

MINUTES

FOR THE REGULAR MEETING OF THE CITY COUNCIL FOR
THE CITY OF THORNE BAY, ALASKA

TUESDAY, May 3, 2022

TIME: 6:30 p.m.

THERE WAS A WORKSHOP AT 6:00 PM

LOCATION: TELECONFERENCE/VIDEO CONFERENCING LINE & IN PERSON @ CITY HALL

1) CALL TO ORDER:

Mayor Burger called the meeting to order at 6:30pm

2) PLEDGE TO FLAG:

The audience and council stood for the pledge to the flag.

3) ROLL CALL:

Those present were Burger, Oatman, Jennings, Hartwell, Stram & Nyquest

Those excused were Kerkof

4) APPROVAL OF AGENDA:

Burger moved to approve the agenda. Hartwell seconded the motion.

MOTION: Move to approve the agenda

F/S: Burger/Hartwell

YEAS: Hartwell, Stram, Jennings, Burger, Nyquest & Oatman

NAYS: None

STATUS: Motion Passed.

5) MAYOR'S REPORT:

Mayor Burger reported on the following:

- Complaints received regarding litter around town and southside. We have cleaned up some in town.
- Harbormaster has had issues with trying to deal with an abandoned vessel at the harbor.
- First Friday in July is Derby Kickoff & Potato Feed will be held at the Harbor Office.

6) ADMINISTRATIVE REPORTS:

a) City Administrator:

Administrator Huestis provided the following report:

- Administration is busy with the annual budget cycle, preparing draft budgets for review by the department directors and Administrator to fine tune before bringing to Council. This will be on-going for the next few weeks.
- EMS Coordinator Position - Contracted with Victoria Anderson for these services
- Public Meeting scheduled for May 17 to share with the public and Council the 50%

- design for the Davidson Landing Fire/EMS Hall Design.
- USFS is meeting with AP&T to complete relocation of major power pole on RAC project for the first 425 feet of the Kasaan Road project.
 - Alaska Community Foundation project for library deck going well, roof is on and tomorrow and the deck will be framed with the handicap ramp mostly complete.
 - Met with AKDOT&PF SE Region staff Lance Mearig, Pat Carroll, Marie Heidemann and Sara Yockey and Lee Burger and toured the Kasaan Access Road and discussed many issues, including funding, project, maintenance, good meeting
 - No takers on Seanna and Silver Doll sale, demolishing them instead
 - EMS boat still at Bay Company, then taking boat to Superior Marine for double epoxy and final painting on the hull
 - Just finished grant application to Village Safe Water / ADEC for Sewer Collection system upgrades worth an estimated \$2.9 Million, manholes I&I and 4 Lift stations
 - Requests from School for sports improvements - waiting on school to call for meeting with City to discuss partnership proposal.
 - Bay Chalet - I asked Fire Chief McGinnis to look into a permit or approval as may be needed to burn it down and what needed to be removed to be able to burn it. We need to start planning for new Community Center
 - Boat/trailer washdown area - identified a low-cost solution to provide this service at the location of the old SISD Floating Schoolhouse. It already has water hydrant and meter, just needs a hose and to be turned on. Recommend use is open to general public for non-potable uses that require purchase of a onetime permit of \$25 or an annual permit for \$50.
 - Contacted City of Coffman Cove to invite them to bring Municipal Solid Waste to Thorne Bay Landfill versus going to Klawock and paying more provided some costs
 - Planning to contact Naukati Bay as well for MSW disposal.
 - Reached out to Papac Logging and SE Roadbuilders to begin discussions on land lease agreement renewals.
 - Reached out to Alaska State Forestry Division of DNR to talk about Bayview Timber sale and future subdivision and road construction to hopefully be included in status updates on process and discussions moving forward.
 - We will be conducting surface water testing next week at the Solid Waste facility per our permit requirements we also have a permit inspection in July. We have not had one in several years and I have asked to schedule the site visit with a City Council meeting so we can talk with our permit compliance specialist Zach Giannotti about the outcome and also issues with MSW incineration pros/cons/costs, etc.
 - We will be organizing and cleaning up solid waste facility in the next couple of months in preparation for the inspection and also to sort and ship metals for recycling aluminum
 - We met with Misty Fitzpatrick about phone service on the island since she was actively engaged in past efforts to improve service for POW Communities, she is going to provide contacts and information to help us carry on the dialog.

b) **City Clerk:**

City Clerk Feibel provided the following report:

➤ **FY23 Budget Ordinance**

- Hope to have a draft FY23 Budget drafted soon and will want to schedule a workshop before June so the Council can review the proposed budget and provide the administration with their comments and suggestions.
- We have separated the operating budget from the funding used for projects out of all sales tax savings accounts including the occupancy tax accounts, and the repair and replacement accounts.

