

Special Ketchikan City Council meeting was called to order by Mayor Sivertsen at 6:00 p.m., January 28, 2020, with the following members present: Dick Coose, Janalee Gage, Mark Flora, David Kiffer, Samuel Bergeron, Judy Zenge and Emily Chapel.

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

Staff present were Manager Amylon, Assistant Manager Simpson, Public Works Director Hilson, Finance Director Newell, Port and Harbors Director Corporon, City Attorney Seaver and City Clerk Stanker.

COMMUNICATIONS

Mayor Sivertsen said there were several items laid on the table, including: a report regarding a proposed meeting with Cruise Lines International Association – Alaska (CLIA); a letter regarding a proposed meeting with Holland America Group Executive Vice President Charlie Ball; and a packet from Ketchikan Historic Commission with recommendations regarding the responses to the request for proposal.

PERSONS TO BE HEARD

Tim Walker and Rod Bray representing the Port & Harbors Advisory Board indicated they are disappointed with the City Council and City Manager that the Port & Harbors Advisory Board is not part of the Request for Proposal (RFP) process. He informed the intent of the advisory board is to assist the Council in making decisions regarding the management of the City's ports and harbors, and the Council now more than ever, needs the advisory boards input. He said the lack of information sharing between the Council and the advisory board creates a negative atmosphere and gives credence to members of our community making every effort to halt the initiative. He stated we will help the Council navigate to the most beneficial outcome for our community. He encouraged the Council to bring the Port & Harbors Advisory Board into the RFP process.

Mayor Sivertsen apologized for not addressing the laid on the table from the Port and Harbors Advisory Board asking for participation in review of the RFP regarding the Port from the Council meeting of January 23, 2020, noting it was an oversight. He stated the Council appreciates what Port & Harbors does and will take this under advisement under new business after the executive session.

Councilmember Bergeron requested a quick overview for the public explaining what the Council is doing.

Mayor Sivertsen explained they have received three responses to the RFP, which were reviewed and responses put into a matrix by City administration. He stated the Council has not yet seen any of the responses, and this will be their first look at them tonight. He said he knows there is a desire by the public to see the responses, and after the Council reviews them they will try to release as much information as we can. He continued there is some proprietary information regarding what can be released, and after the executive session they will explain what they can.

Councilmember Bergeron also requested an explanation of the letter to CLIA for the public.

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Manager Amylon stated late last year the Council had requested a meeting with CLIA. Mike Tibbles had come down and given a presentation to the Ketchikan Chamber of Commerce, and gave his thoughts on what the City is doing relative to the RFP. He said at the Council's direction he extended an invitation to Mr. Tibbles to meet with the Council, and offered him a couple of different dates. He stated he received a call from Mr. Tibbles on Friday, and he indicated he would not be able to make either of the suggested dates in February and given his schedule he did not see a meeting happening anytime in the near future. He explained Mr. Tibbles said when he is available to come down and meet with the Council, he will get back to me.

Councilmember Coose asked for clarification on the letter from Charlie Ball.

Manager Amylon explained Mr. Ball had indicated either the meeting of February 18, 2020 or March 5, 2020. He informed he is recommending the March 5, 2020 meeting because Vigor has requested to make a presentation during the February 18, 2020 meeting, and ECG Management Consultants will be presenting in executive session relative to the hospital lease.

Councilmember Zenge asked when the Council comes out of the executive session will they have something they can tell the public.

Mayor Sivertsen informed there are some items within the RFP's and rules and regulations, as well as proprietary information regarding what can be released. He said it sounds like the Council would like to see some content released to the public.

EXECUTIVE SESSION

Initial Review of Proposals Received for Contract No. 19-36, Redevelopment of Port of Ketchikan Berths I, II and III and Other Infrastructure Within the City of Ketchikan

Moved by Coose, seconded by Flora the City Council declare consistent with the City Manager's memorandum dated January 24, 2020, it is in the best interest of the City Council to review and discuss the proposals received in response to the RFP for the Reconfiguration of the Port of Ketchikan and Upland Improvements in executive session in accordance with Ketchikan Municipal Code 2.04.025(a)(1) and (3) which includes the need to discuss subjects the knowledge of which would clearly have an adverse effect upon the finances of the City and to receive legal advice within the attorney-client privilege.

Councilmember Coose said they all know what they need to do and they will discuss what they can when they come out of the executive session.

Motion passed with Coose, Kiffer, Gage, Bergeron, Flora, Zenge and Chapel voting yea.

The Council recessed in to executive session at 6:14 p.m. and reconvened at 8:20 p.m.

Mayor Sivertsen said the Council has completed its executive session to review the initial proposals received for Contract No. 19-36 redevelopment of the Port of Ketchikan Berths I, II and III and other infrastructure within the City of Ketchikan and no direction was given.

Mayor Sivertsen explained during the executive session the Council discussed the RFP, reviewed outlines and information, discussed the process and schedules. He said they talked about some of the information that is available, though there is little at this point. He requested City Attorney Seaver come up and talk to what the Council agreed to in the RFP in regards to the information and what the City's obligations are.

City Attorney Seaver stated the Council has set the ground rules for the solicitation of the RFP and Section 7.6.1 states, "Proposals shall be opened as to avoid disclosing their contents to competing Proponents during the process of negotiation. Except for confidential information submitted as set forth in Section 7.11. Proposals, tabulations, and evaluations thereof shall be open to the public inspection only after the issuance of a notice of intent to award." He informed this is the solicitation process that has been established, and this is a very standard provision for competitive negotiations, and why disclosure can be withheld without running afoul of the Open Meetings Act. He said premature disclosure would affect the City's ability to obtain the best results in negotiations if all of the proponents know what the other proponent's proposals contain. He informed, based on that, for any public records request he will respond along those lines, and this information will become public at some point. He stated it will not become public information at this juncture primarily because we need to operate to get the best results for the City.

