

MINUTES
FOR THE REGULAR MEETING
OF THE CITY COUNCIL
FOR THE CITY OF THORNE BAY, ALASKA
COUNCIL CHAMBERS
CITY HALL
March 19, 2019
6:30 p.m.

*The meeting was preceded by a workshop beginning at 6:00 p.m.
The public is invited and encouraged to attend*

1. CALL TO ORDER:

Hartwell called the meeting to order at 6:30 p.m.

2. PLEDGE TO FLAG:

The Council and Audience stood for the pledge to the flag.

3. ROLL CALL:

Those present were: **Hartwell, Edenfield, Carlson and Slayton**

Those attending by phone were: **McDonald**

Those excused were: **Burger & Williams**

Quorum Present

4. APPROVAL OF AGENDA:

Hartwell moved to approve the agenda. Slayton seconded the motion. There was no further discussion.

MOTION: Move to approve the agenda

F/S: Hartwell/Slayton

YEAS: McDonald, Slayton, Hartwell, Carlson & McDonald

NAYS: None

STATUS: Motion Passed.

5. MAYOR'S REPORT:

Update on Kasaan Road Cleanup and Rumors of Closure of Road for 3-Weeks.

- A. Spoke with Sara Yockey, OVK Incident Commander for the Emergency Landslide, and the Tribal Transportation Director for OVK. Mrs. Yockey has assured us that there will be no long-term road closures. As the road repairs continue in the next few weeks you can expect delays during the day & flaggers will be on site. If the road will be closed for longer than 20 minutes, there will be notices posted and people will be notified prior. The times that are estimated to be closed longer than 20 minutes range between 2 hours to 5 hours.

Meetings & Agenda's:

- A. Next POWCAC meeting in Craig at 1:00 p.m., on March 26th at the Tribal Center. Lee Burger will be attending as Vice Mayor.
- B. Legislative Session Priority Surveys were received. We received 9 survey's back and have mailed them to Representative Ortiz.

UPDATES ON CONTINUING BUSINESS:

- A. The issue with the vehicles being parked on the City Road Right-of-Way on Rainy Lane has been addressed and vehicles moved.
We sent a certified letter instructing them to clear the right of way and the line of site at the intersection. The owner moved the vehicles by March 18th.
- B. The issues with the family living within the cul-de-sac on Alder Road
The owner contacted the city clerk on March 14th and informed her that they would be moving into their friend's property while they construct the pad for their trailer and belongings to go on. The date provided by the owner to have the cul-de-sac cleared was March 31st. Hartwell reported that he visited the property where the family was residing in the road ROW and found some of the items have been cleaned up, but they are still in the cul-de-Sac and are required to vacate. We will continue to check on the property.

6. ADMINISTRATIVE REPORTS:

a. City Clerk Report:

FINANCE REPORT:

TONGASS FEDERAL CREDIT UNION:

HEALTH PREMIUM	\$	34,998.06
OCCUPANCY TAX	\$	41,658.78
CHECKING	\$	173,279.66
SALES TAX SAVINGS	\$	311,363.54
HARBOR	\$	69,393.34
FISHERIES	\$	19,226.12

FIRST BANK CHECKING	\$	50,003.20
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WELLS FARGO INVESTMENTS

MONEY MARKET	\$	602,646.54
BONDS	\$	500,015.90

QUICKBOOKS INCOME/EXPENSE

INCOME	\$	1,295,635.67
EXPENSE	\$	(1,160,870.27)

TOTAL NET WORTH:	\$	1,937,350.54
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Tasks and Projects:

- A. RFP for the construction repairs and remodel work on the Bay Chalet and the Clinic. Bids are in and on the agenda for approval tonight. Received one bidder. I suggest the City Council vote on each project separately:
 - a. Bay Chalet Bid
 - b. Clinic Remodel
- B. The wire tie parts for the baler arrived and the technician Bobby, with Accent Wire came up March 11-14th to help install the machine so we are up and running the baler and tie machine again.

This saves the City \$70,000 per year.

