

City of Hoonah
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City Council Meeting Minutes
January 12, 2017
7:00pm in Council Chambers

- I. **Call to Order-** 7:01 pm
- II. **Roll Call-** M. Erickson- present (telephonically) left meeting at 7:30 pm, S. McConnell-present, A. Wilson-present, S. Savland-present (telephonically), E. Phillips-present, G. Skaflestad-present. Quorum present. Mayor Skaflestad, Administrator Gray, Clark McKillican and members of the community were also present.
- III. **Pledge of Allegiance**
- IV. **Agenda Revisions –** Councilmember Wilson- Understood per the last CAAW that the Ordinance for Alcohol and Tobacco was going to be separated out. Moved by Wilson, Seconded by Erickson to strike Final Reading of Ordinance 16-12-14 from the agenda and table indefinitely. Roll Call Vote: M. Erickson-no, G. Skaflestad-yes, E. Phillips-no, S. Savland-yes, S. McConnell-no, A. Wilson-yes. 3 yes 0 no. Tie Vote. Mayor broke tie vote with a yes. Motion Carried. Mayor also requested that Item 10 Section 3 be separated out per entity, making Misty Bay Lodge (A), Icy Strait Brewing (B) and Icy Strait Lodge (C). In addition to those changes also add Resolution 17-01-04 A Resolution naming the Hoonah Veterans Memorial Sea walk. Council didn't object to these additions.
- V. **Approval of Consent Agenda – Moved** by Wilson, Seconded by Phillips to approve the consent agenda. Passed unanimously by polled vote.
 - I. **Minutes Reports –** CC 12/13/16
- VI. **Reports**
 - A. **Mayor's Report –** Went to Juneau and was able to attend Juneau Economic Development Committee meeting. Will put a written report in the council's box pertaining to this. Met with ANTHC and making progress with recovering the money from the previous grant that will give us the money for the match that we need on current phase. Also any residual funding we have on the current phase can be used for additional water projects in the same area instead of returning it.
 - B. **Administrators Report -** Increasing the harbor rates on everything except moorage. Sales Tax analysis shows that we've been down over the past 5 years, possible due to gas prices dropping and the low salmon numbers. Visitors guide is 80% complete and should have a draft by the end of the month. Converting all the lights at City Hall to LED.
 - C. **Budget and Committee Reports –** No budget meeting. Harbor Board- Light tower at HMIC was turned off, cost was \$3000 per month to leave it on. Discussed the first proposal if a passenger tax, tabled until next meeting.
 - D. **Project Updates -** Raw water main project is 35%-40% complete. Baseball dugouts and backstop are complete. We have a tentative contract for the mixture of surface materials for the baselines Seed and fertilizer for the field is here and in the warehouse. Additional fencing will be needed. Portable restrooms will be delivered before the spring ship. Kiosk will be on site at ISP this year, there is ongoing discussion about that. The legislature is considering cutting the match for our sewer treatment plant, sewer pumper truck and sewer repairs. Since the project hasn't started it is on that is possibly on the chopping block. Feel assured that the Governor will veto it if the legislature tried to cut it but nothing is guaranteed.
- VII. **Communications/Public Appearances-** Jim Erickson spoke and submitted a letter regarding Icy Strait Brewing Renewal. Believed that the owner wasn't truthful when applying for his license,

was told it was going to be a Thai restaurant. Thinks the City of Hoonah should be limiting the number of licenses. He asked that the approval be denied and an investigation be put in place on the location of the brewery. Wanda Culp spoke and presented the council with a letter to her objection of the Icy Strait Brewing license renewal. Feels that there are special favors being allowed regarding their licensing.

VIII. Public Hearing

- I. Final Reading of Ordinance 16-12-14 An Ordinance to Submit to the Qualified Electors of the City of Hoonah, the Proposition of Levying a 3% Alcohol and Tobacco Sales Tax Dedicated to Fund the City of Hoonah General Operating Fund, Which Includes Funding for Education and the Police Department-** Council struck item from the agenda and tabled indefinitely.

IX. Ordinances and Resolutions

- I. Final Reading of Ordinance 16-12-14 An Ordinance to Submit to the Qualified Electors of the City of Hoonah, the Proposition of Levying a 3% Alcohol and Tobacco Sales Tax Dedicated to Fund the City of Hoonah General Operating Fund, Which Includes Funding for Education and the Police Department-** Council struck item from the agenda and tabled indefinitely.
- II. Resolution 17-01-01 A Resolution of the Hoonah City Council Adopting an E911 Surcharge for Calendar Fiscal Year 2017-** Moved by Wilson, Seconded by Phillips to approve Resolution 17-01-01 as written. Discussion: Councilmember McConnell-what does the city receive for this fee? Chief McKillican- It provides funding for upgrades, dispatcher training needs. Cell phones seem to be an issue when it comes to receiving the 911 funds. It's a problem the companies are trying to correct. Administrator Gray- Over the past few years the amount has gone down and an audit has been requested to see why this is happening. Roll Call Vote: G. Skaflestad-yes, E. Phillips-yes, S. Savland-yes, S. McConnell-yes, A. Wilson-yes. 5 yes 0 no. Motion Carried.
- III. Resolution 17-01-02 A Resolution of the Hoonah City Council Adopting a Water, Sewer and Garbage Utility Rate Schedule for Calendar Fiscal Year 2017-** Moved by Wilson, Seconded by Skaflestad to approve Resolution 17-01-02 as written. Roll Call Vote: E. Phillips-yes, S. Savland-yes, G. Skaflestad-yes, S. McConnell-yes, A. Wilson-yes. 5 yes 0 no. Motion Carried.
- IV. Resolution 17-01-03 A Resolution of the Hoonah City Council Adopting a Harbor Rate Schedule for Calendar Fiscal Year 2017-** Moved by Phillips, Seconded by Skaflestad to approve Resolution 17-01-03 as written. Roll Call Vote: A. Wilson-yes, G. Skaflestad-yes, E. Phillips-yes, S. Savland-yes, S. McConnell-yes. 5 yes 0 no.
- V. Resolution 17-01-04 A Resolution Naming the Hoonah Veterans Memorial Seawalk-** Moved by Skaflestad, Seconded by McConnell to approve Resolution 17-01-04 as written. Roll Call Vote: Moved by Skaflestad, Seconded by McConnell to approve Resolution 17-01-04. Discussion: Councilmember Wilson –Appreciate that we are honoring our veterans in the community. Would like to see signage along the walkway explaining the history to visitors. Roll Call Vote: A. Wilson-yes, E. Phillips-yes, S. Savland-yes, G. Skaflestad-yes, S. McConnell-yes. 5 yes 0 no. Motion Carried.