Mayor Sivertsen stated there were three proposers and all are concession proposals. He explained the three proponents included; Ketchikan Port Solutions, LLC a joint venture between Global Port Holdings and Conrac Solutions, which is a large construction company that works with a lot of different industries; Ketchikan Waterfront Partners which is a joint venture between SSA Marine Inc. and Royal Caribbean Cruises Limited, and SSA Marine Inc. is a partner company with Survey Point Holdings; and Survey Point Holdings. He said during deliberations there were a lot of unanswered questions that needed clarification, and a lot of detail to be digested by the Council before they can move forward with a scoring operation. He indicated the process will be for the Councilmembers to go through the proposals to compare and evaluate, and prepare questions of clarification. He stated the next step is to determine a date so the public knows when the Council will come back with further discussion. He informed there are timelines the Council needs to follow based on the RFP, and on how they will go through this process and deadlines they need to meet.

Manager Amylon informed the Council of the general deadlines specified within the RFP. He concurred that the Council needs to determine a date for another special meeting to resume deliberations over the three proposals.

Mayor Sivertsen recommended a Special City Council meeting for Monday, February 17, 2020 at 7:00 pm, and no objections were heard.

Mayor Sivertsen commented on the Port & Harbors Advisory Board's involvement with the RFP, and ensured there would be future opportunities for their input. He stated the selection committee has been already set at this point for the initial RFP review.

Councilmember Bergeron said as the City Council evaluates the proposals they should keep in mind the current business model compared to the status quo so they have something to compare them to. He stated this would be an important part of this deliberation as it is something the Council has previously discussed.

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Mayor Sivertsen said that is something we can keep in mind but that he does not have a particular development plan in place at this time with actual costs to be comparative. He stated this is something that can be developed.

Councilmember Bergeron asked for the projected headcount, fee structure, and a broad view of where that money would go. He said then we can compare it to what they anticipate doing. He asked for current projections in regards to the three proponent's proposals.

MAYOR AND COUNCIL COMMENTS

Councilmember Coose said they had a good meeting and there is a lot to do out there. He echoed Councilmember Bergeron's comment that they need a business plan with the City's current projections compared to what would happen if they decide not to do anything to what would happen if they moved forward with one of the proposals. He said as of right now they cannot compare it. He stated they have projections right now of how many people are expected to come to town in the next five to ten years. He continued we need something to keep in mind so that we stay competitive with Ward Cove.

Councilmember Gage asked about the status of the hospital contract and how many years are currently left on that lease.

Manager Amylon said in response to Councilmember Gage's question, the hospital lease expires 2023, and there will be a presentation to the Council in executive session at the meeting of February 18, 2020 by ECG Management Consultants.

Councilmember Bergeron said he is very conscious of doing business publicly. He stated if anybody calls him or asks him about this meeting he will refer people to the city manager's office. He informed this is new ground for him and many of the Councilmembers, noting it is something they will be spending a lot of time and consideration on.

Councilmember Kiffer said that he believes many of them were surprised to learn that the Bureau of Land Management (BLM) is looking to monetize the Carlanna Lake Trail in terms of running guided tours up and down it. He stated we have an obligation to our locals to put a stick in that wheel as soon as possible, because we don't want to take that area away from the locals who use it. He requested that a letter be drafted in response to BLM to try and prevent that.

Councilmember Flora asked by the meeting of February 17, 2020 the Council needs to define the role the Port & Harbors Advisory Board will have in regards to the RFP. He stated he sits on that board and he would like to be able to explain to them their role, sooner rather than later. He said he agreed with Councilmember Kiffer's comments on how do we balance the needs of the economy of our town, which is highly dependent on tourism, and have something that still remains for the locals. He continued that the Carlanna Lake area is a small example of one of our bigger challenges as we work through this. He stated we have the best intentions for our community, and there are people who want to grow their businesses, and there are other people who just want to take a walk in Southeast Alaska without tourist. He said it is important as we work through this process to consider and represent all of those interests as well as they can.

Councilmember Coose said in regards to the Carlanna Lake Trail he does not believe that the BLM has total control of that trail. He suggested Council look at the property boundaries because he believes all they have control of is the parking lot and maybe a few feet of the trail, and the

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rest belongs to the U.S. Forest Service. He felt the Council should coordinate with the BLM and see what they are up to. He stated we only have until February 10, 2020 to submit comments to the BLM, noting there is a high concern if they start impacting that area with guided tours.

Mayor Sivertsen ask for a show of hands to have staff draft comments to the Bureau of Land Management (BLM) in opposition to guided tours in the Carlanna Lake area, and at least four hands were shown.

Manager Amylon said he would bring back a draft letter the Council meeting of February 6, 2020.

Councilmember Bergeron asked if the tour would have to go over City and/or KPU property.

In response to Councilmember Bergeron's question, Manager Amylon said he would have to look into it and bring back to Council.

ADJOURNMENT

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

Robert Sivertsen, Mayor

ATTEST:

Kim Stanker, MMC
City Clerk

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Special Ketchikan City Council meeting was called to order by Mayor Sivertsen at 7:00 p.m., February 17, 2020, with the following members present: Dick Coose, Janalee Gage, Mark Flora, David Kiffer, Samuel Bergeron, Judy Zenge and Emily Chapel.

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

Staff present were Manager Amylon, Assistant Manager Simpson, Finance Director Newell, Public Works Director Hilson, Port and Harbors Director Corporon and City Clerk Stanker.

COMMUNICATIONS

Mayor Sivertsen said there was an item laid on the table from Tim Walker representing Port and Harbors Advisory Board regarding the request for proposal on the Port.

