

- a. Approval of Minutes from Work Session with CLIA of April 23, 2025 and Regular Meeting of May 1, 2025

Work Session of the Ketchikan City Council with Cruise Lines International Association (CLIA) was called to order by Mayor Sivertsen at 11:30 a.m., April 23, 2025, with the following members present: Dick Coose, Lalette Kistler, Jack Finnegan, Abby Bradberry and Jai Mahtani. Riley Gass and Judy Zenge were absent.

The Pledge of Allegiance was given by all persons at the Ted Ferry Civic Center.

INTRODUCTIONS

Mayor Sivertsen welcomed everyone to the work session and asked everyone to introduce themselves and what organization they are associated with.

Acting City Manager Simpson introduced the City Council and City Staff in attendance that is listed below.

<u>City of Ketchikan Attendees</u>	<u>CLIA Attendees</u>
Bob Sivertsen, City Mayor	Robert Morgenstern, Holland America Group, Carnival Corporation
Abby Bradberry, Councilmember	Renee Limoge Reeve, CLIA Alaska
Jack Finnegan, Councilmember	Sandi Weir, Norwegian Cruise Line Holdings
Dick Coose, Councilmember	Russell Benford, Royal Caribbean Group
Lalette Kistler, Councilmember	Lalanya Downs, CLIA Alaska (Virtual)
Jai Mahtani, Councilmember	Micaela Fowler, Holland America Group
Lacey Simpson, Acting City/General Manager	Jon Olav Stedje, MSC Cruises
Shawn Hart, Acting Assistant City/General Manager	
Wayne Phillips, Port Director	
Amanda Robinson, Assistant Public Works Director	
Laurie Booyse, City Tourism Manager	
Kim Stanker, City Clerk	

PERSONS TO BE HEARD - None

INDUSTRY REMARKS

Renee Limoge Reeve representing the cruise industry partners, said this is the third time we have met, and it is nice to see familiar faces as it is a great testament of the purpose of these meetings, to open the lines of communication, to ensure we talk about what we face as a cruise line and as a community. She said this has caught on; they were in Skagway yesterday, they met in Haines and will be in Juneau tomorrow. She thanked Ketchikan for setting a trend for other SE communities, and everyone is excited about moving into the 2025 season. She indicated there may be some transportation issues we will need to work through, but again, having this opportunity to meet in person, talk through things will help resolve these issues. She thanked everyone for attending.

WORK SESSION - TOPICS OF DISCUSSION

Update on Topics from November 19, 2024 Work Session

Sales Tax Collection from Cruise Ships in Port:

Tourism Manager Booyse indicated that the City and the Borough collaboratively had a discussion and agreed to start the collection of sales tax from cruise ships for goods and services while in Port. She provided the attendees with the notice of sales tax code change from the Ketchikan Gateway Borough that was effective on April 1, 2025. She said she has not heard anything negative about this and appreciated the cruise industry's support.

Request from City of Ketchikan to Ketchikan Gateway Borough for Use of CPV Funds:

Acting City Manager Simpson informed the City has submitted a request to Ketchikan Gateway Borough for \$1 million of their CPV Funds for three different City projects, which included \$250k for a Port electrification feasibility study, \$500k towards cathodic protection at the Port and \$250k for passenger amenities throughout the downtown area, like benches, rain shelters and things of that nature. She stated the Assembly has reviewed our request several times and has not agreed to allocate any of their CPV monies for these projects. She said both parties are interested in a 5-year plan for utilizing CPV funds.

Port Director Phillips said they gave a presentation to the Borough, where we discussed each one of these projects and why they were important. He felt there was some reception, but they would have to review and prioritize.

Promenade Stabilization Project:

Port Director Phillips said the Promenade Stabilization project was required to reduce movement and vibration near the entrance-exit portion of the promenade by the Survey Point Holdings office. He informed that this project was awarded to Pool Engineering and was completed on March 13, 2025. He said that because of this work, it has substantially reduced vibration/movement in this location.

