

City of Coffman Cove
 Regular City Council Meeting
 Thursday February 15th, 2018
 Regular Meeting **5:00PM** at City Hall

Call to Order: Mayor Perry Olson called the meeting to order at 5 pm.

Roll Call: Mike Underwood: present. Joel Buchanan: absent, excused. Randy Wright, Jr.: present. Dick Stewart: present. Brian Wilson: absent, arrived later. Perry Olson: present. Bright Wright: present.

Pledge of Allegiance: Yes.

Public Comment: Lauren Goldman commented that the Internet is a good service to have at the Library since it is a place of information, stating that not everyone who receives a permanent fund dividend has the option of spending it on Internet at his or her place of residence. She would like to know if we could decrease the bandwidth for a cheaper price. Allan Thompson commented that the Library currently has 10 gigabytes; if we were to downsize to a lower rate, most people would find this to be acceptable. Many libraries have Internet as a part of information availability, Bill Duncan says, but the main focus should be searching for more reasonable prices. Perry has explored lowering the megabytes with ACS; their counteroffer was to decrease to 5 megabytes, cutting about \$1,000 off monthly costs.

Approval of Agenda: Perry Olson made a motion to approve the agenda with two changes: move item #7 under New Business to after the Executive Session (water leaks and discussion of charges), and add to the Executive Session a discussion about the water leak problem since it impacts the finances of the City and involves individuals in the Community whom Perry prefers not putting on public record. Bridget Wright seconded. Roll Call: Mike Underwood: yes. Randy Wright, Jr.: yes. Dick Stewart: yes. Perry Olson: yes. Bridget Wright: yes. Motion Passes.

Persons to be Heard: None.

Consent Agenda: Perry Olson made a motion to accept the consent agenda. Dick Stewart seconded. Roll Call: Randy Wright, Jr.: yes. Dick Stewart: yes. Perry Olson: yes. Bridget Wright: yes. Mike Underwood: yes. Motion Passes.

1. Mayor Report	6. Projects-Grants Report	11. Water & Sewer Report
2. Minutes	7. Financial Report	12. Fire Dept. Report
3. Watershed Report	8. Post Office Report	13. EMS Report
4. CQE Report	9. Parks/Rec/Maintenance	14. Library Report
5. Special Events Report	10. IFA Report	15. NEFA Report

Correspondence & Information:

Resolutions & Ordinances:

- Resolution 18 05 Writing Off Bad Debt.** Perry Olson made a motion to accept Resolution 18 05. Mike Underwood seconded. Roll Call: Dick Stewart: yes. Perry Olson: yes. Bridget Wright: yes. Mike Underwood: yes. Randy Wright, Jr.: yes. Motion Passes.

Unfinished Business:

- Luck Lake Access-Paving to 2nd Minke Loop: Funding Management.** Western Federal Lands (primary payer) recently contacted the City in regards to this project and Perry has talked to Misty who is on the RAT committee, who has matched City funds. The City of Coffman Cove will not be out of any money on this project. Currently, we are on the 2019 schedule with Western Federal Lands. If nothing changes on the federal budget level, funding will most likely go through. The question posed to Perry was in regards to the City's preference on who will manage the project: #1 Western Federal Lands (Both Perry and Misty's recommendation). #2 Forest Service. #3 City of Coffman Cove. **Perry Olson made a motion that the Council authorize Perry to engage Western Federal Lands to manage this project.** Bridget Wright seconded. Discussion: Dick Stewart commented that if the Forest Service shows interest

in providing the City with information and an admirable offer within a reasonable time frame concerning this project, he would like to give them an opportunity. Perry has communicated with Susan Law at Western Federal Lands and she did not recommend the Forest Service, as they would not do as good of a job as Western Federal on project management. Misty agreed with this sentiment as well. Roll Call: Perry Olson: yes. Bridget Wright: yes. Mike Underwood: yes. Randy Wright, Jr.: yes. Dick Stewart: yes. Motion Passes.

2. **Business Training Center Trailer: Surplus-Set target value.** Dick has encountered numerous problems at the trailer, one of which includes electrical. Dick commented that the value he would set would be the price required to haul the trailer away. Bridget is unsure of the current value. Since it is falling apart, Mike would scrap it and try to get rid of it. Randy and Perry both concur. **Perry Olson made a motion that the Council direct the Mayor to offer up the Business Training Center to anyone who wants to haul it away and if we do not get any offers, Perry will bring it back to Council and go from there.** Bridget Wright seconded. Roll Call: Bridget Wright: yes. Mike Underwood: yes. Randy Wright, Jr.: yes. Dick Stewart: yes. Perry Olson: yes. Motion Passes.

