



City of Hoonah

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**Committee as a Whole Meeting Minutes**

**February 2, 2017**

**7:00pm**

**In Council Chambers**

**Agenda:**

- I. Call to Order** – 6:16 pm
- II. Roll Call-** M. Erickson-present, A. Wilson-present, E. Phillips-absent, S. Savland-present (telephonically), S. McConnell-present, G. Skaflestad-present. Mayor Skaflestad, Administrator Gray, Clerk McKillican and members of the community also present.
- III. Agenda Revisions-** None
- IV. Committee Updates:** Budget Committee update by Councilmember Wilson: Met 1/30/17. General Fund performed poorly overall but is improving compared to past years. Most departments came in under budget. Recommendations from Budget Committee were to revisit the sales tax code. Need to look at enforcement for people not paying and having businesses submit proof of sales when turning in sales tax. Administration is considering the possibility of a sales tax audit being done in June by Altman-Rogers at the cost of \$12, 000 with the possibility of a \$20-30\$ thousand-dollar return.  
Harbor Board update by Councilmember McConnell- No meeting until next week. Have seen the crew out cleaning and repairing things. Administrator Gray- Travel Lift is going to be down for a week or so, part was \$1000 and is on order.
- V. Items of Business:**
  - a) Adjudication Board for Utilities** – This a board for when there are appeals or grievances by a community member that can't be resolved by the Administration. They have the right to bring their grievance to council. Mayor Skaflestad appointed Councilmembers McConnell, Wilson and Skaflestad to the board for the current fiscal year. Moved by McConnell, Seconded by Skaflestad to forward confirmation of the Adjudication Board to council for approval.
  - b) Cannery Road Pedestrian Improvements:** Administrator Gray-Quote to repair sidewalk, install vehicle barrier, rockfall protection in the areas close to the sidewalk. Money to come from excise tax. Councilmember Wilson asked if this would include new signs? Administrator Gray- No but we have commissioned Gordon Greenwald to make the city 7 new signs for us to install. Moved by Skaflestad, Seconded by McConnell to forward Cannery Road Improvements and ISP Road Widening Improvement to council for approval.
  - c) Payment Approval; Admiralty Construction 2013 Invoice:** Administrator Gray- This was for a project done by them in 2012. The grant that was used for the project is no longer available. Spoke to our attorney and he stated we aren't required to pay it due to statute of limitations. Administrator Gray recommended to the council that we do not pay it, they should have billed in a timely manner and the funds are no longer there. Moved by McConnell, Seconded by Skaflestad to deny payment on invoice due to statute of limitations and it's not in the city's best interest to pay.