Cathodic Protection:

Port Director Phillips said the Cathodic Protection project has been needed for some time, and the City is looking at approximately \$32 million for this project. He indicated because of electrolysis, it has eroded the ride piles, which are the fendering system on Berth I. He informed that they replaced 14 ride piles on Berth I, which was completed by Alaska Commercial Divers on March 20, 2025. He said that Berth I is ready for cruise ship traffic. He said a survey by TACO Engineering was completed of the Port of Ketchikan Berths I-IV in March of 2025. He indicated that the report revealed:

- Cathodic protection is required.
- Missing or torn pile wraps.
- Coating system degradation.
- A federal grant application is currently being assembled to request funding for the total project.

Port Director Phillips answered questions from the attendees.

Promenade Extension Project:

Assistant Public Works Director Robinson spoke to the Promenade Extension Project, which she has been working on since 2019. She said this will complete the waterfront promenade. She said currently they are working on fill and fixing a sheet pile wall, but they need permission from the Federal Government for work on their land. She informed that the project is estimated to cost approximately \$5 million, with a local match of \$2 million and the rest is through a State grant.

Current Activities

Street/Bollard Cleaning, Bear Resistant Can Enclosures:

Assistant Public Works Director Robinson said Public Works is working on other activities such as pressure washing downtown, installing some new bear-resistant trash receptacles on Creek Street and Married Man's Trail, and the downtown core, noting they added an extra trash collection route and temporary employees during the season to deal with the extra trash.

Transportation Projects:

Assistant Public Works Director Robinson informed that each year the City's Street crew will fill potholes on our streets and improve curbs and sidewalks. She said they also be painting crosswalks, curbs, parking lots and general maintenance. She informed of the many State transportation projects planned in Ketchikan for 2025, though that work is scheduled during the summer months, going into the fall, with the possibility of carrying over into 2026.

Assistant Public Works Director Robinson provided a timeline that included all of the Department of Transportation (DOT) projects with specific dates and times for Ketchikan. She informed that based on all the studies the DOT has done, they are talking of adding a traffic light at Water Street and Schoenbar. She said the DOT is continuing to do more traffic studies in that area on peak days, and if that happens, it would be installed in 2027 with the viaduct project.

Assistant Public Works Director Robinson answered questions from the attendees.

Pedestrian Walkway – 30 Minute Timers

Port Director Phillips said they are trying to make the Port safety-centric instead of mass confusion by inserting planters to keep the passengers and the vehicles separated. He said parking on the Port on the Front Street extension area will be strictly enforced for 30 minutes to keep traffic flowing. He felt that with these changes, everybody will be happy with the way traffic flows on the Port.

Public Restrooms:

Tourism Manager Booyse said she has been working on restroom facilities in the downtown core. She indicated herself; the Manager's office and the Public Works Department have been actively working on locating available places to install a bathroom facility. She said they felt the best spot would be the Discovery Center parking lot for a temporary restroom unit.

Tourism Manager Booyse answered questions from the attendees.

The Mayor called for a short break at 1:00 p.m. and the meeting reconvened at 1:20 p.m.

Port Cost Allocation Study

Acting City Manager Simpson informed the City engaged the McKinley Research Group to prepare a cruise passenger cost analysis of the impacts of tourism beyond the Port Enterprise Fund, basically the financial impacts to General Government and the General Fund. She said the McKinley Group came to Ketchikan, performed interviews, and reviewed the City's financial records from 2023. She indicated they presented a final report to the City Council in October 2024, and after a lengthy discussion, the report was accepted. She said since that time, staff have been working internally on how to apply that data that was generated in that report.

Update on Status of Memorandum of Agreement Between the City of Ketchikan and Cruise Lines International Association

Acting City Manager Simpson said this MOA is something the City and the cruise industry have been talking about for several years, but earnestly for the past year in actually developing a draft agreement. She said this was inspired by the agreement that is in place with CLIA and the City/Borough of Juneau. She said the agreement is still with CLIA, and the City is waiting for feedback.

Members of CLIA said it was not their intention to have an agreement similar to Juneau or as complicated, and it might be beneficial to revisit some of those original goals we started with. They felt they were doing the right thing, and this document should be a leading example for other communities.

Russell Benford of Royal Caribbean Group asked if today's feedback is what the City was looking for from the cruise industry, or would you want us to put a working team together to prepare a summary of these comments and transmit them to you for discussion.

Acting City Manager Simpson felt this was the time for that feedback, but she would like to defer to the Mayor on what type of process would be most helpful. She said it sounds like the cruise industry has a solid and unified front on what they believe the intent of this agreement is. She asked if they would like to summarize it and give that to us, then we can put together a small working group.