➤ **Some issues that have come up in the office which will result in upcoming agenda items for the council to consider are:**

○ **Resolutions:**

- As mentioned in the workshop, we will be bringing a Resolution at the next meeting that would direct the office staff research property ownership of all vacant or unoccupied properties that are not paying for utilities and begin to invoice these property owners a water service standby fee. This is only for the lots that have access to the city water system but are not using the service. Once we are able to determine the property owners, we will begin to invoice them the \$36.28 standby fee. It will be up to the lot owners to inform us if they no longer own the land.
- We will also be drafting an ordinance with the assistance of the water department employees and City Administrator, which would provide clarification on water billings for residential & commercial services. There have been an arguments made about when the City should be charging commercial rates or residential rates. When consulting the code for answers it does not provide clear guidance.
 - One of these examples are that the code does not address Air B&B's and a question was presented as to whether a property would be billed as commercial when the owners only advertise as an Air B&B for a few weeks out of the year when the owner would be out of town.
 - Other issues that have come up pertaining to water billing are whether a property should be paying for more than one service if they are receiving water and sewer services to multiple buildings that are located on one property. This has been something that has come up on a few different properties within town. The code is really not clear on this item and we want to make sure that the code is clear and that we apply the code fairly to all utility users.

Department Reports:

Harbor Department

Simon Doyle, Harbormaster provided the following report:

➤ Current Hi Level Projects

- **Seanna removal from harbor**
 - Harbormaster boat underpowered and ill equip for the operation
 - Enlisting the help of the mayor to take over towing duties, should be out of the harbor by 5/4/22

- **Judy Sturgis barge reposition**
 - Power and water reroute complete
 - Main issue remaining is the need to create a float/platform to hold barge far enough away from harbor pilings that they do not collide
 - Float/platform should be completed by 5/6/22 and the barge will hopefully get repositioned over the weekend, weather permitting

- **Tongass Electric has been hired to fix the electrical issues at Davidson Landing**
 - Power has already been restored to the light at the top of Davidson landing walkway
 - Some of the hardware has been removed from the AP&T power pole, per their notice
 - Tongass Electric still needs to reroute power to walkway light and remove junction box from AP&T power pole, per their notice
 - When this is completed, I can engage AP&T about adding security lights and a flagpole light to finalize the project

➤ Completed Projects

- Davidson landing has received its seasonal pressure wash
- Fish cleaning station returned to operational position, pressure washed and some repairs made
- Davidson landing parking has been cleared up
- Signs are placed to designate 72 hour or permit parking in all areas of Davidson
- Removed all non-compliant vehicle except unclaimed trailer that will go to the dump
- Harbor water turned on for the season, no leaks or damage detected
- New boat launch envelopes purchased, should ease enforcement of vehicles and parking in that area, and generate more revenue
- Harbor budget input complete, waiting to meet with administrator to finalize

➤ **Upcoming Projects**

- -Pressure wash of main harbor and cleaning of pedestals
- -Replacement of mooring slip numbers at main harbor and Davidson landing
- -Removal of final non-compliant vessel(skiff at Davidson) to dump
- -Replacement of moorage signs around main harbor and Davidson(transient, guest, and commuter areas)

Parks & Recreation / Events Report:

Amy Jennings provided the following report:

➤ **Current Projects**

- Developing Greenbelt Trail
- Field Maintenance/Ditching
- Healthy Heart Trail Repair
- Designing and building plant boxes for the City Park
- Planning and coordinating IPBA event in June
- Planning Thorne Bay Days event in August
- Brushing/Weed Eating/Mowing
- Pressure washing
- Applying for and receiving quotes for new playground equipment
- Working on new fiscal year budget
- Planning summer projects

7) PUBLIC COMMENTS:

There were no public comments

8) COUNCIL COMMENTS:

Hartwell commented on the following:

- Previously inquired about the trash cans around town, and was told they were placed around town, but had been unable to locate any. Inquired if the city would inform him as to the location of those cans.