PERSONS TO BE HEARD

Tom Ferry said he was here tonight because he was not in favor of Ketchikan being sold out to any giant corporation. He realizes Ketchikan is in a bind to obtain funding to do the Port expansion ourselves. He said he likes the way the Port is being handled now. He felt there must be other alternatives for this community besides having someone else run the Port. He informed he grew up here in Ketchikan, noting a lot of people he knows left and forty years later those people moved back. He felt the little guy is going to get hurt if this transition happens in regards to request for proposal, because Ketchikan is a town where they can still make it. He said he has concerns when the Ward Cove docks open and how passengers will be bused and distributed in the downtown area. He cited issues that would happen if all the people are dropped off at one location instead of equally dividing them in different areas. He encouraged the Council to think about the little guy and how this can affect the average person trying to make a living, and not to give our Ports away to foreign companies.

Norman A. Arriola said he was a life-long resident and appreciates Mr. Ferry's comments tonight. He felt there hasn't been enough public transparency. He said he agreed with Mr. Ferry about not letting foreign companies come here and manage our Ports. He felt the reason we can't develop the Ports ourselves is because of the City's current amount of bonding debt, and suggested expanding one berth at a time on our own. He encouraged the Council to shred the proposals received from the RFP request, and let the community keep control of the Port.

Tim Walker representing the Port and Harbors Advisory Board thanked the Mayor for his apology given at the last special Council meeting. He spoke in regards to the redevelopment of the Port of Ketchikan Berths I, II and III and other infrastructure within the City, and that both the City Council and the Advisory Board have the community's best interest in mind. He felt the outcome of the redevelopment initiative will significantly impact our community for decades and its paramount the Council and Advisory Board work together to arrive at the optimum outcome. He informed the Advisory Board represents a wide variety of Port and Harbors users just as the Council represents the diverse members of the community. He explained the Advisory Board reiterates the need to be included in future decisions or actions concerning the redevelopment initiative, noting they will schedule any special meeting to accommodate the Council's timeline.

Martha Thomas cited all the industries that are no long viable to our economy. She didn't feel it was in the best interest of the community to sell our last main industry, which is tourism. She said even if the City gets this large infusion of money the real problem will be deciding on what to spend it on, and could be just a temporary band aid. She encouraged the Council as they go into executive session to please consider the pros and cons, and think of the people that your decision will effect. She felt this issue is so large it should be taken to the voters.

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Mayor Sivertsen said in response to some of the comments made tonight, he would like to clarify that the City Council at this time is looking at all the options that may be out there, and the proposals received may not come to fruition. He stated as he looks around this table there isn't a Councilmember who is tied to the industry where they would want to sell out the Port, because they live here too. He said he appreciates everybody's input and interest because the Council is will be making a large decision for the community. He informed the RFP process needs to be evaluated in order to maintain the operation of the Port as they are today. He stated when we originally started this process the Ward Cove development was not in the mix. He said at that time the Council was looking at this growing industry, and what we had to do to address it. He explained when they looked into the actual cost of development the Council questioned if there was another way to develop to Port, and have the industry pay for it. He informed no preferential berthing proposals were received, and that is the type of agreement Ward Cove has. He said he lives here too, and he is not going to make a decision that would hurt this community long term. He said in regards to Mr. Arriola's comments about the City bonds, those bonds are spread over all the different operations of the City, and are not just for the Port. He explained Utility bonds are based on rates, the hospital bond used the 1% sales tax that was already in place. He informed there are electrical, water, sewer and general obligation bonds that pay for the infrastructure of the City. He said bonding and debt service is very common for any community to obtain. He said there is a concern with the amount of debt a municipality incurs, and felt he gets good advice from our finance director. He said he has the long term benefit and health of this community in mind, and that is what he will base his decision on.

EXECUTIVE SESSION

Continued Review of Proposals Received for Contract No. 19 - 36, Redevelopment of Port of Ketchikan Berths I, II and III and Other Infrastructure Within the City of Ketchikan

Moved by Flora, seconded by Coose the City Council declare consistent with the city manager's memorandum dated February 10, 2020 it is in the best interest of the City Council to review and discuss the proposals received in response to the RFP for the Reconfiguration of the Port of Ketchikan and Upland Improvements in executive session in accordance with Ketchikan Municipal Code 2.04.025(a)(1) and (3) which includes the need to discuss subjects the knowledge of which would clearly have an adverse effect upon the finances of the City and to receive legal advice within the attorney-client privilege.

Motion passed with Chapel, Bergeron, Flora, Zenge, Coose, Gage and Kiffer and voting yea.

The Council recessed in to executive session at 7:30 p.m. and reconvened at 8:30 p.m.

Mayor Sivertsen said the Council has completed its executive session to continue to review the proposals received for Contract No. 19-36 redevelopment of the Port of Ketchikan Berths I, II and III and other infrastructure within the City of Ketchikan. He said the Council felt there were more questions than answers, and direction was given to staff. He indicated the Council will schedule another meeting for future discussion to determine our next step.

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MAYOR AND COUNCIL COMMENTS

Councilmember Coose said he would see everyone tomorrow night.

Councilmember Gage informed she had attended the Elizabeth Peratovich ceremony, and ordered her commemorative dollars, noting these coins are now being offered for sale.

Councilmember Bergeron informed he was walking the docks today and noticed some of the floats didn't have bull rails and others did. He felt it was a safety issue for people if they fell into the water they wouldn't be able to get out. He said the Council needs to take a look at that.

Mayor Sivertsen thanked everyone who provided comments and spoke tonight, and he assured them the Council is just as concerned about the community as they are. He said he also attended the Elizabeth Peratovich event. He informed he read the proclamation the Council approved, noting it was a very nice event for a special person. He stated because of her, the State of Alaska passed a nondiscrimination clause in 1945 which was well before the 1964 civil rights act.