Mayor Sivertsen agreed and felt it would be easier to reduce this document than to expand it. He said in the spirit of collaboration and the ability to work together; we have established the principles of our intentions. He indicated his intent is to keep this agreement as simple as possible so that future Councilmembers do not have to decipher what the intent was. He stated that our agreement was not born out of a lawsuit, but out of mutual cooperation and the understanding that things need to grow.

Comments were made by various members of the attendees.

ADDITIONAL DISCUSSION

Mayor Sivertsen said one of the things he is interested in is Port electrification. He questioned if there is any new information from the cruise industry.

Mr. Benford said, as it relates to our Alaska itineraries, a lot of electrification work happens at their home Ports. He said the ships love to use shore power, but it is a large capital expense for the

individual ports. He said there is a lot of good information out there from other places who have electrification.

Other comments made by attendees included:

- Grading of emissions.
- Time in Port – to help with carbon intensity reduction.
- Reduction of localized emissions.
- Ships worry about greenhouse gas emissions.
- Ports worry about localize emissions.
- A formal feasibility study should be done for the individual ports:
 - Cost of construction.
 - What is the benefit to the user.
 - How often is that Berth used regarding total hours in Port by the ships.
 - To determine the rate charged.
 - Mobile power connection unit.

The CLIA representatives encouraged the Council if they are in Seattle to visit Pier 66 to see the connections, noting it is slow to power up and slow to power down. All the Ports in Seattle are now electrified.

THE VIDEO OF THIS MEETING CAN BE FOUND AT

<https://www.ketchikan.gov/current-agendas-and-minutes>

ATTENDEE COMMENTS

Attendees thanked everyone for their participation, suggestions and comments today.

ADJOURNMENT

As there was no further business the Council adjourned at 2:10 p.m.

ATTEST:

Bob Sivertsen, Mayor

Kim Stanker, City Clerk MMC

Regular Ketchikan City Council meeting was called to order by Mayor Sivertsen at 7:00 p.m., May 1, 2025, with the following members present: Riley Gass, Dick Coose, Jai Mahtani, Abby Bradberry, Lalette Kistler and Jack Finnegan; Judy Zenge was absent.

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

Mayor Sivertsen stated the Native Lands Acknowledgement.

Staff present were Acting Manager Simpson, Acting Assistant Manager Hart, Finance Director Johansen, Fire Chief Hines, Police Chief Mattson, Library Director Tully, Public Works Director Brakke, Tourism Manager Booyse, Principal Project Engineer Holstrom, Deputy Clerk Lee and City Clerk Stanker.

PUBLIC HEARING ON RESOLUTION NO. 25-2961 – AMENDING THE 2025 GENERAL GOVERNMENT OPERATING AND CAPITAL BUDGET TO PROVIDE A SUPPLEMENTAL APPROPRIATION FOR THE POLICE DEPARTMENT IN THE AMOUNT OF \$21,000; THE FIRE DEPARTMENT IN THE AMOUNT OF \$55,000; AUTHORIZING CERTAIN BUDGET TRANSFERS

Mayor Sivertsen called the public hearing on Resolution No. 25-2961 to order at 7:01 p.m. and requested public testimony

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

COMMUNICATIONS

Mayor Sivertsen said if there were no objections he would like to move the Memoriam for William Tatsuda to the next Council meeting on May 15, 2025, to accommodate the family, and no objections were heard.

He informed that a couple of items were laid on the table, including: Additional information regarding the 2024 Tourism Listening Sessions Report; and a public engagement schedule for proposed City Charter amendments.

PERSONS TO BE HEARD - None

CONSENT AGENDA

Mayor Sivertsen suggested moving Resolution No. 25-2963 – Support to Reestablish Regular Alaska Marine Highway Service to Prince Rupert, Canada to the Consent Agenda, and no objections were heard.

Approval of Minutes – Regular Meeting of April 17, 2025

Moved by Kistler, seconded by Mahtani for approval of the minutes from the regular City Council meeting of April 17, 2025.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

Declare as Surplus Police Department Vehicle and Authorize the Sale of Vehicle 52-216 via Auction

Moved by Kistler, seconded by Mahtani pursuant to Section 3.12.070(b) of the Ketchikan Municipal Code, that the City Council declare surplus Police Department Vehicle 52-216, and authorize the Acting City Manager to sell Vehicle 52-216 to the highest bidder via auction.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

Procurement of Body Worn Camera Devices and Digital Evidence Storage Services – Axon Enterprise, Inc.