Administrator responded that there was one at the park and one at the bottom of the stairs by the market.

Nyquest commented on the following:

- It had been mentioned previously about incentives for individuals who volunteered for EMS, has there been any movement?

9) CONSENT AGENDA:

a) MINUTES

- i. Minutes of the April 19, 2022, Regular City Council Meeting, discussion and action item:

Burger moved to approve the consent agenda consisting of the minutes from the April 19, 2022, Regular City Council Meeting. Hartwell seconded the motion. There was no further discussion.

MOTION: Move to approve the consent agenda, consisting of the minutes of the April 19, 2022, City Council Meeting

F/S: Burger/Hartwell

YEAS: Hartwell, Stram, Jennings, Burger, Nyquest & Oatman

NAYS: None

STATUS: Motion Passed.

10) NEW BUSINESS:

- a) Resolution 22-05-03-01, retaining the R&M Engineering Ketchikan services for surveying of city property; discussion and action item:

Burger moved to approve Resolution 22-05-03-01, retaining R&M Engineering Ketchikan services for surveying of City Property. Oatman seconded the motion. Huestis commented that past City Administrator had applied for and received grants from the USFS for the construction of a trail between the Port and the Claw and another for the realignment of the intersection of the Kasaan/Goose Creek Road. It appears that Wayne had also applied for grant funding from the Department of Transportation for another section of a trail from the harbor to the port but was not awarded that grant as far as I can tell. Part of this grant requires survey needs for the Claw Trail and also for realignment of the Kasaan/Goose Creek Intersection. R&M Engineering Ketchikan are local, they have a surveyor that is on the Island, and they are familiar with the city having done work for us in the past. The need for the survey's to be completed are urgent. The intersection work on the Kasaan/Goose Creek Road requires AP&T to move one of their power poles and so we will need to get started as soon as possible in order to get this completed. There was further discussion

MOTION: Move to approve Resolution 22-05-03-01, retaining R&M Engineering Ketchikan services for surveying of City Property

F/S: Burger/Oatman

YEAS: Stram, Oatman, Nyquest, Jennings, Burger & Hartwell

NAYS: None

STATUS: Motion Passed.

- b) Resolution 22-05-03-02, authorizing the City Administrator to negotiate lease rates, terms and conditions for leases set to expire within the next 6 months, discussion and action item:

Burger moved to approve Resolution 22-05-03-02, authorizing the City Administrator to negotiate lease rates, terms and conditions for leases set to expire within the next 6 months. Hartwell seconded the motion. Administrator Huestis explained that the City needs to have a system in place for land leases or rental agreements, and how the rental rates are established and increased throughout each year. The City Administrator would like to negotiate the lease terms with the lessees and address more than just the rates, but the land use and area of lease. A couple of the leases that are lapsing are Southeast Roadbuilders in the Downtown Business District for storing machinery and equipment and Papac Logging who rent land in the Sortyard for similar storage of equipment and shop area. I would like the opportunity to identify the actual area they are occupying and ensuring that the lessees are restricted to the areas they are paying for. Additionally, there are concerns regarding whether they are adhering to the terms and conditions of their lease, and adhering to the environmental laws and keeping the land free of environmental hazards etc. Papac has expanded outside of the lease area of 1.5 acres, but we do not have clear lot boundaries. Papac had recognized their land use had exceeded the 1.5 acres and had requested a lease amendment to increase the leased area. The past administration had presented the council with a resolution to amend that lease, but the council at that time had concerns related to septic and had asked that the lease be amended to require a septic system placed on the property. Other issues that have been identified are that the road right of way currently goes through the lots leased by SE Roadbuilders. The city has not increased their lease rates in quite some time, and so it is time to address this and set rates.