ADJOURNMENT

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

Robert Sivertsen, Mayor

ATTEST:

Kim Stanker, MMC
City Clerk

Regular Ketchikan City Council meeting was called to order by Mayor Sivertsen at 7:00 p.m., February 18, 2020, with the following members present: Dick Coose, Janalee Gage, Mark Flora, Emily Chapel, Samuel Bergeron and Judy Zenge. David Kiffer was absent.

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

Staff present were Manager Amylon, Assistant Manager Simpson, Finance Director Newell, City Attorney Seaver, Port and Harbors Director Corporon, Police Chief White, Fire Chief Hoage, Electric Division Manager Donato, Library Director Tully, Public Works Director Hilson, Human Resources Manager Miller, Division System Engineering Manager Bynum, Telecommunications Division Manager Cushing, Deputy Clerk Lee and City Clerk Stanker.

COMMUNICATIONS

Mayor Sivertsen attempted to respond to previous citizen inquiry regarding the request for proposal (RFP) process, and he offered clarification to those comments. He stated should the Council pursue a concession or lease agreement for the redevelopment of the Port, this agreement would require the Council to approve an ordinance in two readings and then a 30 day wait period before it becomes effective. He informed qualified voters of the City may approve or reject an ordinance passed by the City Council by means of a referendum petition during the 30 day wait period, and the City Council has made no indication they will place an ordinance for the Port redevelopment on the ballot. He said information regarding the referendum petition process can be obtained from the City Clerk's office on the 4th floor of City Hall.

PERSONS TO BE HEARD

Devon Eldredge said he is part of the financial management team at Metlakatla Power and Light. He said he was here today to answer any questions the Council may have related to the proposed intertie project between Melakatla and Ketchikan. He said given the turnaround time Metlakatla Power and Light would like to have, he encouraged the Council not to extend the comment period with the State of Alaska, Division of Natural Resources (DNR) to 90 days. He thanked the Council and said he would be available if the Council had any questions.

Abby Bradberry said she recently returned from a six week tour of South America. She said she was able to watch how other places conduct their tours and interact with tourists. She said no matter who they spoke with people were able to help them find their way around town. She suggested items that are simple to implement such as recycling and a refillable water station, use of whistles for Port employees, expansion of our plants and shrubs to brighten up the sidewalks, a guide program and have licensed tour guides, better roads, more crossing guards, moving people throughout Ketchikan and mandate buildings be freshly painted. She felt these upgrades could close the gap between the citizens that are for or against tourism, noting she would like to see the excitement come back into Ketchikan

Mayor Siversten asked if she could submit an electronic copy to staff.

Councilmember Zenge thanked Ms. Bradberry for sharing her information with the Council.

Donita O'Dell and Sam McQuerry introduced themselves as representatives from First City Homeless Services. She said they stopped by tonight in case there were any questions regarding their Community grant application and request.

CONSENT AGENDA

Mayor Sivertsen suggested moving a few items to the Consent Agenda, including: a budget transfer to fund the Ketchikan Pedestrian Safety and Crosswalk Awareness Campaign, and Ordinance No. 20-1904 regarding a Verizon Wireless Exclusive Agent Agreement. No objections were heard.

**Approval of Minutes – Regular City Council Meetings of
January 23, 2020 and February 6, 2020**

Moved by Zenge, seconded by Flora for the approval of minutes of the regular City Council meetings of January 23, 2020 and February 6, 2020.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

**Exempting the Procurement of the Annual Software
Maintenance Agreement for the First City Libraries
Consortium from the Competitive Bidding/Written Quotation
Requirements of the Ketchikan Municipal Code – SirsiDynix**

Moved by Zenge, seconded by Flora pursuant to subparagraph 6 of Section 3.12.050(a) of the Ketchikan Municipal Code, the City Council exempt the procurement of the annual software maintenance agreement for the First City Libraries Consortium from the competitive bidding/written quotation requirements of the Ketchikan Municipal Code; authorize the city manager to enter into an agreement for the annual software maintenance services with SirsiDynix in an amount not to exceed \$28,055.63; and approve funding from the Library Department's 2020 First City Libraries Division Software and Equipment Maintenance Services Account No. 635.04.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

**Amendment No. 3 (FINAL) to Contract No. 19-18 - Port
Reconfiguration and Execution Strategy - Bermello Ajamil &
Partners, Inc.**

Moved by Zenge, seconded by Flora the City Council approve Amendment No. 3 (FINAL) in an amount not to exceed \$2,568 to Contract No. 19-18, Port Reconfiguration and Execution Strategy, between the City and Bermello Ajamil & Partners, Inc., bringing the total contract amount to \$269,170; authorize funding in the amount of \$2,568 from Port Department's 2019 Berths I & II Expansion Capital Account; and direct the city manager to execute the amendment on behalf of the City Council.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

**Exempting the Procurement of Fire and Police Departments
Portable Radios for the Fire and Police Departments from the
Competitive Bidding/Written Quotation Requirements of the
Ketchikan Municipal Code – Motorola Solutions**

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Moved by Zenge, seconded by Flora pursuant to subparagraph 6 of Section 3.12.050(a) of the Ketchikan Municipal Code, the City Council exempt the procurement of portable radios for the Fire and Police Departments from the competitive bidding/written quotation requirements of the Ketchikan Municipal Code; authorize the city manager to enter into an agreement for the purchase of such equipment with Motorola Solutions in amounts not to exceed \$116,101 and \$118,508 respectively; and approve funding from the Fire and Police Department's 2020 Portable Radio Replacement Capital Accounts.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

Resolution No. 20-2769 – Supporting the Alaska Salmon Hatchery Program

Moved by Zenge, seconded by Flora the City Council approve Resolution No. 20-2769 supporting the Alaska Salmon Hatchery Program; and establishing an effective date.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

Budget Transfer – Ketchikan Pedestrian Safety and Crosswalk Awareness Campaign

The motion before the City Council deferred from the meeting of January 23, 2020:

Moved by Zenge, seconded by Flora the City Council authorize a budget transfer in an amount determined appropriate by the City Council from Appropriated Reserves of the General Fund to the Mayor and Council's 2020 Community Promotion Account No. 610.01 for the purpose of funding a Ketchikan Pedestrian Safety and Crosswalk Awareness Campaign.