Moved by Kistler, seconded by Mahtani pursuant to subparagraph 6 of Section 3.12.050(a) of the Ketchikan Municipal Code, the City Council authorize the annual procurement of body worn cameras and associated digital evidence storage services in accordance with the November 7, 2024 City Council authorization of a 60-month annual licensing and maintenance services agreement between the City and Axon Enterprise, Inc.; and authorize funding in the amount of \$39,271 from the Police Department – Operations Division's 2025 Software and Equipment Maintenance Services Account No. 635.04 for this purchase.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

Disposition of Surplus and Unneeded Equipment via Online Auction Service

Moved by Kistler, seconded by Mahtani pursuant to Section 3.12.070(b) of the Ketchikan Municipal Code, the City Council declare the property identified in the Contract/Grants Administrator's April 21, 2025, report as surplus; and authorize the Acting City Manager to dispose of these items via PublicSurplus.com on behalf of the City Council.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

Budget Transfer and Establish Police Department Capital Improvement Project Parking Ticket System – Software Upgrade

Moved by Kistler, seconded by Mahtani the City Council authorize a budget transfer in the amount of \$28,000 from appropriated reserves of the Public Works Sales Tax Fund to a newly established 2025 Ticket System – Software Upgrade capital project account for the Police Department for the purposes of funding a replacement parking ticket system.

Acting Manager Simpson informed the current ticketing software, which allows us to do parking enforcement, has reached the end of its usable life. She stated we need to update the system that allows for better features and efficiency for parking ticket enforcement.

Councilmember Bradberry questioned if this system would allow for people to purchase parking passes online.

Police Chief Mattson said he believes that there is an add-on feature for online purchasing. He answered questions from the Council.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

Council Review of Marijuana Application for Addition of Onsite Consumption Endorsement to Existing Retail Marijuana Store License – The Stoney Moose

Moved by Kistler, seconded by Mahtani the City Council approve the Application for Addition of Onsite Consumption Endorsement to Existing Retail Marijuana Store License No. 10873 – The Stoney Moose at 127 Stedman St. Ketchikan, AK 99901.

Mayor Sivertsen questioned how it works regarding consuming marijuana in a facility and if there are any concerns regarding this endorsement.

Clerk Stanker informed this establishment will only be offering edibles for consumption, no smoking.

Eric Riemer, proprietor of The Stoney Moose, explained that they will be offering consumption of edibles only on the back deck of The Stoney Moose. He stated there are State limits that restrict the amount of THC served to an individual customer on any one day. He answered questions from the Council.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

Resolution No. 25-2963 – Support to Reestablish Regular Alaska Marine Highway Service to Prince Rupert, Canada

Moved by Kistler, seconded by Mahtani the City Council approve Resolution No. 25-2963 to re-establish regular Alaska Marine Highway Ferry Service to Prince Rupert, Canada, or to Hyder, Alaska, as an alternate route to meet the demand for the service.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

UNFINISHED BUSINESS

Discussion of Ketchikan Public Library Lost and Damaged Item Charges on Student Accounts – Mayor Sivertsen and Councilmember Zenge

The motion on the floor that was postponed from the April 17, 2025, City Council meeting is:

Moved by Bradberry, seconded by Kistler the City Council discuss the Ketchikan Public Library's lost and damaged item charges on student accounts.

Moved by Mahtani, seconded by Gass to postpone discussion of Ketchikan Public Library lost and damaged item charges on student accounts to the meeting of May 15, 2025, due to Councilmember Zenge's absence.

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

Appointments to Boards and Commissions - Historic Commission – Mayor Sivertsen

Mayor Sivertsen submitted the name of Irene Dundas for reappointment to a three-year seat on the Ketchikan Historic Commission, and no objections were heard.