- d) **R&M Engineering ISP Road Widening Project** – Mayor Skaflestad- This will widen the road by the guard shack to allow a sidewalk to be installed. This project is necessary to complete the sewer extension project and the money we put towards this will also help us to get the additional funding for the sewer project. Motion to forward to council for approval made with Item B.
- e) **Municipal Engineer Request:** Administrator Gray-In the past we have a contract with an engineering firm and currently we don't have one. We have been using R &M engineering. If we have a contracted firm the city will receive better rates. Would like to post the request to see if we receive better rates from different firms. Council agreed to let administration handle in house. Mayor Skaflestad- If we receive multiple bids then we will bring to council for approval once a firm is chosen.
- f) **Cannery Road Sewer Extension; Funding Approval:** Mayor Skaflestad-This will extend the sewer in order to add ISP as a customer. It is an Economic Development based project that is highly fundable. Looking to get a USDA/RUS low interest low with a 30-year fixed rate at the min. .51% max. .79% with it being eligible to refinance with grants. Total cost of the project is \$1.57 million. Once service is connected it will give the city another customer paying for it. Councilmember Erickson- Can our sewer plant handle the addition? Mayor Skaflestad- Yes and plus it's a requirement to complete the work. Councilmember Erickson- Had ISP offered up money to help with this project/ Mayor Skaflestad- Yes they have but the city has decided it would be better not to partner with them on the project so they can use their funds and time to bring in more cruise ships and services to the area. They are like any other customer and we are treating as such. We will fund the project and they will pay for it through their utility bills. Councilmember McConnell Payment will be about \$ 50, 000 per year. Are we going to be charging ISP that amount to meet the cost recovery so we aren't putting the cost on other rate payers?? Mayor Skaflestad- We will receive about \$36, 000 with \$14, 000 excise tax subsidies. They are currently paying \$45, 000 per year operating what they have now and I quoted them a ballpark figure of \$35, 000- \$75, 000. Moved by McConnell, Seconded by Skaflestad to move to council for approval.
- g) **Training with Ryan Wilson** – Coming to town for Newly Elected Officials Training on February 7<sup>th</sup>-8<sup>th</sup>. Council agreed 6-9pm would work for them.
- h) **Community Action Plan; Illegal Drugs-** Mayor Skaflestad looking to get a Community Action Team of different community members together and discuss what our options are to get the drug problem under control in the community. Took look at different options to keep the drugs from coming in, getting people the help they need. We need the tribe, school, parents, health clinic to get involved to help make a plan. It takes money and resources that our police department don't have. The community needs to get involved to help solve this epidemic. Councilmember Wilson asked what it takes to arrest the people. Lt. Mills explained that the community needs to step up. Just calling in reporting it doesn't help. Need people willing to testify to it. Chief McKillican- It's not illegal to just be under the influence. It is illegal to have it. If we can't people with it then something can be done. Councilmember Erickson- Starting with educating the kids is a good place to start.
- Public Comment** - John Lacy- We have a faith based program and we would like to contribute and be involved in this.
- Bill Brown- People turn a blind eye. If you see something, say something. Officers here are great and go out on a limb for people but we must back them up.
- i) **Marijuana Ordinance Update** – Administrator Gray- The attorney is working on a draft ordinance. Its more complex but should have a draft for the next meeting.

Councilmember McConnell expressed concern about advertising. Doesn't want to see big signs or billboards like Washington. Was told by Administrator Gray that our current ordinances prohibit that so no special changes need to be made. Mayor Skaflestad- Seeking further information and input from the citizens. Currently it is still illegal in Hoonah per our ordinance.

- j) **Excise Tax; Alcohol and Tobacco** – Administrator Gray presented the draft ordinance for the alcohol tax & tobacco tax. Attorney recommended to keep it at a percentage and not a specific dollar amount because it's easier to track. There is no cap the council can put on this tax but it needs to be reasonable. 3% on alcohol would total about \$44, 000 and 6% would be \$88, 000. Councilmember Wilson- 10% would only be about a dollar a pack. 15% would get us closer to Juneau prices. We need to do 15%. Council discussed the amount on both taxes. Mayor Skaflestad- If the council agrees to 6% alcohol and 15% tobacco we need a motion. Councilmember Savland- This tax is good for our community. Moved by McConnell, Seconded by Skaflestad to forward the ordinance with 6% alcohol tax and 15% tobacco tax.
- k) **Commitment Renewal; Southeast Alaska Cities Against Drugs-** Chief McKillican- This organization will allow us to pull our resources together. They are restructuring SEACAD so Southeast Alaska doesn't lose it. If Hoonah will commit to SEACAD it will include the formation of a board with all the Chiefs that will decide what is in the best interest for Southeast instead of the state. Moved by Wilson, Seconded by Skaflestad to forward to council.
- l) **Executive Session; Tunnel Project Mediation Update** – Mayor Skaflestad- this pertains to the continued mediation with HIA pertaining to the tunnel project.  
7:38 pm- 5-minute recess then council went into executive session.  
8:51 pm - Out of executive session

Tom Hlavnicka- submitted a letter to the council pertaining to a lot he had inquired to purchase. Was upset with the way it was handled by Administrator Gray. Mayor Skaflestad set up a meeting with him pertaining to the issue.

Bill Miller- Noticed the meeting had started early not at the posted time. Was explained that we had started in workshop due to being here at 5pm for a school board meeting and that if anyone wanted to go back on any agenda topic the council was happy to do that. Mr. Miller also reminded the Mayor about the monthly newsletter.

### **III. Adjourn- 9:03 pm**