New Business:

- A. We now have the capability for people to pay their bills online. Visit our Payments Page on our website at www.thornebay-ak.gov
- B. Resolution 19-03-19-01,

1. Requests the City Clerk bring forth an Ordinance that would allow us to place a lien on real or personal property for delinquent account. (SEE CLERKS COMMENTS ATTACHED TO RESOLUTION)

C. Lease of City Property.

1. **Lot 5 of the Downtown Business District** is available to lease, and Jo Wendel has approached us on a few different occasions inquiring about lands available to operate a business on. The rental agreement terms are consistent with other rented lots in the Downtown Business District. Jo Wendel has requested the approved rental agreement include her ability to have rental space in addition to her studio business.
 - i. I recommend that we do what we can to encourage new business in Thorne Bay and Economic Growth. The Downtown Business District currently looks a lot like the Sort Yard, and very much industrial and not Commercial. I believe that we should be charging more for the lease of good property to store equipment and less for business's who will be generating revenue through sales tax and paying utilities.
2. **Sort Yard Space Rental for Sean Kaer storage of equipment**

Ordinances for Introduction:

1. Ordinance 19-04-02-01, amending Title 18-Stall and Reg. Assignment to include length definition stern to stem.

Clarifies how vessels are measured and billed. Currently all vessels are billed by the foot. This amendment states that the measurement would be from stern to stem, including the motor, or any fixtures on the boat.

2. Ordinance 19-04-02-02, ordinance amending title 13-utilities, adding Fines for UMOT Fine Schedule

This ordinance amends the language of violations and offenses in the Utilities Code.

3. Ordinance 19-04-02-03, ordinance adding the Fines from title 13-to the Chapter 1.16.035 of the City Code.

This goes along with the City Adopting a fine schedule for all offenses within the City Code. By adopting a fine schedule and placing the violations and fees into Title 1.16.035 of the City Code, we can issue citations and collect the fines through the Courts.

Remaining titles to be amended for this Fine Schedule are:

- Title 15, Buildings
- Title 16, Subdivisions
- Title 17, Zoning.

Harbors and Parks: Ron is here...

Streets and Roads:

Assisting OVK with the cleanup of the Landslide. Materials are being stored at the Solid Waste Facility. Excavator is down and we have a call into CMI for someone to come out and fix it.

Water and Sewer:

Sewer plant power outage fried motor & Magnetic Starter. The Magnetic Starter was fried first, which then allowed the motor amps to go above what they should have, then fried the motor. First City Electric Tommy flew over on March 14th to fix the issue and the City has ordered another backup motor since we had to use the backup we had on hand.

Water Operator Compliance Schedule was updated and we have submitted an Alternative Method of Supervision (AMOSS) for the Water/Sewer operations.

We will continue to contract with David Nelson of Craig until Sam gets his Level II certifications. Sam will start his Level II Course Training via online courses on March 22nd. After he has completed the course, he will take his Level II Operator Exam and once he passes, Thorne Bay should be compliant with our operator requirements.

David Duffield has taken the Water Operator Level I classes online and has applied to take the Level I Water Treatment and Water Distribution Tests.

Solid Waste:

A. The wire tie machine was fixed and new parts installed by Accent Wire Employee the week of March 11-14th.

The Baler is operational now and we have baled our trash this week saving the City \$2000 in one week alone, and will save us \$70,000 per year.

B. The Excavator is down. We have a call into CMI Machinery to come and look at it to see what is needed to fix it.

C. Josh Musser received his Class D CDL and will move forward with obtaining the Class A CDL, which will allow him to haul our equipment.

Law Enforcement:

No Update... Still waiting for interviews on new VPSO. Last information was we had a prospect, but nothing confirmed.

Library: None

Ron Wendel – Parking Signs

1. After reading the flyer from OVK, if anyone has questions, please see the signs I have placed around the harbor or call someone here at City Hall or OVK
2. We have been working on getting Parking Signs ordered and a parking plan in place for town. The signs have arrived and the City will be putting them up and begin enforcing the parking ordinances.

As season starts up, we will be changing the way parking is assigned.

Examples:

Current Parking

- a. 4-hour parking zone
- b. The bank across from
Harbormaster office
- c. Waterfront parking area
Behind the harbormaster
Office will be
- d. City Parking Lot &
Boat Ramp area

New Parking:

- Loading/Unloading only
- 12-hour parking.
- 12-hour parking
- 72-hour parking

Everywhere else will be long term parking which a permit will be required. Areas near the port will also be long term parking. I am planning to put in 5 parking spaces for the live-aboard. These are designated for the live-aboard. My problem is people have come to me and said that since they have an annual stall they should be able to park a vehicle next to the harbor office..... There will be push back.