Manager Amylon asked the Council for clarification as to whether they are approving the full amount as detailed in Sales, Marketing and Customer Service Division Manager Simpson's memorandum.

Mayor Sivertsen confirmed it was the concession of the Council to fully fund the campaign.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

Exempting the Procurement of Annual Hosted IP Business Phone System Professional Engineering Maintenance and Support Services for the Telecommunications Division from the Competitive Bidding/Written Quotation Requirements of the Ketchikan Municipal Code – ECG, Inc.

Moved by Zenge, seconded by Flora pursuant to subparagraph (A) of Section 3.12.051(c)(2) and subparagraph (2) of Section 3.12.051(b) of the Ketchikan Municipal Code, the City Council exempt the procurement of annual hosted IP business phone system professional engineering maintenance and support services from the competitive bidding and written quotation requirements of the Ketchikan Municipal Code; authorize the general manager to enter into an agreement for such professional engineering maintenance and support services ECG, Inc. in an amount not to exceed \$75,000; and approve funding from the Telecommunications Division's 2020 Engineering & Architectural Professional Services Account No. 640.02.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

Ordinance No. 20-1904 – Approving a Verizon Wireless Exclusive Agent Agreement – Second Reading

Copies of Ordinance No. 20-1904 were available for all persons present.

Moved by Zenge, seconded by Flora the City Council approve in second reading Ordinance No. 20-1904 approving a Verizon Wireless Exclusive Agent Agreement between Cello Partnership dba Verizon Wireless and Ketchikan Public Utilities Telecommunications Division; providing for the filing of referendum petitions; and establishing an effective date.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

UNFINISHED BUSINESS

Both items were moved to the Consent Agenda.

NEW BUSINESS

Vigor Alaska Presentation Regarding Ketchikan Shipyard Operations

Adam Beck, Executive Vice-President of Vigor, said he is responsible for all their ship repair operations including the Ketchikan shipyard. He introduced Bergan Wheeler, the shipyard's new General Manager and Jill Mackie as their Senior Vice-President of Public Affairs.

Mr. Wheeler said he was born, raised and has worked with the shipyard for the last ten years and will continue to advocate for Ketchikan.

Mr. Beck said he appreciated that both the City and the Ketchikan Gateway Borough were big supporters of the shipyard. He said he knows there has been fear regarding the employment levels and Vigor's overall commitment to the Ketchikan Shipyard. He indicated he wanted to make it clear that Vigor has always been honored to have the Ketchikan Shipyard as part of their company, and informed the Council they have no plans to exit the shipyard at this time. He said for the future we will try and keep the Council more informed of what is happening at the shipyard by presenting at least two times a year. He explained the status of the shipyard, noting last year was a bit challenging particularly after the completion of the Alaska Class Ferry Program. He stated the historical averages before the shipyard started the Alaska Class Ferry Program from 2003 to 2014 the average employment was 113 people, noting most of their work is during the fall and spring months. He said their salaries average annually about 60 percent higher than the community average. He cited what the shipyard does during the slow months.

Mr. Wheeler stated currently the shipyard employs approximately 100 employees, noting Vigor is in Ketchikan for the long haul. He cited investments and implementation of training programs during 2019-2020 which include cross training of their employees. He informed of improvements made to the Ketchikan facility in 2019, noting this has benefited Ketchikan. He stated the current investments Vigor has for Ketchikan, including: state of the art heating system; received a cost sharing for industrial opportunities grant; and contributions to the community in regards to spending. He informed Vigor has a core investment and dedication to Ketchikan, and they are here for the long term. He said he was here if there were any questions.

Adam Beck, representing Vigor Alaska, answered additional questions from the Council.

**Ketchikan Visitors Bureau Presentation of Ketchikan's
Tourism Best Management Practices Program**

Patti Mackie representing the Ketchikan Visitors Bureau (KVB) introduced to the Council a new program the KVB has been working on for the past year. She said it is called Tourism Best Management Practices (TBMP). She stated the priorities are to enhance the visitor experience and Ketchikan's reputation as a top-rated destination place; offer tools and guidelines for industry partners wishing to practice high standards of customer service while minimizing community impacts and provide the community with a means to have questions and concerns addressed in a timely manner. She informed there will be an associated website and a hotline phone number that will be available during the season. She explained the key components included voluntary compliance program; creates guidelines for all sectors of the visitor industry; encourages stakeholder and community input; offers a way for residents to communicate with the industry; and adaptable for ongoing opportunities to fine tune the program. She said there was no cost associated with this program, and those that join will be provided a decal to put in their windows. She indicated this program will be implemented for the 2020 tourism season, and encouraged the Council to give their support.

Patti Mackie, representing the KVB, answered additional questions from the Council.

**Discussion of Starting Time of City Council Meetings –
Councilmember Bergeron**

Councilmember Bergeron said he would like to see Council meetings begin at 6:00 p.m., and asked the Council if there was any interest.

Councilmember Zenge said she has programs and home visits after work, and it would be an issue to be here at 6 p.m. for her.

Councilmember Flora said he didn't get out of work until 5:30 p.m. and sometimes later than that. He said it wouldn't be viable for him.

Councilmember Chapel suggested a 6:30 p.m. start time.

Mayor Sivertsen said an earlier time affects staff and our crew. He asked the Council to think about it and send him an email on what would work best for them.