3. **Electrical Power: Harbor.** The City's AP&T electric bills were running somewhere around \$150/month, until power was disconnected at the ramp, the ramp was removed, and then put back in. During those two months, there were no charges incurred. Power was then hooked back up and the City immediately saw an increase in electrical charges at the dock. The charges presented a trend of climbing every month at a steady progression, which went undetected for a number of months. Council decided to have Mike Burgess and his partner check for electrical leaks, who later discovered that the old heater in the water vault of the Harbor parking lot was running constantly to the point of melting the insulation in the water vault. Joel Buchanan took care of this and it is no longer a problem. The City's electric bill immediately dropped by half after this was fixed. Charges started climbing once again and are now at an all-time high of around \$2,000/month. The *Carefree* is currently moored at the City dock and is using their own separate meter, with the City incurring no charges. The plan now is to turn off all electricity to the dock. There are currently four boats plugged in – Shayne King's, Russ Johnston's, Russ Holbrook's and the *Carefree*. **Perry Olson made a motion that tomorrow (February 16th), we turn off all power to the main dock until we can figure the problem out.** Bridget Wright seconded. Discussion: Dick Stewart commented that over the last few nights, he has heard snapping noises coming from the Harbor. He is unsure of the source but it might be a meter that is not operating correctly. He will investigate this after the meeting and let Council know what he finds. Perry would like to run a separate circuit to power the LED lights; this might get our power bill back to \$200/month. Joel suggests pulling the cables and checking them. Perry does not think anything changed on the dock with the disconnection and connection of the new drive down ramp, except for the moving of cables. If the boats currently being moored need power, Brian suggests a generator be used. Roll Call: Mike Underwood: yes. Randy Wright, Jr.: yes. Dick Stewart: yes. Perry Olson: yes. Bridget Wright: yes. Motion Passes.

4. **Electrical Meter: City Office, out of compliance.** AP&T will shut power off in 90 days if we do not buy a new box equipped with an electrical shut-off, since this is where we are out of compliance. There is currently no way to turn off power on the outside of City Hall at the meter except by pulling the meter. [Brian Wilson present] Joel inspected the mast and noticed snow sliding off the roof, curling under and pressing down onto the power cable. Joel's recommendation is to buy a new meter base, extend the mast above the peak of the roof and have AP&T re-run the wire above the roof over to the power pole. This would be the correct, safer installation. **Perry Olson made a motion that the City Council authorize us to correct the deficiency in our outside meter base on the City Hall building; cost to be determined when quotes are received.** Dick Stewart seconded. Roll Call: Randy Wright, Jr.: yes. Dick Stewart: yes. Brian Wilson: yes. Perry Olson: yes. Bridget Wright: yes. Mike Underwood: yes. Motion Passes.

New Business:

1. **NEFA Seat Openings.** No applications have been turned in to City Hall.

2. **Alaska Communication System-contract for library Internet opt-out discussion.** Perry explained that last February, City Council agreed to increase the bandwidth and cost of City Library Internet. We went from a couple hundred dollars a month to \$4200/month with great service of 10 megabytes and fiber optic speed. Council passed a motion authorizing the City to sign a one-year contract for this service. Perry contacted ACS, who offered multi-year pricing. At the three-year mark, ACS gave a price break that amounted to \$300-400/month. Perry asked if they would give the City an opt-out clause after one year and allow us to take advantage of the three-year pricing model. ACS agreed and added this to the contract. Perry signed the three-year contract with a one-year contract, authorized by Council. The agreement was signed in February of 2017 with the service not starting until the beginning of the new fiscal year, June 30th. The Council has to re-authorize the last two years of the remaining contract or Perry has to opt-out, in regards to the motion that was passed a year ago. At the time, Starband was no more and Hughes Net was just coming online. Council had concerns on whether or not Hughes Net would be a viable option for community members, so it was decided that this high cost of Internet could be justified until Hughes Net proved itself for the community. The Internet at the Library would then be downgraded or go away altogether. The secondary option that everyone can take advantage of is AP&T's fiber optic. Anyone who cannot get Hughes Net can come to the City Council and request authorization to sign up with AP&T fiber optic at an existing location with a personal wireless router and using it as much as they want. As the third option, Julie Hull has shown interest in providing an Internet Café located at her duplex, covering both the Harbor and Parking Lot. Dick Stewart understands that there are people in the community who are short on money; he also knows that there are people in town willing to lend their Internet to people who really need to borrow it. Dick explained that the City is not an Internet service and he cannot justify the current costs. If the City continues providing Internet at a lower rate, his idea is that people should donate for their use. Perhaps the Library Commission can set up a volunteer basis for paying for the Internet - something he knows everybody will work hard at and contribute to. Brian Wilson agrees with Dick. Perry is not sure when to tell ACS the City will opt out but he imagines within a month or two of the contract ending. He proposes to let this lay until we hit the 9-month mark then bring it up again for a formal decision. This item will be placed on April's Regular Meeting agenda. If the majority has not decided by then to extend the contract, Perry will tell ACS we are opting out and Council will look for another solution. Perry clarified that the Internet is costing around \$4200/month. Right now, E-Rate (federal program) is covering 80% of costs (funneled through the Alaska State Library), OWL is a State of Alaska program and they are covering almost the entire rest of the amount, leaving the City responsible for \$199/month. When Perry was talking with the Alaska State Library last year, it was a dismal outlook concerning the Budget and funding. If OWL goes away, the City would be responsible for an extra \$10,000/year. **No Motion Made.**