1. I want to voice out now..... Who do we give parking allowances for? Who do we make exceptions and provide a designated space?.
2. Concerns regarding where the handicap parking will be. Some handicap that are capable of walking, and others are not.
3. Parking tickets are \$50, and surcharge cost of \$75.00.
 - When the Council re-wrote the code, they gave the Harbormaster authority to assign parking and enforce it .
 - Romey stated the Handicapped is a Law.... And needed for some.

Harbormaster , so the difficulties I am now having is how to designate these areas for certain seasons, then we can reconsider the structure for different seasons. Depending on the needs.

7. PUBLIC COMMENTS:

Greg Kerkof

- Suggested trying to determine the need for handicap parking spaces, then designate them closest to the harbor ramp.

Harvey McDonald

- Suggested work with City of Craig and see what they do.

Brad Clark

- Suggested the council review the handicap parking laws.
- Encouraged Ad-Hoc or Planning Commission because they would work on these kind of issues
- Thank Kasaan, thank the road flaggers.
- Expressed gratitude to everyone that has attended the city council meetings.

8. COUNCIL COMMENTS:

No council comments.

9. CONSENT AGENDA:

- a. MINUTES: Approval of the Minutes for the Regular March 5, 2019, discussion and action item:

MOTION: Move to approve the consent agenda March 5, 2019

F/S: Hartwell/ Edenfield

YEAS: McDonald, Hartwell, Carlson, Slayton & Edenfield

NAYS: None

STATUS: Motion Passed.

10. NEW BUSINESS:

- a. Authorizing the City to enter into a rental agreement with Jo Wendel for the rental of Lot 5, Downtown Business District, discussion and action item:

Hartwell moved to approve the lease agreement between the City of Thorne Bay and Jo Wendel. Edenfield seconded the motion.

Discussion included the following comments:

Opening statement from Jo Wendel.

I would like to enter into a lease agreement with the City of Thorne Bay on lot 5 of the Thorne Bay Business District Subdivision. My intention is to build an art studio with a small retail space, store equipment, and eventually build a living space. All of these uses are within the code for the commercial zoning of the subdivision.

My plan for Lot 5 is to grow a business that will enhance the Downtown Business Subdivision, provide services that are in demand, and, of course, to make enough profit to be a viable enterprise.

A 2014 study prepared for Southeast Conference by Raincoast Data showed that the impact of the arts sector on the Southeast Alaska economy is substantial. 57.8 million dollars was spent by artists, arts organizations, and audiences in 2013 alone. Art is a practical business, and it will be great for Thorne Bay to have a larger presence in the art sector.

I have been self-employed in the art field, as well as other business categories, for decades. In addition to currently being a working artist, I created, owned and operated a successful art supply store in Juneau for 11 years. I sold that business in the year 2000.

I make jewelry, lapidary items, dyed silk wearable art, and wall art, and need to expand my workspace. There is a local and online demand for the type of work that I do. My focus on local themes has connected well with residents and visitors. This is a business that has good potential and would enhance commercial diversity in Thorne Bay.

Thank you for your consideration of my lease proposal.

Jo Wendel

Harvey McDonald

1. How did you come upon selecting Lot 5
 - a. Mrs. Wendel responded it was because lot 8 has a road through it, Lot 6-7 rented, Lot 5 available. This is a destination business. I am aware and plan to overcome any difficulties.
 - b. The perimeter road has never been developed

Ray Slayton:

Slayton inquired about what building would be on the property and whether or not she had considered other properties.

Mrs. Wendel responded that the building would be a 30' x 50', two-story building. Use would be mixed use with living quarters upstairs and primary business downstairs. Wendel explained that she wanted to have the ability to add onto the business – office spaces, and more

Slayton stated the City had considered that area for a deep-water port at one time, and he did not want to lease that lot knowing that it would interfere with the deep-water port plans.

That is the only area that has a deep-water port.

Mrs. Wendel stated on record that if she was to lease that lot, I will work you to better utilize that lot in the best way.

Ray-I think you have the best current Idea.....

Harvey McDonald

1. The added increase of 10% mandated in the lease is not something I want to move forward with. That would be dictating how future council moves on lease actions. On the same note, I am in favor of your business.. I cannot approve a ceiling on what the rental agreement would be 5 years from now.
 - a. Jo explained that she came up with that rate by looking at inflation and how other properties were done.. The rate was estimated at 2%, I took that over 5 years and came up with 10%.

