

Regular City Council meeting was called to order by Mayor Kiffer at 7:00 p.m., November 3, 2022, with the following members present: Riley Gass (Via WebEx), Janalee Gage, Jai Mahtani, Abby Bradberry, Jack Finnegan, Mark Flora and Lalette Kistler.

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

Mayor Kiffer stated the Recital of Native Lands Acknowledgement.

Staff present were City Manager Walsh, City Attorney Seaver, Police Chief Walls, Fire Chief Hines, Acting Electric Division Manager Bynum, Port & Harbors Director Verfaillie, Deputy Clerk Lee and City Clerk Stanker.

PUBLIC HEARING

**PUBLIC HEARING – RESOLUTION NO. 22-2870 –
AMENDING THE 2022 GENERAL GOVERNMENT
OPERATING AND CAPITAL BUDGET TO PROVIDE A
SUPPLEMENTAL APPROPRIATION FOR THE FIRE
DEPARTMENT IN THE AMOUNT OF \$744,482; AND
ESTABLISHING THE SUPPLEMENTAL EMERGENCY
MEDICAL TRANSPORT SPECIAL REVENUE FUND**

Mayor Kiffer called the public hearing on Resolution No. 22-2870 to order at 7:01 p.m. and requested public testimony.

As there was no testimony, Mayor Kiffer declared the public hearing closed at 7:01 p.m.

**PUBLIC HEARING – ORDINANCE NO. 22-1955 –
APPROVING A LONG-TERM POWER SALES
AGREEMENT BY AND BETWEEN KETCHIKAN PUBLIC
UTILITIES AND METLAKATLA POWER AND LIGHT**

Mayor Kiffer called the public hearing on Ordinance No. 22-1955 to order at 7:01 p.m. and requested public testimony.

Representative Dan Ortiz encouraged the Council to support the passage of this ordinance. He said by adopting the Power Sale Agreement, it will allow this project to be eligible for State and Federal funding.

Mayor Smith of Metlakatla stated this is an important meeting for all of us tonight with the passage of the Power Sales Agreement. He said as communities, we need to lean on each other in the coming years to strengthen our region. He thanked all the people who moved this forward, but now we will need to get the intertie built. He invited the Council to come and visit their community, because together we can make great things for our people.

Mayor Kiffer declared the public hearing closed at 7:05 p.m.

COMMUNICATIONS

Mayor Kiffer indicated there was one laid on the table with correspondence from the Alaska Department of Transportation & Public Facilities (ADOT & PF) regarding Project No. 68091 – Tongass Avenue Improvement Project.

Councilmember Bradberry asked if the bike lane could be postponed until the entire lane through town is ready, instead of getting rid of it completely.

Mayor Kiffer said we can see if the public comment is still open.

PERSONS TO BE HEARD - None

CONSENT AGENDA

Mayor Kiffer suggested moving a few items to the Consent Agenda, including; Councilmember appointments to Boards and Commissions; Change to Rules of Procedure to combine General Government and KPU agenda items; the Financial and Compliance Audit for the year ending December 31, 2022 and no objections were heard.

**Approval of Minutes – Regular City Council Meeting of
October 20, 2022**

Moved by Kistler, seconded by Flora for approval of the minutes from the regular City Council meeting of October 20, 2022.

Motion passed with Gass, Bradberry, Mahtani, Finnegan, Gage, Flora and Kistler voting yea.

**Exempting the Procurement of Power Pedestals for Bar Harbor
South Float No. 8 from the Competitive Bidding/Written
Quotation Requirements of the Ketchikan Municipal Code –
Arc Industries**

Moved by Kistler, seconded by Flora pursuant to subparagraph 2 of Section 3.12.050(a) of the Ketchikan Municipal Code, the City Council exempt the procurement of power pedestals for the Harbors Department from the competitive bidding and written quotation requirements of the Ketchikan Municipal Code; authorize the City Manager to enter into an agreement for the acquisition of the power pedestals with Arc Industries in the amount of \$180,000 and establish a contingency in the amount of \$34,171 with funding to come from the Bar Harbor South Float 8 Electrical Replacement Capital Project.

Motion passed with Gass, Bradberry, Mahtani, Finnegan, Gage, Flora and Kistler voting yea.

**Budget Transfer – Mayor and Council 2022 Travel-Business
Account**

Moved by Kistler, seconded by Flora the City Council authorize the City Manager to transfer \$5,100 from the Mayor and Council's 2022 Community Promotion Account No. 610.01 to the Mayor and Council's 2022 Travel-Business Account No. 600.01 to fund travel expenses for the City Council's participation at the Alaska Municipal League Annual Local Government Conference.