X. New Business

- I. Land Lease Request; Byte Networking, LLC. -** P&Z have seen the land use request and have approved it. This is the typical lease that is used for all land leases. Moved by Phillips, Seconded by Skaflestad to approve land lease as presented to Byte Networking, LLC. Roll Call Vote: S. McConnell-yes, S. Savland-yes, E. Phillips-yes, G. Skaflestad-yes, A. Wilson-yes. 5 yes 0 no. Motion Carried.
- II. 2017 CIP List – Moved by Skaflestad, Seconded by Phillips to approve the 2017 CIP list as presented. Roll Call Vote:**
- III. Alcoholic Beverage Control Board Renewals**
 - a. Misty Bay Lodge –** Council had no objection to the license renewal for Misty Bay Lodge.

b. **Icy Strait Brewing Company** – Councilmember Phillips-Very sympathetic to what Jim and Mary Erickson brought forward but they've invested a lot of money in our community and are doing good things in the community. Mayor Skaflestad – We were confused in the beginning but the owner did come in and answer questions. Our ordinance is inadequate pertaining to liquor licenses, the terminology under the statute it is very clear there are 22 different types of licenses; our ordinance doesn't refer to all of them. If the council finds they have legal ground for reason to dispute the renewal of this license then we can notify the state of a protest. We can make things more restrictive as a city by changing our ordinance. Councilmember Wilson- I believe the council at the time did believe that it was going to be a Thai restaurant. I find issue with the brewery as it has been carrying out business. Mayor Skaflestad- Everything was there in full and detailed. Took us 2 ½ months to approve it. There were changes along the way but they were addressed by the owner.

State statute was referenced to explain the difference between beverage dispensary and brewery license. The state decides the number of licenses is based on population of communities.

8:46 pm- Recessed

8:52 pm- Back in session

Moved by Phillips, Seconded by Skaflestad that the city have no objection to the renewal of this license. Roll Call Vote: S. McConnell-yes, S. Savland-yes, E. Phillips-yes, G. Skaflestad-yes, A. Wilson-no. 4 yes 1 no. Motion Carried.

c. **Icy Strait Lodge**- Moved by McConnell, Seconded by Skaflestad to issue a letter of non-objection for the renewal of Icy Strait Lodge liquor license. Councilmember Phillips- Recused self-due to conflict of interest. Mayor Skaflestad- Ruled that vote will be accepted. Councilmember McConnell stated that he thought anyone on the council that holds an invested interest in the topics discussed should be recused in the future due to public perception. Roll Call Vote: A. Wilson-yes, G. Skaflestad-yes, S. Savland-yes, E. Phillips-yes, S. McConnell-yes. 5 yes 0 no. Motion Carried.

IV. Tobacco Excise Tax – Will mirror Juneau's tax

V. Alcohol Excise tax – Looking at 3% alcohol tax but will provide numbers on different amounts. Should have everything ready by next committee meeting.

VI. Land Lease Request; Southeast Communications Services, LLC. - Moved by Skaflestad, Seconded by Phillips to move to land lease request to P&Z. Roll Call Vote: A. Wilson-yes, G. Skaflestad-yes, E. Phillips-yes, S. Savland-yes, S. McConnell-yes. 5 yes 0 no. Motion Carried.

Secondary Motion made by Wilson, Seconded by Skaflestad to approve land lease contingent of P&Z approval of land use. Roll Call Vote: S. Savland-yes, E. Phillips-yes, S. McConnell-yes, G. Skaflestad-yes, A. Wilson-yes. 5 yes 0 no. Motion Carried.

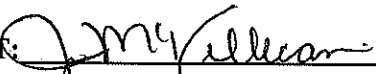
XI. Council Comment- Councilmember McConnell- In light of the public comment made here tonight, I think that it's the council's responsibility to spend time doing due diligence on items we are voting on. Looking ahead we need to be aware what business are coming in to Hoonah and how it's going to impact the people already here and established.

XII. Adjourn- 9:37 pm

PASSED AND APPROVED THIS 9th DAY OF FEBRUARY, 2017



Kenneth K. Skaflestad, Mayor

ATTEST: 

Jennifer McKilican, City Clerk