Nyquest commented that he would like to see that rates are established by location, amount of space being leased, etc. Continued that he would like to have a price set at a per square footage of property.

Jennings commented that he agreed that we are inconsistent with how the land lease rates are established and would like to see something set like it had in the past based on price per square foot. As it states there are leases for \$10 per month.

Nyquest commented that he would like to see a statement added to the Resolution that included the council to approval required once negotiations were met.

City Clerk Feibel stated that the City Code already addressed Nyquest's request as it requires the council to approve all negotiated leases before they go into effect. The only reason this is being brought up separately is because the negotiations may take longer than the current lease term, and this resolution allows for the lease to continue on a month-to-month basis until such time the Administrator is able to finalize the negotiated lease terms. Typically, this would have been addressed 60-days prior to the lease expiration term which allows plenty of time to negotiate new terms and would not require a month-to-month continuation.

MOTION: Move to approve Resolution 22-05-03-02, authorizing the City Administrator to negotiate lease rates, terms and conditions for leases set to expire within the next 6 months
F/S: Burger/Hartwell
YEAS: Stram, Oatman, Nyquest, Jennings, Burger & Hartwell
NAYS: None
STATUS: Motion Passed.

11) ORDINANCE FOR PUBLIC HEARING:

- a) Ordinance 22-05-03-01: amending the Budget for Fiscal Year 2022 beginning July 1, 2021, through June 30, 2022, discussion and action item:

Burger moved to approve Ordinance 22-05-03-01, amending the FY22 Budget for the City of Thorne Bay. Hartwell seconded the motion.

Oatman expressed appreciation for the comments that were made throughout the budget as it answered many of the questions that arose and made it easier to understand the budgeting process. Nyquest concurred with Oatman's comment.

MOTION: Move to approve Ordinance 22-05-03-01, amending the FY22 Budget
F/S: Burger/Hartwell
YEAS: Stram, Oatman, Nyquest, Jennings, Burger & Hartwell
NAYS: None
STATUS: Motion Passed.

12) ORDINANCE FOR INTRODUCTION: NONE

13) CONTINUATION OF PUBLIC COMMENT:

Harvey McDonald commented on the following

- Appreciated the conversation on the lease agreements terms, conditions and rates, but wanted to note that the reason the leases were approved the way they had been were to encourage retention of employment in the area.

Laura Jennings commented on the following:

- Appreciate the workers who have been cleaning up the town, it is the nicest it has looked in many years.

14) CONTINUATION OF COUNCIL COMMENT:

Burger commented on the following:

- Community Connections lease had been approved at such a low cost due to the benefits they provide to the community including employment and specialty services.

Nyquest commented on the following:

- Inquired as to who owned the trailer, was it owned by the city?

Clerk explained that the city only leases the land to Community Connections and that Nick Gefre had owned the trailer previously and sold it to Community Connections. The city has only ever leased the land that it sits on.

- Nyquest inquired whether Community Connections paid for Utilities separately or if they were provided in the lease as part of the \$10 per month rate.

City Clerk responded that the lease agreement requires that the utilities be paid separately by Community Connections at the full rate and they were not included as part of the leased rate of \$10 per month.

Hartwell commented on the following:

- The city needs to put together a five-year plan and a ten-year plan.
- Commented that he had copies of the Thorne Bay Moving Forward Plan as well as the Waterfront Masterplan that the city had done a few years back and if anyone wanted to borrow them, they could.

Jennings commented on the following:

- Clarified that his previous comment regarding rates needing to be consistent were not meant to be taken as though they should be so high that it discouraged businesses, but only to make sure that they are fair and consistent in how they are being set.

Hartwell commented on the following:

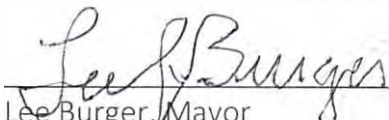
- By providing the lease to TFCU it helped businesses do banking local and not have to drive to Craig.

Nyquest commented on the following:

- Wanted to city to keep in mind that when they City leased to TFCU they were taking business from another local business owner and they lost revenues because of that.

15) ADJOURNMENT:

Mayor Burger adjourned the meeting at 8:16 pm



Lee Burger, Mayor

ATTEST:



Teri Feibel, CMC