Motion passed with Gass, Bradberry, Mahtani, Finnegan, Gage, Flora and Kistler voting yea.

"UNAPPROVED" November 3, 2022

Resolution No. 22-2870 – Amending the 2022 General Government Operating and Capital Budget to Provide a Supplemental Appropriation for the Fire Department in the Amount of \$744,482; and Establishing the Supplemental Emergency Medical Transport Special Revenue Fund

Moved by Kistler, seconded by Flora the City Council pass Resolution No. 22-2870, amending the 2022 General Government Operating and Capital Budget to provide a supplemental appropriation for the Fire Department in the amount of \$744,482; and establishing the Supplemental Emergency Medical Transport Special Revenue Fund; and establishing an effective date.

Motion passed with Gass, Bradberry, Mahtani, Finnegan, Gage, Flora and Kistler voting yea.

Budget Transfer – City Clerk’s 2022 Travel and Training Accounts

Moved by Kistler, seconded by Flora the City Council authorize the City Clerk to transfer \$800.00 from the Clerk’s Technical Services Account No. 635.12 to the Clerk Department’s 2022 Travel-Training Account No. 600.02 for the purpose of the City Clerk and Deputy Clerk to attend the Alaska Association of Municipal Clerks Conference from December 3-6, 2022.

Motion passed with Gass, Bradberry, Mahtani, Finnegan, Gage, Flora and Kistler voting yea.

Appointments to Boards and Commissions – Mayor Kiffer

Mayor Kiffer assigned Councilmembers to the following boards and commissions:

<u>POSITIONS</u>	<u>APPOINTMENT</u>
Ketchikan Historic Commission	Maxwell (Council Designee)
Library Advisory Board	Finnegan
Museum Advisory Board	Bradberry
Port & Harbors Advisory Board	Flora
Ketchikan Visitors Bureau	Kistler
SEAPA 2 voting – 2 non-voting	Voting Bradberry (alt Walsh) Voting Sivertsen (alt Donato) Voting Gage (alt Bynum)
Hospital Governing Board	Future Appointment
Community Grant Committee	Gass, Mahtani and Gage
Lobbying Executive Committee	Kiffer, Flora
Cooperative Relations Committee	Gass, Kistler, Bradberry
Local Emergency Planning Committee (2)	Flora, Gage
Planning Commission Code & Planning Subcommittee	Kistler
Hospital Advisory Board (HAC)	Mahtani, Simpson, Hilson
University of Alaska	Finnegan
Public Facility Naming Committee	Gass, Finnegan, Gage

Consider Change to Rules of Procedure to Combine General Government and Ketchikan Public Utilities Agenda Items

Moved by Kistler, seconded by Flora the City Council change the Rules of Procedure to combine General Government and Ketchikan Public Utilities agenda items.

Motion passed with Bradberry, Flora, Mahtani, Kistler, Finnegan, Gass and Gage voting yea.

Financial and Compliance Audit for the Year Ending December 31, 2022

Moved by Kistler, seconded by Flora the City Council authorize the Finance Director to negotiate a contract with Teuscher Walpole, LLC for the financial and compliance audit for the City of Ketchikan for the year ending December 31, 2022, said contract to be submitted to the City Council for formal consideration and approval. Failing successful negotiation, staff is directed to issue a Request for Proposals (RFP) for the financial and compliance audit for the City of Ketchikan for the year ending December 31, 2022, the award of said contract to be submitted to the City Council for formal consideration and approval.

Clerk Stanker verified if it was the consensus of the Council to approve alternate motion No. 1, and no objections were heard.

Motion passed with Bradberry, Flora, Mahtani, Kistler, Finnegan, Gass and Gage voting yea.

UNFINISHED BUSINESS

Ordinance No. 22-1955 – Approving a Long-Term Power Sales Agreement by and Between Ketchikan Public Utilities and Metlakatla Power and Light; Providing for the Filing of Referendum Petitions – Second Reading

Copies of Ordinance No. 22-1955 were available for those present.

Moved by Flora, seconded by Finnegan the City Council approve in second reading Ordinance No. 22-1955 approving a long-term power sales agreement by and between Ketchikan Public Utilities and Metlakatla Power and Light; providing for the filing of referendum petitions; and establishing an effective date.