NEW BUSINESS**Resolution No. 25-2961 – Amending the 2025 General Government Operating and Capital Budget to Provide Supplemental Appropriation for the Police Department in the Amount of \$21,000; the Fire Department in the Amount of \$55,000; Authorizing Certain Budget Transfers**

Moved by Finnegan, seconded by Mahtani the City Council approve Resolution No. 25-2961, amending the 2025 General Government Operating and Capital Budget to provide supplemental appropriation for the Police Department in the amount of \$21,000; the Fire Department in the amount of \$55,000; authorizing certain budget transfers; and establishing an effective date.

Fire Chief Hines answered questions from the Council regarding the grant they received from the State of Alaska to install keycards for the Emergency Operations Center and to the grant received to purchase mobile radios for the Fire and Police Departments.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani voting yea; Bradberry abstain; Zenge absent.

Amendment No. 3 to Contract No. 23-32, Engineering Services Related to the City of Ketchikan Waste Water Treatment Plant Outfall Modeling Evaluation – Jacobs Engineering Group, Inc.

Moved by Kistler, seconded by Finnegan the City Council authorize Amendment No. 3 to Contract No. 23-32, Waste Water Treatment Plant Outfall Modeling Evaluation, between the City of Ketchikan and Jacobs Engineering Group, Inc., at a cost not to exceed \$209,500, bringing the total contract amount to \$432,300; and direct the Acting City Manager to execute the amendment on behalf of the City Council.

Acting Manager Simpson explained that we have been working with the Alaska Department of Environmental Conservation (DEC) for several years to renew our Waste Water Discharge permit, which falls under a 301H waiver, and allows us to operate the charcoal point facility with primary treatment only. She informed that this has been a long road, and we have a draft permit that Jacobs Engineering has been assisting us with preparing all of the necessary paperwork. She said now that we have the permit, we are working on the costs and implications of complying with a new permit so that we can continue to operate under that 301H waiver and not have to invest in a secondary treatment facility. She said right now we are examining that permit and hoping to have a representative from Jacobs Engineering here at the next Council meeting to provide an overview of the implications of that permit and what the obligations are both financially and timeline-wise. She informed this agenda item is to cover the contract amendment to continue working with Jacobs Engineering.

Public Works Director Brakke added that we have a 45-day comment period that ends on May 30, 2025. He informed they have an appointment tomorrow with Jacobs Engineering to go over proposed comments the City will provide back to the Environmental Protection Agency (EPA) and DEC relative to the new draft permit. He hopes to bring the proposed comments back to the

Council at the next meeting for review. He warned the Council that the City of Sitka, Alaska provided a significant number of comments, and they were pretty much ignored, but stated it is still worth the effort to be on the record commenting. He indicated there will be comments provided to both State and Federal agencies.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

City Council Correspondence to Representative Bynum and Senator Stedman Regarding Suggested Operational Changes to ADOT Tongass Highway Projects

Moved by Bradberry, seconded by Kistler the City Council direct the Acting City Manager to take such action regarding the submittal of correspondence to Representative Bynum and Senator Stedman regarding suggested changes to the current Alaska Department of Transportation & Public Facilities (ADOT) Wolfe Point and North Tongass Highway project operations as determined appropriate by the City Council.

Acting Manager Simpson informed Representative Bynum reached out to staff directly to determine if the City had a position on shifting the work schedules for the construction. She stated we could arrange to have a meeting with our representative and DOT staff if it is the Council's will to try and impress upon them shifting the work schedule to later in the day.

A lengthy discussion ensued regarding the road construction within the community.

Councilmember Coose requested that an email be sent to all the tour operators stating that they must go the speed limit and not slow down while on the roads.

Councilmember Bradberry requested a weekly schedule from SECON so that businesses could arrange buses accordingly.

It was the consensus of the Council for the Manager's office and the Mayor to have weekly meetings with DOT and to report back to the Council.

Motion passed with Gass, Finnegan, Coose, Kistler, Mahtani and Bradberry voting yea; Zenge absent.

Tourism Presentation – Listening Sessions Summary Report and Revisit Priorities

Acting Manager Simpson stated when the Council discussed establishing a Tourism Manager position, they also established a list of 10 priorities that were tourism focused that they wanted staff to be working on. She informed Tourism Manager Booyse has been here for about two-years now and she has been chipping away at these priorities and has accomplished quite a few of them. She said one way Ms. Booyse has been doing this is by hosting a series of listening session that took place this fall on a variety of tourism topics. She said considering those sessions and with the meetings the Council has had with CLIA, she would like to revisit the list of priorities and see if they are still priorities for the Council or if a different approach should be taken.

