understands it to avoid the layoff of two people, one of which may be a non-issue if the revenue projections outweighs the expenditures or if Council wants to continue parking enforcement for the rest of the year. He said if you want to continue parking enforcement for the rest of the year then the layoff isn't an issue, and then we are down to one position within the Fire Department. He said from his perspective the measures that everyone is talking about represent a more significant problem. He pointed out if you are accepting the figures as presented, as sufficient to mitigate the revenue losses from the cruise ships season then you are only talking about the elimination of one position. He indicated he would rather go back through the General Government budgets and come up with savings somewhere else to save that one position, but if the Council wants to go down that road than staff can do it.

Mayor Sivertsen said as he recalls the parking enforcement position doesn't pay for itself from the revenue collected. He felt these are mitigations we talked about at budget time and he didn't see any reason not to continue with them.

Councilmember Zenge said she didn't see why the reluctance to approach the employees at the Civic Center, Library and Museum to ask them if they would be interested in working a reduced work week. She said she knows of other organizations that this has worked for them, opposed to laying off people. She felt there are folks who may be interested in a four day work week. She said they have done it at the State level and it didn't end up affecting them as much as they thought it would.

Manager Amylon said he would be glad to have those conversations with the non-represented employees.

Councilmember Gass said with an unforeseeable future we should be looking at the least painful areas to make significant cuts. He didn't see anything negative by putting this option out there to see who is interested. He said he would support this measure.

Councilmember Bradberry questioned if this plan has taken into account our reserves for the 2022 season.

In answer to Councilmember Bradberry, Manager Amylon said they have not predicated anything or made any assumptions for 2022. He stated this analysis was to get us through 2021 and establish reserves in the various funds where Council can have a reasonable discussion in the 2022 budget deliberations for General Government and KPU. He said in regards to the unions we are more than able to bring up shorter work weeks as part of the negotiations. He said both contracts for I.B.E.W. have expired. He informed Council has approved an extension contract with the firefighters that would have to be reopened. He would suggest an executive session before going into the negotiations. He said he has one meeting scheduled for KPU I.B.E.W., and have not scheduled anything with General Government I.B.E.W. He said if the Council wants staff to look into reduction of hours either voluntary or mandatory it will have to be done in the contracts too. He said from past experience he would conclude that the unions will not let an individual employee do something different from the others in the bargaining unit, but we can have those discussions as well.

Motion passed with Bergeron, Gass, Kiffer, Gage, Zenge, Bradberry and Flora voting yea.

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Julie Steiner said she is asking the Council to reconsider eliminating the parking enforcement position. She feels parking enforcement is vital for local business operations. She said there is limited parking in town and if people do not follow the parking time limit rules than this could be detrimental to businesses. She has spoken with several other local businesses who say that customers are having a hard time accessing their business due to lack of parking. She asked the Council to consider enforcing parking to ensure access to local businesses. She thanked Councilmember Flora for returning her call and discussing this issue with her.

Mayor Sivertsen questioned if the City is not enforcing parking in the downtown area.

In response to Mayor Sivertsen, Manager Amylon stated when City Hall closed and people were unable to purchase parking passes during that time they were not enforcing parking. He informed City Hall is open and thought that parking was being enforced. He clarified that during the Council meeting of March 18, 2021 the Council did not provide direction whether or not they wanted parking to be enforced this summer so there has been no decision on eliminating the parking enforcement specialist which is pending Council's request for further information on revenues and expenditures in the parking enforcement division. He said that information is being compiled along with the results of discussions with the Unions and non-represented employees regarding a shorter workweek, which will be presented at a later date. He informed no decision on the parking enforcement specialist or the firefighter/EMT position have been made at this time.

Councilmember Gass said he believes there has been a misunderstanding, he thought Council's direction was to eliminate those positions.

Manager Amylon said his takeaway from Council discussion regarding parking enforcement was that Council wanted specific information regarding revenue and expenditures of the division. He stated there was a lot of discussion regarding layoffs and while Council approved the mitigation plan recommendations there was no decision made whether or not to proceed with the layoffs. He said if he misinterpreted that he apologies but he was specifically given direction to meet with employees to discuss reduced hours in an effort to see if that could save positions from being eliminated. He informed he met with the last group of non-represented employees this morning, and has met with all of the Unions, and staff sent out a survey that is due back on April 7, 2021 to be compiled and get the results back to the Council as requested.

Mayor Sivertsen said there was a lot of discussion specific to the parking enforcement specialist position, but he thought we were going to eliminate the firefighter/EMT position and hold off on parking enforcement until the survey was done.

Councilmember Zenge said that was her impression as well, that they were going to eliminate the firefighter/EMT position but wait on the parking enforcement specialist position until the Council had more information.

Manager Amylon stated that if Council would like to give that direction tonight he would be more than happy to proceed in that direction.

Mayor Sivertsen asked for a show of hands to eliminate the firefighter/EMT position and maintain the parking enforcement specialist position pending more information from the Manager's office and at least four hands were shown.

Councilmember Gage said if the local businesses are having parking issue than maybe the Council should consider reinstating parking enforcement.

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Manager Amylon stated if there is confusion on that issue he will clarify it with Chief White and intends to ensure parking enforcement is being actively pursued.

Mary Stephenson referenced the handout that was forwarded to the Mayor and Council. She questioned if the passenger wharfage fee increase that was scheduled to take place starting April 1, 2021 was still in effect. She stated during the public process she did not hear any objection from Cruise Lines International Association Alaska (CLIAA) regarding the \$2.00 rate increase. She feels the community needs guidelines on how to prepare for the summer season even without large cruise ships coming through.

Mayor Sivertsen said this will be discussed in more detail under the agenda item regarding ongoing review and discussion of cruise related issues.

CONSENT AGENDA

Mayor Sivertsen suggested moving both grant resolutions submitted by the Museum Department to the Consent Agenda. Councilmember Gass objected, noting he would like to discuss both items separately. Items were left under New Business for formal consideration, and no objections were heard.

Approval of Minutes – Regular City Council Meeting of March 18, 2021

Moved by Kiffer, seconded by Flora the City Council approve the minutes from the regular City Council meeting of March 18, 2021.

Motion passed with Gass, Kiffer, Gage, Zenge, Bradberry, Flora and Bergeron voting yea.

Waiver of Seasonal Fire Department Inspections of Businesses That Do Not Operate for 180 Consecutive Days in a Calendar Year

Moved by Kiffer, seconded by Flora the City Council authorize the City Manager and Acting Fire Chief Brainard to waive 2021 Ketchikan Municipal Code Section 18.12 mandatory fire inspections and associated fees for seasonal businesses that do not operate for 180 consecutive days in a year.

Motion passed with Gass, Kiffer, Gage, Zenge, Bradberry, Flora and Bergeron voting yea.

Liquor License Applications – Cape Fox Lodge, LLC and Bar Harbor Ale House

Moved by Kiffer, seconded by Flora the City Council approve the liquor license applications as outlined in the City Clerk's memorandum dated March 23, 2021 for the Cape Fox Lodge, LLC and Bar Harbor Ale House.

Motion passed with Gass, Kiffer, Gage, Zenge, Bradberry, Flora and Bergeron voting yea.

Budget Transfer – Bailey Generator #4 (BAG #4) Oil Change

Moved by Kiffer, seconded by Flora the City Council authorize the General Manager to transfer \$37,672 from the Electric Division's Additional Projects Capital Account to the Generation Oil Lubricants Account No. 5202, in order to fund a BAG #4 oil change.

Motion passed with Gass, Kiffer, Gage, Zenge, Bradberry, Flora and Bergeron voting yea.