**2020 Community and Humanitarian Services Grant Funding
Agreements**

Moved by Flora, seconded by Chapel the City Council direct the city manager to enter into 2020 funding agreements with those organizations for those dollar amounts as recommended by the Community Grant Committee in the amount of \$309,000 and authorize funding from the City Council's 2020 Community Grant Program Contract/Purchased Services Account No. 610.02.

Councilmember Chapel said she sat on the committee and explained why the committee made their recommendation for Grow Ketchikan. She answered additional questions from the Council.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

The recommended amounts totaled:

Alaska Legal Services	\$ 20,800
Grow Ketchikan	\$ 3,400
First City Players	\$ 15,000
Historic Ketchikan	\$ 31,440
Ketchikan Area Arts & Humanities Council	\$ 50,700
Ketchikan Boys & Girls Club	\$ 12,460
Ketchikan Wellness Coalition	\$ 14,900
Ketchikan Youth Court	\$ 11,500
Love In Action	\$ 11,340
Rendezvous Senior Day Services, Inc.	\$ 31,000
Southeast Alaska Independent Living - SAIL	\$ 15,500
SE Senior Services - Care Coordination Program	\$ 49,000
SE Senior Services - Food & Fuel Program	\$ 24,400
Women in Safe Homes (WISH)	\$ 17,560
TOTALS	\$309,000

Moved by Zenge, seconded by Flora the City Council direct the city manager to enter into 2020 funding agreements with First City Homeless Services and Ketchikan Homeless Shelter – PATH in the amounts of \$71,000 and \$75,000 respectively; authorize a budget transfer in an amount of \$28,580 from Appropriated Reserves of the Marijuana Sales Tax Fund to the Mayor and Council's 2020 Humanitarian Services Grant Program's Grant Awards Account No. 610.02; and authorize funding from the City Council's 2020 Humanitarian Services Grant Program Contract/Purchased Services Account No. 610.02.

Councilmember Gage felt because of the need in the community she suggested a future conversation to consider looking at a housing project for the homeless. She felt the current program is like putting a band aide on it every year.

Councilmember Zenge recalled the Council never said all of the marijuana tax is to go to the homeless. She felt the Council needs to take a serious approach to how we deal with this, and implement a task force. She didn't feel the City should continue to throw money at the problem, noting we are doing what we can now, but at some point we have to look past that.

Mayor Sivertsen informed capital projects were not supposed to be funded from this grant money, and it appears PATH said part of their funding was for capital projects. He indicated this is an area we don't want to get into. He felt if they are fully funded the agencies don't have to work as hard with fundraisers and other available grants.

Councilmembers Chapel and Zenge answered questions from the Council.

Donita O'Dell and Sam McQuerry representing First City Homeless Services, answered additional questions from the Council.

Motion passed with Flora, Zenge Coose, Gage, Chapel and Bergeron voting yea; Kiffer absent.

First City Homeless Services: the Day Shelter and Overnight Warming Center	\$ 71,000.00
Ketchikan Committee for the Homeless - PATH	\$ 75,000.00
TOTAL	\$146,000.00

**Proposed Topics for PeaceHealth Ketchikan Medical Center
Quarterly Presentation to the City Council at its Meeting of
March 19, 2020**

Moved by Bergeron, seconded by Flora the City Council direct the city manager to advise PeaceHealth Ketchikan Medical Center of the City Council's acceptance and/or modification of the proposed topics of discussion for the quarterly update of March 19, 2020 and to submit requests for additional information as determined appropriate by the City Council.

Councilmember Bergeron said he would like to have information on an Emergent care facility that PeaceHealth doesn't currently offer.

Mayor Sivertsen informed that type of information may be part of the upcoming package and negotiations. He said this agenda item is in regards to what information the Council wants from them on what they are currently doing today and what their progress is.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

**Draft 2020-2023 Alaska Statewide Transportation
Improvement Plan (STIP)**

Mayor Sivertsen questioned if the deadline for adding projects has passed.

Manager Amylon said to get projects nominated yes that date has passed. He indicated if you want to make comments on the proposed STIP as presented in the packet, this would be your opportunity. He said if the Council wants to try and get a project added, he could look into it, but was not optimistic about the outcome.

Moved by Zenge, seconded by Flora the City Council direct the city manager to file such comments with the Department of Transportation & Public Facilities regarding the draft 2020-2023 Statewide Transportation Improvement Plan as determined appropriate by the City Council.

Mayor Sivertsen said he had concerns with regards to the Tongass Avenue projects getting pushed out to a later date. He felt it was important that Ketchikan gets a timetable from the Department of Transportation to at least have some resurfacing done.

Manager Amylon said we have submitted one letter, but we can submit another, noting Tongass Avenue is in need of urgent repairs.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

Staff Review of Semi-Monthly Parking Permits

Moved by Bergeron, seconded by Flora the City Council direct the city manager to take such action regarding the introduction of semi-monthly parking permits into the Police Department's parking permit program as determined appropriate by the City Council.

Manager Amylon said the Police Department and the Finance Director has reviewed the concept of implementing semi-monthly permits, and both are recommending this would not be a wise move.

Police Chief White answered questions from the Council.

Moved by Bergeron, seconded by Zenge to table this motion indefinitely.

Motion to table indefinitely passed with Coose, Gage, Zenge, Flora, Chapel and Bergeron voting yea; Kiffer absent.

The Council took a short break at 8:55 p.m. and reconvened at 9:00 p.m.