Tourism Manager Booyse provided the Council with a packet with key findings, an executive summary, and a detailed summary of all the comments captured during each of the five listening sessions. She highlighted some of the common requests that staff is currently working on such as finishing the promenade, more restrooms in the downtown area, updated wayfinding signs and pedestrian safety.

A lengthy discussion ensued, Acting Manager Simpson and Tourism Manager Booyse answered questions from the Council.

Mayor Sivertsen requested a database of the current signs and the corresponding information that are posted around town.

Acting Manager Simpson reviewed the list of the Council's top 10 priorities and discussed what projects are completed and which ones need further work. She answered questions from the Council.

The consensus of the Council is to direct staff to focus on the following:

- Port Fees Escalators
- Cathodic Protection Plan
- Long-Range Capital Improvement Plan for the Port
- Downtown Parking Plan

**Budget Transfer and Authorization of Contract for Ketchikan
Lakes Dam Low-Level Outlet Design – McMillen, Inc.**

Moved by Finnegan seconded by Kistler the City Council pursuant to subparagraphs (a)(5) and (c)(2)(A) of Section 3.12.050 of the Ketchikan Municipal Code, the City Council exempt the procurement of Ketchikan Lakes Dam Low-Level Outlet Design from the solicitation of proposals requirement of the Ketchikan Municipal Code; authorize the Acting General Manager to enter into an agreement with McMillen, Inc. for Ketchikan Lakes Dam Low-Level Outlet Design in the amount of \$426,020; approve a budget transfer in the amount of \$426,020 from the Electric Division's 2025 Whitman Tailrace Modification Capital Account to a newly established Ketchikan Lakes Dam Low-Level Outlet Capital Account; and authorize funding in the amount of \$426,020 from the new Ketchikan Lakes Dam Low-Level Outlet Design Capital Account to McMillen, Inc.

Principal Project Engineer Holstrom explained that this project was based on an engineer's estimate, which ended up being a little high. She said we received three bids, one of which was significantly lower than what was budgeted. She added that we also included in that Capital Account money for an outside inspector, but it ends up we have someone in-house that can do that work, which saves us a significant amount of money.

Mayor Sivertsen stated his concern of projects not being budgeted accurately.

Acting Manager Simpson informed this is a unique situation because often they have projects that come in over budget due to a variety of factors. She said there will be some cost savings in pursuing this project with the firm we are currently engaged with, and the timing is right because we need to do this project, and we are fortunate we have the money allocated. She understands trying to be as accurate as possible when creating CIPs in the future so that we are not over or under budgeting.

Principal Project Engineer Holstrom and Acting Manager Simpson answered questions from the Council.

Motion passed with Mahtani, Gass, Finnegan, Bradberry, Coose and Kistler voting yea; Zenge absent.

VOUCHERS – None

MANAGER'S REPORT

Acting Manager Simpson provided an update on the Wolfe Point project, indicating SECON plans on blasting twice a week through June. She stated the Clerk's office has communicated with the Mayor the need to move the June 19th meeting, as that is a City holiday, so that meeting will be on Wednesday, June 18, 2025, as well as moving the July 3rd meeting to Wednesday, July 2nd so as not to conflict with any community events. She apprised the Council on the Limited Alternative to Filtration (LAF) project that staff has been working on for five-years, stating that we have been working with the Alaska Department of Environmental Conservation (ADEC) to seek a LAF, which would allow us to continue with the same processes we are currently using for our water to avoid building a very expensive filtration plant, but we reached a milestone on April 25, in which ADEC approved the regulations. The regulations in the State still must be promulgated, and then the EPA needs to concur with those regulations. We hope to hear from the EPA that they concur with those regulations and grant us an LAF. She reported that Telecommunications Division Manager Dan Lindgren has tendered his retirement, effective in October, and staff will start a recruitment plan soon. Staff provided a year-to-date report on budget vs. expenditures, noting it is a long report but provides a lot of detail relative to fund balances and department budgets. This report will be provided on a quarterly basis once we receive quarterly revenue reports. Lastly, she discussed the Communication provided regarding recommendations for public engagement plan on the potential Charter amendments and timeline.