Acting Electric Division Manager Bynum answered questions from the Council. He indicated on an average year there is more than enough hydropower energy to supply and support this Power Sales Agreement. He said he didn't foresee an issue with our ability to meet the demands of this agreement, and there are protections in place that would prevent any economic hardships on either party.

Mayor Smith thanked the Council again for all the effort that was put into this. He agreed with comments made by the Acting Electric Division Manager.

Motion passed with Kistler, Mahtani, Flora, Bradberry, Gage, Gass and Finnegan voting yea.

NEW BUSINESS

Presentation on SeaLevel's Youth Center Project

Project Manager Kristen Van de Geer said she is working on coordinating efforts to develop a community youth center, that they will call SeaLevel. She said the youth in the community are talented, capable and resilient, but they will only get there if they are provided the support, guidance and hope they need to thrive.

1. Share the Project Plans they have developed and the vision for the center.
2. To update the Council on the former status of City funds.
3. Inviting the Council to support this project by becoming a partner.

Ms. Van de Geer informed SeaLevel is Ketchikan's future community youth center that will be a safe, welcoming space for Ketchikan youth, ages 15 through 21, with connections to a network of personalized support, embedded programming and caring adults. She touched on the integrated services and programs that would include:

1. Basic needs.
2. Peer support & youth programming.
3. Achievement Services.
4. Talented staff.
5. Embedded program partners.

She described in detail the funding plans, anticipated costs and annual operating costs. She said they are not looking to reinvent or duplicate services that are already offered. She described their long-term vision, which will ensure that each young person who comes through the doors feels valued, connected and respected, because we all benefit when young people are supported, engaged and empowered. She said SeaLevel is a resource that will become enmeshed in the fabric of Ketchikan for our youth, and they plan to open their doors early in the summer of 2024.

The presentation in its entirety can be viewed on the City of Ketchikan's Website.

<https://ketchikan.primegov.com/Portal/Meeting?meetingTemplateId=2838>

Direct Staff to Prepare a Fiscal Impact Report and Tax Structure Recommendations for an Ordinance to Exempt Residential Rentals from the Seasonal Sales Tax Between the Months of April 1st and September 30th; Communicate Proposals with the Cooperative Relations Committee

Moved by Bradberry, seconded by Mahtani the City Council direct staff to prepare a fiscal impact report and tax structure recommendations for an Ordinance to exempt residential rentals from the seasonal sales tax between the months of April 1st and September 30th; communicate proposals with the Cooperative Relations Committee; and establishing an effective date for said Ordinance as April 1, 2023.

A lengthy discussion ensued and the following was discussed:

- Availability and affordable rentals in the City.
- Potential bookkeeping issues for seasonal taxes.
- Adjusting the tax structure to allow for tax breaks on the bottom, versus a tax cap.
- The City being able to pay to maintain current staffing and services for the community.
- The City being able to stay revenue neutral.

Motion passed with Bradberry, Flora, Mahtani, Finnegan, Gass and Gage voting yea; Kistler voting nay.

APPROVAL OF VOUCHERS

Mayor Kiffer passed the gavel to Vice-Mayor Flora due to a conflict of interest.

Moved by Bradberry, seconded by Gage the City Council move for the approval of vouchers to Parnassus Books in the amount of \$50.00.

Motion passed with Bradberry, Flora, Mahtani, Kistler, Finnegan, Gass and Gage voting yea.

Vice-Mayor Flora passed the gavel back to Mayor Kiffer.

CITY MANAGER'S REPORT –

City Manager Walsh informed she has had a very busy week, and is happy to answer any questions the Council has. She said, if there is no objection from the Council, she would like to do a conflict of interest training with the City Attorney, and in addition add a statement to our agendas. She said this is good practice to encourage an ethical and transparent culture. In addition, she would like to add an ADA notice and disclosure to our agenda, and will work with the City Clerk on this.

City Manager Walsh said on Thursday, November 17 she would like to have a guided work session on a tourism manager position. This will help narrow down what the Council really wants out of this position, so that staff can move forward with the job description. It was the consensus of the Council to have a work session regarding a tourism manager position on Thursday, November 17 at 6:00 p.m., before the regularly scheduled meeting.

City Manager Walsh informed she is working on trying to find a consultant to help develop a strategic plan that she thinks would work best for our community and Council, so that we can work on our mission, vision and values. She stated she is also working with an expert to do a full curriculum training, which she believes will take two days, sometime in February, which will go over rate and rate setting economics. She explained the reason she would like to do the education first is to make sure we are all on the same page and have the same understanding.