**Budget Transfers – Purchase of Ketchikan Gateway
Borough Property, Lot 3B-1, Plat No. 2000-63
Containing Approximately 7,900 Square Feet of Land
that is Currently the Site of the Telecommunications
Division’s Mountain Point Remote Switching Facility**

Moved by Bergeron, seconded by Zenge pursuant to Section 3.12.055(a) of the Ketchikan Municipal Code, the City Council approve the purchase of a portion of Ketchikan Gateway Borough owned property located at Lot 3B-1, Plant No. 2000-63 consisting of approximately 7,900 square feet of land for the purchase price of \$30,000 plus the cost to survey and subdivide Lot 3B-1 into two lots; authorize budget transfer of \$30,000 and \$7,500 respectively from Appropriate Reserves of the KPU Enterprise Fund and the Telecommunications Division’s 200 Professional Services-Engineering and Technical Account No. 640.02 to the Telecommunications Division’s 2020 Mountain Point Remote Switching Facility Land Acquisition Capital Account; and direct the general manager to execute any property conveyance documents on behalf of the City Council.

Telecommunications Division Manager Cushing answered questions from the Council.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

**Request for Ninety Day Extension of DNR Comment
Period – Metlakatla Power and Light’s Application for
a Non-Exclusive Private Easement for the Installation
of a Submarine Electric/Fiber Optic Utility Cable
between Annette and Revillagigdeo Islands**

Moved by Flora, seconded by Coose the City Council authorize the general manager to request DNR to extend the comment period regarding Metlakatla Power and Light’s application to the Department of Natural Resources for a non-exclusive private easement for the installation of a submarine electric/fiber optic utility cable between Annette and Revillagigdeo Islands for an additional ninety days to address such issues as detailed in staff’s report dated February 13, 2020.

Manager Amylon said there was a request received this afternoon requesting a shorter comment period. He said there was also a reference from the Metlakatla Power and Light that from their perspective they didn’t see Southeast Alaska Power Agency (SEAPA) being an involved entity in this discussion. He disagreed and felt SEAPA would need to be involved. He informed given the fact that there is not an agreement as to how the cable will be connected to Ketchikan’s grid, and no sales agreement between the City and Metlakatla Power and Light he felt 90 days is a sufficient period to ask to get some of these issues addressed and he recommended keeping it as is.

Mr. Eldridge representing Metlakatla Power and Light, answered additional questions from the Council.

Mayor Sivertsen said the City of Ketchikan has its own responsibilities as we recently went into a diesel burn due to a lack of hydro, and we have a power sales agreement with SEAPA. He indicated SEAPA is a part of the power that we receive. He said in regards to the City's position he felt the 90 days is warranted, and if we can get it done sooner than that we can move forward.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

VOUCHERS - None

CITY MANAGER'S REPORT

Manager Amylon said following up with the discussion with Ms. Mackie this evening, if it is the Council's intent to adopt Tourism Best Management Practices Program with the KVB and extend it as a condition as part of the permits issued either by the Port & Harbors' office or the City Clerk's office that may require a code amendment. He said he would need to get the city attorney on board if that is the Council's intent.

After discussion by the Council it was their consensus to see how the program works this season and revisit it next fall.

Schedule of General Government and KPU Appropriated Reserves Through the City Council Meeting of February 6, 2020

In his report, Manager Amylon provided the Council a schedule of General Government and KPU Appropriated Reserves through the City Council meeting of February 6, 2020.

Correspondence from Senator Lisa Murkowski and Senator Dan Sullivan – Proposed Humpback Whale Critical Habitat Rule, NOAA-NMFS-2019-0066

Manager Amylon included for Council review correspondence from Senator Lisa Murkowski and Senator Dan Sullivan requested further review and the possible exclusion of Southeast Alaska prior to the critical habitat humpback whale rule being implemented.

Letter Objecting to the Elimination of the Ocean Ranger Program

Manager Amylon attached for Council consideration a draft letter addressing the City Council's concerns and urging the Governor's administration to reinstate the Ocean Ranger Program. He said there is now a draft bill that is being circulated in the legislature relative to an added Commercial Passenger Vessel Tax (CPV) funding an environmental compliance program. He said he is looking for direction of the Council to have staff move forward with submitting the letter to the Governor.

Manager Amylon didn't feel you can support the Ocean Ranger Program and this bill concurrently because they are at odds, noting he didn't know what the legislature is going to do.

"UNAPPROVED" February 18, 2020

He clarified what he is hearing is the Council wants to endorse continuation of the Ocean Ranger Program, but if that program goes away you want to make sure with what replaces it, is designed for the public entities that the CPV funds were original intended for.

Mayor Sivertsen asked the Council for a show of hands to direct staff to send the letter to the Governor addressing the Council's concerns and urge the Governor's administration to reinstate the Ocean Ranger Program, and have staff contact our lobbyist in Juneau to monitor the bill and advise us of its status as it moves forward, and at least four hands were shown.

Resignation of Public Works Department Streets Division Supervisor

Manager Amylon attached a memorandum from Public Works Director Hilson informing the Council of the Streets Division Supervisor Nick Kepler has rendered his resignation effective March 13, 2020. He said Mr. Kepler's departure is a significant loss to the Public Works Department, and thanked Mr. Kepler for all he has done for the Streets Division. He wished him well in his future endeavors.

Status Update of Community Efforts to Prepare for Local Response to Possible Cases of Coronavirus

Manager Amylon advised the Council of preparations done by Fire Chief Hoage and Port and Harbors Director Corporon regarding their efforts to locally prepare for possible cases of Coronavirus in the community.

Fire Chief Hoage informed the Council there is a meeting scheduled for tomorrow with all the stakeholders that will be involved with any potential incident. He said in addition to my his report he has spoken to the CDC quarantine station out of Anchorage and they will be involved in the conversation at this meeting along with the Public Health Emergency Response Operations staff. He indicated there are plans in place to deal with these types of communicable diseases. He stated the Coronavirus is not that much different than many of the other communicable diseases we respond to already. He continued after the meeting he will put together information to the public and additional information for the Council.