Councilmember Bradberry said regarding the community engagement. she likes the timeline, and the options provided but feels the presentation of comments on the Charter language changes from the public should not be presented at the July 2, 2025 meeting due to the holiday weekend.

Councilmember Mahtani questioned the status of recruitment for the Public Works positions of Principal Project Engineer and Project Manager.

In answer to Councilmember Mahtani, Public Works Director Brakke informed that there were three positions open, one has been filled, the second position a person accepted the job offer from us with an anticipated start date of mid-June, and the third position a candidate is going through the background checks.

Councilmember Mahtani questioned when the derelict buildings located at 2112 First Avenue and 2813 Tongass Avenue will be torn down.

In answer to Councilmember Mahtani, Public Works Director Brakke responded that 2112 First Avenue has been demolished, and the house on Tongass Avenue is scheduled to be demolished later in the fall.

Mayor Sivertsen thanked staff for the year-to-date financial report because it gives a good overview of where we are and shows expenditures, budgeting and usage of funds.

Councilmember Kistler questioned the surplus vehicles as some of them seem to have very low mileage and still seem in decent shape.

In answer to Councilmember Kistler, Public Works Director Brakke answered that the old International Vactor reached the end of its life from use, and it was hard to get parts for it. He explained that a lot of the vehicles have low mileage due to being driven within City limits to a site and used, so they have low mileage but lots of use.

Acting Manager's Report to Council

Acting Manager Simpson reported on the status of work being done by the Department of Transportation at the Wolfe Point landslide. She indicated that Acting Assistant Manager Hart provided a summary of expenses to date, and she was happy to report that the expenses were much less than expected. She informed that they continue to have conversations with the State in hopes that the City can seek reimbursement for our expenditures. She indicated the shoe fly route is being paved and will continue to be in use, likely for the duration of the project. Due to shipping delays, the Museum will now open on May 1, 2025, and their bathrooms will be open, so staff will be removing the porta potties recently rented from Tyler Rental.

Acting Manager Simpson provided in her report:

- Follow-up information regarding the portable restrooms options and stated she has asked the Tourism Manager to prepare a request for proposal (RFP) that will allow for either a trailer-able or a Conex solution.
- She provided the Council with the expenses up to April 11, 2025, regarding the Wolfe Point Landslide.
- She stated she presented at the February 6, 2025, Ketchikan Gateway Borough Assembly meeting three potential projects for consideration under Borough CPV funding. She informed the Assembly briefly discussed these proposals at their March 10, 2025, meeting, and City staff then provided a brief presentation at their April 7, 2025, meeting, however, no action was taken by the Assembly to include the City's requests for the FY 2026 fiscal year budget.
- She updated the Council on the progress of an interim Electric Division Manager. She said HR Manager Alderson is currently reviewing this agreement with the City Attorney, which will require Council approval once it is finalized.
- She congratulated Andrew Hendrickson of Port & Harbors, who was promoted to Maintenance worker effective March 3, 2025.
- An updated staff travel report through March 2025.

Schedule of General Government and KPU Appropriated Reserves Through April 17, 2025

In her report, Acting Manager Simpson 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 April 17, 2025.

Public Works Department Manager's Report – April 2025

Acting Manager Simpson included for Council review a copy of the April 2025 report from Public Works Director Brakke.

Financial Reports for General Government and Ketchikan Public Utilities – Quarter Ended March 31, 2025

Acting Manager Simpson provided the Council with the financial reports for General Government and Ketchikan Public Utilities quarter ended March 31, 2025.

2025 Sales Tax Report Nos. 1 Through 3

Acting Manager Simpson included a review of the 2025 Sales Tax Report Nos. 1 through 3.

Update on Museum HVAC – Phase IV – Exterior Envelope and Revised Reopening Date

Acting Manager Simpson updated the Council on the status of the Museum HVAC Phase IV Exterior Envelope and the revised reopening date to be May 1, 2025, rather than the originally planned date of June 1, 2025, noting this change is due to delays in manufacturing.

Retirement of Telecommunications Division Manager

Acting Manager Simpson informed the Council of the retirement of the Telecommunications Division Manager, Dan Lindgren, effective October 24, 2025. She indicated his retirement represents a substantial loss for the KPU Telecommunications Division and the City after more than 26-years of service. She expressed her appreciation to Mr. Lindgren for his many years of dedicated service to KPU, leading to the very successful division we have today. She wished him and his family all the best in his retirement. She informed the General Manager's office will soon begin recruiting for the Telecommunications Division Manager position and will appraise the City Council of those efforts.