Councilmember Mahtani said regarding the conflict of interest policy, he hopes that City Manager Walsh takes into account that many of the Councilmembers work in the tourism industry. He wants to ensure that not everything becomes a conflict of interest.

City Manager Walsh felt this is a great reason why the conflict of interest training is important, because adding a conflict of interest statement doesn't mean that you have to recuse yourself from the vote in all cases, unless you have a direct financial benefit. She explained the purpose of this is to disclose to the public that you might have an interest or a different understanding due to the industry. She said ultimately, each Councilmember represents the people who elected you, and you have to be able to express your thoughts, votes and actions, and represent those people fully.

Schedule of General Government and KPU Appropriated Reserves Through the City Council Meeting of October 20, 2022

City Manager Walsh attached for Council review a schedule of the current balance of Appropriated Reserves of the various funds of General Government and KPU through the City Council meeting of October 20, 2022.

**City-PeaceHealth Healthcare Advisory Committee (HAC) –
August 31 and September 22, 2022 Meeting Minutes**

City Manager Walsh attached for Council review the approved minutes from the August 31, and September 22, 2022 meetings of the City-PeaceHealth Healthcare Advisory Committee (HAC).

Library Closure

City Manager Walsh advised the Council of the public access closure of the Library on Tuesday, November 8th through Wednesday, November 9, 2022. She indicated the closure will allow the necessary server migration and software upgrade to the First City Libraries (FCL) online library system.

**2023 Proposed General Government and Ketchikan Public
Utilities Operating and Capital Budget**

City Manager Walsh informed the Council that it is the staff's intent to electronically transmit the 2023 draft General Government and Ketchikan Public Utilities Operating and Capital Budgets to Councilmembers on or about Thursday, November 3, 2022. She indicated hard copies will be made available the week of November 7, 2022.

Public Works Director's Project Status Report – October 2022

City Manager Walsh provided for Council review the project status report of the Public Works Director for the month of October 2022.

K.P.U. MANAGER'S REPORT - None

CITY CLERK'S FILE - None

CITY ATTORNEY'S FILE

City Attorney Seaver provided the Council with a report of significant activities for the month of September 2022.

FUTURE AGENDA ITEMS - None

MAYOR AND COUNCIL COMMENTS

Councilmember Gass said he is glad to see we are moving along with the power agreement with Municipal Light & Power, and hopes the rest of the process goes smoothly and in a timely manner. He thanked Councilmember Bradberry for starting the conversation on residential rents. He stated we are right on the eve of budgets, and hopes as we enter the budget cycle that everyone keeps in mind to manage the City budget like you would your home or business, and do our best not to raise taxes. He said it is going to be challenging but to look ahead with a positive outlook, and hopefully we can come up with a budget that is not going to increase taxes on the citizens.

Councilmember Mahtani said it is a historic moment that we reached this agreement with Metlakatla, and congratulated both power companies for getting this part done so quickly. He thanked the manager and said he believes that she is steering us in the right direction. He felt that this session saw all of us working together.

"UNAPPROVED" November 3, 2022

Councilmember Kistler congratulated Metlakatla and KPU on the power sales agreement.

Councilmember Bradberry gave an update from the last SEAPA meeting, and informed that CEO Trey Acteson, will be retiring at the end of this year, and that there is the potential for future rate increases on electricity next year. She thanked Manager Walsh for her help on the tax structure agenda item.

Councilmember Finnegan said he is very excited about the two projects discussed tonight, the intertie and Ms. Van De Geer's presentation regarding the SeaLevel Community Youth Center, as they are both very forward thinking and are serving our community.

Councilmember Gage said she is looking forward to the SeaLevel project, and is glad the intertie went through. She reminded citizens if they leave a message on her home phone, to please remember to leave their name and phone number so she can return their call. She informed she will be out of town for the second meeting in December.

Councilmember Flora thanked Ms. Van De Geer, he said that was an excellent presentation, and is looking forward to seeing this come together. He congratulated KPU and Metlakatla Power & Light, and stated this should be beneficial to both communities.

OTHER NEW BUSINESS – None

EXECUTIVE SESSION - None

ADJOURNMENT

As there was no further business, the Council adjourned at 8:25 p.m.

Dave Kiffer, Mayor

ATTEST:

Kim Stanker, MMC
City Clerk

FYI ITEMS INCLUDED

Ketchikan Area Arts & Humanities Council's Quarterly Activity and Financial Reports – April
Through September 2022
First City Homeless Services Quarterly Activity Report – July through September 2022