Hartwell

1. Agreed with the lease amendments on items 25-26 regarding hazard and soil testing.
2. Disagreed with calling the future rental rate increases at 10%. Explained that he believed that would be handcuffing future councilmembers.
3. Not opposed to the use of the property but does not support dictating future rent rates.

Jo Wendel -

1. Explained that what she wanted to do was a very substantial investment. Reiterated that she was willing to work with the Council in the future on the terms but did not want to invest \$200,000 into a business, then be told she has to move it in 5 years.

Edenfield

1. Stated she was in favor of the rental agreement.

Carlson

1. Stated she too was in favor of Mrs. Wendel's proposal.

Slayton:

1. Stated he still had reservations because he wanted to keep that lot open for a deep-water port.

Harvey:

1. Responded to Slayton's comment on the deep-water port that nothing has happened there in regards to a deep water port, and the property is sitting vacant.

MOTION: Move to approve the lease agreement between the City of Thorne Bay and Jo Wendel
F/S: Hartwell /Edenfield
YEAS: McDonald, Carlson, Edenfield
NAYS: Hartwell, Slayton
STATUS: Motion Failed

- b. Authorizing the City to enter into a rental agreement with Sean Kaer for 1 acre of land at the Sort Yard, discussion and action item:

Hartwell moved to approve the lease. Slayton seconded the motion. Hartwell would like to see added on there a septic waste site. City Clerk commented that she believed that was already addressed within the rental agreement.

MOTION: Move to approve the lease for Sean Kaer
F/S: Hartwell/Slayton
YEAS: McDonald, Hartwell, Carlson, Slayton, Edenfield
NAYS: None
STATUS: Passed

c. Awarding Bid for Clinic Remodel, discussion and action item:

Hartwell moved to approve the Bid for Clinic Remodel o\$32,760.00. Slayton seconded the motion. Edenfield stated she was concerned regarding the proposal for the Clinic Remodel only being \$100 more than the Bay Chalet. The amount of work to be done is quite a difference.

MOTION: Move to approve the Bid for Clinic Remodel o\$32,760.00
F/S: Hartwell/Slayton
YEAS: McDonald, Hartwell, Carlson, Slayton, Edenfield
NAYS: None
STATUS: Passed

d. Awarding Bid for Bay Chalet Remodel, discussion and action item:

Hartwell moved to approve the bid for the Bay Chalet remodel of \$32,660.00. McDonald seconded the motion. Hartwell stated that the amount of money it will take to fix the Bay Chalet. Edenfield would like to see look into the modular. Carlson not a fan of current building because of the mold. Bu also, we should take into consideration what revenue we are losing for not having a building to rent for the community events. Edenfield since October, we had one event in Fire Department, but since then Hartwell moved to postpone approval of the bid to a later date while explore other option. Slayton amended motion.

MOTION: Move to postpone the approval of the bid to a later date while exploring other options.
F/S: Hartwell/McDonald
YEAS: McDonald, Hartwell, Carlson, Slayton, Edenfield
NAYS: None
STATUS: Passed

e. Resolution 19-03-19-01, supporting the amendment to Thorne Bay City Code, adding the ability to place liens on property for delinquent accounts, discussion and action item:

Hartwell moved to approve Resolution 19-03-19-01. Carlson seconded the motion. Hartwell read the resolution for the public. Hartwell explained.....
Slayton expressed concern over how the City authorized the placement of liens on accounts.

MOTION: Move to approve Resolution 19-03-19-01
F/S: Hartwell/Carlson
YEAS: McDonald, Hartwell, Carlson, Slayton & Edenfield
NAYS: None
STATUS: Passed

11. ORDINANCE FOR INTRODUCTION:

- a. Ordinance 19-04-02-01, amending Title 18-Harbor, adding Section 18.10.020-N-Vessel Length, Section 18.20.040 Payment and Use Fees, discussion and action item:

Hartwell moved to approve Ordinance 19-04-02-01. Edenfield seconded the motion. Explained stern to stem including all motors or anything sticking out.

Carlson some people feel they pay for that space and should be able to put another boat in the stall additionally. How would you address that?

Jo Wendel commented that the ordinance did not address beam width. Clerk explained can amend in another ordinance to address the width.