City-PeaceHealth Healthcare Advisory Committee (HAC) – January 23, 2025 Meeting Minutes

Acting Manager Simpson attached for Council review the January 23, 2025, Healthcare Advisory Board (HAC) minutes.

COUNCIL COMMITTEE REPORTS

Councilmember Finnegan provided the Council with the committee report from the Ketchikan Campus Advisory Board's regularly scheduled meeting of April 10, 2025.

Councilmember Finnegan provided the Council with the committee report from the Library Advisory Board's regularly scheduled quarterly meeting of April 9, 2025.

Mayor Sivertsen provided the Council with the draft minutes from the Ketchikan Historic Commission meeting of April 23, 2025.

Councilmember Kistler provided an update on the 125-year celebration planning committee's current plans and informed that they will be holding a townhall listening session at the Ted Ferry Civic Center on May 12, 2025, from 5:30 p.m. to 7:00 p.m. and encouraged the public to come to provide input.

CITY CLERK'S FILE – None**CITY ATTORNEY'S FILE**

City Attorney Seaver provided for Council review the Law Department's March 2025 activity report.

FUTURE AGENDA ITEMS

Councilmember Finnegan submitted a future agenda item request form that was requested by the Library Advisory Board to amend the language regarding the meeting time to give them more flexibility when scheduling their quarterly meetings.

Councilmember Mahtani submitted two future agenda item requests. Both items are proposed additions to the Charter, the first is to cap the budget at 5% except for employee and emergency expenses and the second is that for every new position created, a position will be removed.

Clerk Stanker informed that with the six currently proposed Charter amendments and the two open Council seats, there will have to be two ballots to accommodate all of the required language.

MAYOR AND COUNCIL COMMENTS

Councilmember Gass stated he is surprised at some of the vehicles that are being auctioned off. He said it seems like two things are guaranteed to happen every year: at budget time, we get requests for a lot of very expensive new vehicles, and at this time of year, we sell off some very nice equipment and vehicles for pennies on the dollar. He voiced his concern that some of these small pickups and vans are way nicer than what some of the construction companies or private businesses in town are driving.

Councilmember Mahtani thanked the staff for the report regarding expenditures and revenue. He gave a shoutout to SECON flaggers in town as they have been doing a great job, traffic through town is flowing very well.

Councilmember Coose requested a count on the number of vehicles being issued Port Passes and a count for the number of sightseeing permits issued for the years 2023, 2024 and 2025. He feels this will give us an idea on the volume of business to see if we need to try and change or limit that.

Mayor Sivertsen informed that they spoke with DOT regarding Berth IV, as well as how constricted the area around Berth III can be, and stated that the small parking area for vans needs to be managed. He said that as to Port Passes, we may only have so many available a year, though he is not sure how they are dispersed. He indicated that with the latest technology, maybe applying a barcode in the window every time you go on the dock, it is recorded. He feels there is a difference between loading and unloading passengers and another coming onto the dock to try and sell tours and take up space. Maybe there is an option that if you are on the docks for over half an hour, it starts charging you for every 15 minutes you're on the dock, and you are automatically billed. There are lots of options out there, so hopefully it wouldn't be a burden on staff, but if one were put on every entrance, we would have an accurate count of vehicles coming and going from the Port. He thanked the staff for all their work, as he knows there is a lot of stuff going on constantly. He thanked the public for their patience with all of the construction work going on. He said as he has been driving through town, traffic has been flowing pretty well through the sidewalk construction sites, though we shouldn't be surprised if it doesn't get paved this year. He thanked the Council for all of their work.

EXECUTIVE SESSIONS – None

ADJOURNMENT

As there was no further business, the Council adjourned at 9:07 p.m.

Bob Sivertsen, Mayor

ATTEST:

Kim Stanker, MMC
City Clerk

FYI ITEMS INCLUDED

First City Players – Community Agency Grant Report from Ketchikan Youth Court – Grant Report
Ketchikan Community Action Plan Meeting Minutes and Community Event Fliers
Correction to Case Number 25-026, Ketchikan Gateway Borough Department of Planning and
Community Development