K.P.U. MANAGER'S REPORT

General Manager Amylon informed the Council of his upcoming trip, along with the Mayor and Water Division staff, to Anchorage to meet with the Alaska Department of Environmental Conservation (ADEC) on March 4, 2020 to discuss the City's compliance order by consent.

Division System Engineering Manager Bynum discussed the City's efforts in cataloging the lighting in the downtown area as to what lighting belongs to KPU and what belongs to businesses and individuals. He said they made sure all lighting provided by KPU is working or is in the process of being fixed, and are upgrading certain areas with higher lumens. He stated they have reached out to the City of Juneau as to their downtown lighting, and he will come back to the Council with a report and suggestions.

Project Status Reports of the KPU Operating Divisions – January 2020

"UNAPPROVED" February 18, 2020

General Manager Amylon provided for Council review the project status reports of the KPU Operating Divisions through January 2020.

Recent Telecommunications Division Management Engineering Hires

General Manager Amylon informed the Council that all four of the division's management engineering positions in the Telecommunications Division have been filled.

Report of January 30, 2020 Power Outage

General Manager Amylon attached for Council review a memorandum from Electric System Engineering Manager Bynum regarding the power outage of January 30, 2020.

February 2020 Disinfection Byproducts Test Results

General Manager Amylon provided the Council the February 2020 disinfection byproduct test results, noting they were the lowest ever recorded for the month of February. He indicated this was the result of staff adjustments to the initial chlorine residual and hydrant flushing. He recognized Mr. Kleinegger's efforts and those of the Water Division Staff in allowing KPU to adhere to the continuously changing and ever more restrictive federal regulations for water treatment.

CITY CLERK'S FILE – None

CITY ATTORNEY'S FILE – None

FUTURE AGENDA ITEMS – None

MAYOR AND COUNCIL COMMENTS

Councilmember Bergeron stated he was glad to be a part of a professional organization with the City of Ketchikan and thanked all of the staff for their hard work.

Mayor Sivertsen responded to a comment made at last night's meeting regarding management and the cost savings of having a combined City/KPU manager versus one of each. He stated since the city manager is employed by the City Council who makes recommendations as to that positions wages.

OTHER NEW BUSINESS – None

EXECUTIVE SESSIONS

Request for Executive Session - Contract No. 19-02, Consulting Services for the Lease of the Ketchikan Medical Center, ECG Management Consultants

Moved by Bergeron, seconded by Flora the City Council declare that consistent with the city manager's report dated February 7, 2020, it is in the best interest of the City Council to discuss a draft updated lease and operating agreement term sheet pertaining to pending negotiations between the City and PeaceHealth for a new Ketchikan Medical Center lease agreement in executive session in accordance with Ketchikan Municipal Code 2.04.025(a)(1) and (a)(3),

which includes the need to discuss subjects the knowledge of which could have an immediate adverse impact on the finances of the City and to receive legal advice within the Attorney-Client privilege.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

The Council recessed in to executive session at 9:47 p.m. and reconvened at 10:30 p.m.

Mayor Sivertsen said the Council has completed its executive session to discuss Contract No. 19-02, Consulting Services for the Lease of the Ketchikan Medical Center, ECG Management Consultants and direction was given to staff.

Request for Executive Session - Discussion of Negotiation Strategies Relative to the City's Request to Reopen the Current Collective Bargaining Agreements between the City of Ketchikan and the International Brotherhood of Electrical Workers, Local 1547 to Address Issues Associated with Journeyman Lineman Retention and the I.B.E.W. Employer/Employee Retirement Plan Contribution Rates

Moved by Flora, seconded by Coose the City Council declare that consistent with the general manager's memorandum dated February 10, 2020 it is in the best interest of the City to discuss the status of the City's request to reopen the current collective bargaining agreements between the City of Ketchikan and the International Brotherhood of Electrical Workers, Local 1547 to address issues associated with Journeyman Lineman retention and the I.B.E.W. employer/employee retirement plan contribution rates in executive session; in accordance with that finding, the City Council go into executive session in accordance with Ketchikan Municipal Code 2.04.025(a)(1) to discuss said negotiations and the auxiliary items described in the general manager's memorandum which matters include the need to discuss subjects the knowledge of which would have an adverse impact upon the finances of the City and upon the City's ability to negotiate favorable labor settlements.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

The Council recessed in to executive session at 10:30 p.m. and reconvened at 10:44 p.m.

Mayor Sivertsen said the Council has completed its executive session to discuss the status of the City's request to reopen the current collective bargaining agreements between the City of Ketchikan and the International Brotherhood of Electrical Workers, Local 1547, and direction was given to staff.

Request for Executive Session - Claim of Randy Galloway Jr.

Moved by Flora, seconded by Bergeron the City Council declare that consistent with the City Attorney's memorandum dated February 11, 2020 it is in the best interest of the City to discuss Randy Galloway Jr.'s property damage claim and give direction to the City Attorney in handling that matter in executive session in accordance with Ketchikan Municipal Code 2.04.025(a)(1)(a) and (3) which includes the need to discuss subjects the knowledge of which could have an immediate adverse impact on the finances of the City and to receive legal advice within the Attorney-Client privilege.

Motion passed with Coose, Chapel, Flora, Gage, Bergeron and Zenge voting yea; Kiffer absent.

The Council recessed in to executive session at 10:47 p.m. and reconvened at 11:45 p.m.

Mayor Sivertsen said the Council has completed its executive session to discuss to discuss Randy Galloway Jr.'s property damage claim and gave direction to the City Attorney.

ADJOURNMENT

As there was no further business, the Council adjourned at 11:50 p.m.

Robert Siversten, Mayor

ATTEST:

Kim Stanker, MMC
City Clerk

FYI ITEMS INCLUDED

Lake Levels and System Generation Report for the Month of January 2020

Water Utilization Study Report – January 2020