MOTION: Move to approve Ordinance 19-04-02-01
F/S: Hartwell / Edenfield
YEAS: McDonald, Hartwell, Carlson, Slayton & Edenfield
NAYS: None
STATUS: Passed

- b. Ordinance 19-04-02-02, amending Title 13-Utilities, amending language to allow for the Courts to enforce Utility Violations, discussion and action item:

Hartwell moved to approve Ordinance 19-04-02-02, amending Title 13-Utilities, amending language to allow for the Courts to enforce Utility Violations. Carlson seconded the motion. Slayton 13.44.070 (Cation Dedication) Clerk clarified "Location Dedication".

MOTION: Move to approve Ordinance 19-04-02-02, amending Title 13-Utilities, amending language to allow for the Courts to enforce Utility Violations
F/S: Hartwell/Carlson
YEAS: Carlson, Slayton, McDonald, Hartwell & Edenfield
NAYS: None
STATUS: Passed

- c. Ordinance 19-04-02-03, amending Title 1-General Provisions, Section 1.16.035-Minor Offense Fine Schedule, Adding Violations for Title 13-Utilities, discussion and action item:

Hartwell moved to approve Ordinance 19-04-02-03. Edenfield seconded the motion. There was further discussion.

MOTION: Move to approve Ordinance 19-04-02-03
F/S: Hartwell/Edenfield
YEAS: McDonald, Hartwell, Carlson, Slayton, & Edenfield
NAYS: None
STATUS: Passed

12. ORDINANCE FOR PUBLIC HEARING: NONE

13. EXPENDITURES EXCEEDING \$2,000.00: NONE

14. CONTINUATION OF PUBLIC COMMENT:

Dan Romey

1. Stated the he was involved in the engineering of the road going to Kasaan when he worked for the City. Romey stated at that time there was a plan for Deep Water Port there.

Libby Neiland

1. Encouraged the Council to reassess their plans for the Downtown area.
2. Expressed disbelief that the City Council voted down a well thought business plan due to poor planning of the current land layout.

Jim McFarland

1. Commented in favor of the City Council entering into a rental agreement with Mrs. Wendel, especially since it was such a great business plan. McFarland urged the Council to reconsider their vote and bring the agreement back to the council when they have a full board present.

Laura Clark

1. Responded to the comments from the council that they do not want to tie the hands of future councilmembers. Ms. Clark stated that as a councilmember

you can only sit up there and do the best you can for the community at that time.

2. Clark commented that the answer should not be no to someone who has a vision and a plan, it should be yes.

Jo Wendel

1. What I want to make really clear is I feel strongly that Thorne Bay is rich in industrial property. Right now, Downtown is primarily used for industrial I have a vision of a business district with a beehive of activity.

Ron Wendel

1. We are talking about Lot 5 out there. Who was leasing it before. There was heavy equipment parked on it for years. And you have someone here who wants to lease and develop, we need to look forward. If you want someone to come in and drop money as far a business, you need to come to them and say what is your plan, what is your business and make a plan. You need to have some kind of security. If you want a deep-water port then there should be a line on this map that says that. I don't see effort. What is the proposal for that area, what was written up? We need a guide of some kind.

Rodger Longbothom

1. Commented that the income from the rental would not just be the rental amount, it would be income from utilities and sales tax.

Eric Rhodes:

1. Stated that the Council had some legit concerns but added that currently there was no income coming from that lot.
2. Appreciated the reservations but does support Jo's business plan.
3. Encouraged the council bring the agreement back for reconsideration.

Brad Clark

1. Commented that the rental agreement concerns could have been vetted through the Planning Commission had one been in place.
2. The best way to get deep water in, is to support business that is brought like tonight that you failed to bring forward.

15. CONTINUATION OF COUNCIL COMMENT:

McDonald

1. Explained that his first thought on the 10% rate increase cap was not to approve it, but after hearing Mrs. Wendel explain where she came up with the figure, he was in favor.

Slayton

1. Encouraged Mrs. Wendel to look at another piece of land.

Hartwell

1. Requested that Mrs. Wendel brought her agreement back to when there
2. One of the concerns he had was that the Tackle Shack was paying \$350 a month and under the terms of this agreement, would be paying \$165. Inquired about how he was supposed to answer someone who inquired about the difference in rates.

Jo Wendel:


1. Why is Southeast Roadbuilders paying \$75 for lot 6 & 7 to store heavy equipment?

Cindy:


1. We need to relook at this.

16. ADJOURNMENT:

Hartwell adjourned the meeting at 7:48 p.m.


Harvey McDonald, Mayor

ATTEST:


Teri Feibel, CMC