



City of Hoonah

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## Special City Council Meeting Minutes

February 16, 2017

7:00pm in Council Chambers

- I. **Call to Order- 7:01 pm**
- II. **Roll Call-** M. Erickson-present, S. Savland-present, G. Skaflestad-present, A. Wilson-present, S. McConnell-present (telephonically), E. Phillips-present. Quorum Present. Mayor Skaflestad, Administrator Gray, Clerk McKillican and members of the community also present.
- III. **Pledge of Allegiance**
- IV. **Agenda Revisions-** None
- V. **Communications/Public Appearances –** Travis Lewis- Discussed the benefit of a borough formation. Can help the city with the process. Losing a lot of money due to the fact of not being in a borough.
- VI. **Public Hearing**
  - I. **Final Reading of Ordinance 17-02-01 An Ordinance to Levy an Alcohol and Tobacco Excise Tax Dedicated to Fund the City of Hoonah General Operating Fund, Which Includes Funding for Education and the Police Department –** Mayor opened public hearing for Ordinance 17-02-01.  
Councilmember Wilson- We are still under the cost of Juneau and was hoping we would meet what they charge. People want the same services and the city has been handed money for a long time and the money isn't there anymore, it has to come from somewhere.  
Councilmember Phillips- I am for the 1% sales tax and was for an excise tax at 3% but it's hard to be in business year-round as it is and 6% is high. See that the Police Department has made changes to save on budget but haven't seen that for the school.  
Councilmember Skaflestad- As a business owner doesn't like to have to tax people and especially when it doesn't feel like it's getting spread across the board but it's something that has to be done.  
Councilmember Erickson- I believe the tax will spread across the board. It's the year-round local businesses that it will be hard on. Already only operating 3-4 days a week. Mayor Skaflestad explained how the city has been running off 3% sales tax since 1962. The other 3 ½% goes to the youth and recreation. There is an imbalance, costs have gone up and the economy hasn't. Revenue that was received in the past is no longer there and the city hasn't compensated for the rise in cost  
Mayor closed public hearing.
- VII. **Ordinances and Resolutions**
  - I. **Final Reading of Ordinance 17-02-01 An Ordinance to Levy an Alcohol and Tobacco Excise Tax Dedicated to Fund the City of Hoonah General Operating Fund, Which Includes Funding for Education and the Police Department-** Moved by Erickson, Seconded by Savland for the final reading of Ordinance 17-02-01. Roll Call Vote:
  - II. **Resolution 17-02-09 A Resolution of the City of Hoonah Allowing for the City of Hoonah Certificate of Deposit to be Relinquished to the Hoonah City School**

**District-** Moved by Erickson, Seconded by Phillips to approve Resolution 17-02-09 as written. Discussion: Councilmember Erickson- What is this money from? Mayor Skaflestad- Forest Timber tax that was put in a CD for the school to use as collateral for a bond. It has now fully matured and is in the city's name. There is approximately \$220,000 and it will go towards the cities minimum contribution. Roll Call Vote: G. Skaflestad-yes, E. Phillips-yes, S. Savland-yes, S. McConnell-yes, M. Erickson-yes, A. Wilson-yes. 6 yes 0 no. Motion Carried.

**VIII. New Business**

- I. Funding Approval for R&M ISP Road Widening Project** – Moved by Erickson, Seconded by Skaflestad to approve funding for R & M ISP Road Widening Project. Discussion: Councilmember Erickson- Will this interfere with the sewer line work? Mayor Skaflestad explained that is the walkway outside of the guard shack and will not interfere with the sewer line going in. Roll Call Vote: E. Phillips-yes, S. McConnell-yes, S. Savland-yes, A. Wilson-yes, M. Erickson-yes, G. Skaflestad-yes. 6 yes 0 no. Motion Carried.
- II. Cannery Road Sewer Extension/Raw Water Main Funding-** Mayor Skaflestad- \$50, 000 out of excise tax will take care of 95% of the plan set and will help with our quest for funding. If we get a grant to pay for this project we will get this amount reimbursed to excise tax. Moved by Erickson, Seconded by Phillips to approve cannery road/raw water main funding. Roll Call Vote: S. McConnell-yes, S. Savland-yes, G. Skaflestad-yes, E. Phillips-yes, M. Erickson-yes, A. Wilson-yes. 6 yes 0 no. Motion Carried.
- III. Elizabeth Peratrovich Day-** Administrator Gray- Will swap MLK for Elizabeth Peratrovich as a holiday. Moved by Erickson, Seconded by Phillips to make Elizabeth Peratrovich Day an official city holiday. Roll Call Vote: G. Skaflestad-yes, M. Erickson-yes, A. Wilson-yes, E. Phillips-yes, S. Savland-yes, S. McConnell-yes. 6 yes 0 no. Motion Carried.
- IV. Executive Session- Tunnel Bluffs – 8:38 pm Moved by Mary to go into executive session. 8:58 pm put of executive se**

**IX. Council Comment-** Councilmember Erickson- We need to do something to lower our electrical rates. We need to get out from under IPEC. The city can own and operate their own plant. It's been done before. Where is all the wood from the gazebo that was supposed to be built? It would be nice to set it up by the new baseball fields for people to enjoy. Would like to see an inventory list of what was planned and purchased. Is the grass seed we purchased for the park still good and when will it be planted? Mayor Skaflestad- We still have all the wood for it except a couple pieces. New park design includes the gazebo but we still need steel for it. Grass seed is still good and will be planted in the spring. Councilmembers discussed the creek by Tideland Tackle and how dangerous it can get. Need to make kids aware how dangerous it can be. Need to work together with the school and make things happen in a positive way.

**Councilmember Wilson-** Thanked the audience members for their comments and insights. Would like to see some art in Hoonah. So many grants for art and culture. So many opportunities for art work. Administrator Gray-Art committee to come up with a master plan, identify all the goals. Open to the public to give their ideas. Councilmember Skaflestad thanks Chief McKillican for the huge commitment he makes to the community. Showed extreme professionalism at last week's meeting.

**X. Executive Session- Tunnel Bluffs – 8:38 pm Moved by Erickson to go into executive session. 8:58 pm out of executive session.** Moved by Erickson, Seconded by Phillips to accept letter about tunnel bluffs project and follow attorneys advice. Roll Call Vote: S. Savland-yes, E. Phillips-yes, G. Skaflestad-yes, M. Erickson-yes, A. Wilson-yes, S. McConnell-yes. 6 yes 4 no. Motion Carried.

**XI. Adjourn- 8:59pm**

PASSED AND APPROVED THIS 9th DAY OF MARCH, 2017

*Kenneth K. Skaflestad*  
Kenneth K. Skaflestad, Mayor

ATTEST *Jennifer McKillican*  
Jennifer McKillican, City Clerk