3. **SEASWA Contract.** SEASWA is working with Waste Management and are proposing to provide barges, moving all scrap metal on Prince of Wales Island to Thorne Bay and taking it south. They are hoping the prices for the scrap metal will pay for the costs of their operation. Now that Waste Management has amended their agreement, they have struck out all charge-back language and they will be responsible for costs they do not meet. However, since the prices on scrap metal have increased, the Waste Management representative said it is likely that they will meet their costs. If money is left over, Waste Management plans to give that amount back to the communities who provided metal. Perry brought the MSA to Council that includes three parts – the Master Service Agreement that Waste Management says everyone signs, Amendment A (detailing the specific work done in each community), and Exhibit R (chargeback specifics). The Council has expressed certain issues regarding this agreement. The MSA is a five-year contract for one pick-up of our scrap metal, locking the City into including Waste Management in almost every waste decision the City will make for the next five years, with no benefit to the City. Another problem Perry encountered was the non-existent Exhibit A. Waste Management has never given one to the City, with no detail as to what it will do for our community. Waste Management will not give this to us until the City signs the MSA. The issue is when the City signs the MSA, we are agreeing to whatever is in Exhibit A. Perry will not sign a legal contract with an international company

when he cannot read the contract. This is also the problem Council has, so they refuse to sign the MSA until more information is presented. Perry received an email in regards to the City signing over its metal to Thorne Bay. Thorne Bay would ask Waste Management to retrieve the metal, and the City would not be signed into any agreement with Waste Management. Brian Wilson is in favor of this. **Perry Olson made a motion that the Council direct the Mayor to work up an agreement with Thorne Bay to give our metal to them for no cost to us for them to have Waste Management take when they come up with their barge.** Brian Wilson seconded. Roll Call: Dick Stewart: yes. Brian Wilson: yes. Perry Olson: yes. Bridget Wright: yes. Mike Underwood: yes. Randy Wright, Jr.: yes. Motion passes.

4. **City Right of Way Policy.** Council has been discussing the issues of encroachment on City Right of Way for years now. There are residents in town who have placed their property on City Right of Way, including cars, trucks, equipment, etc., violating policy already set in place. The City has been advertising for people to move their belongings off of right of way in the Newsletter and electric signboard. Perry would like to know how aggressive the Council would like to enforce this. Dick commented that until everyone has been notified, the City should not be enforcing anything. Perry asked Council if they are in favor of enforcing our policy and are open to the idea of having people pay for land use if City right of way is used. Perry commented that City right of way exists for a reason and we should be keeping it clear for snowplowing or if an accident occurs and first responders need it clear. Dick expressed that unless residents start paying for the extra part of City land they are using, the City should require removal of their belongings that are infringing upon right of way. Dick also commented that if the situation poses a danger, the items should be moved immediately, legally speaking. If it's a situation where the right of way is acting as a driveway, then the resident(s) should still pay for it. Brian commented that there are other issues involved concerning City property; we have water and brush accumulating in ditches that the City needs to take care of, mainly determining where water flows along the right of way since we are responsible for those roads. Brian is against leasing out right of ways since the City has other areas of storage to lease out. His main concern involves utilities and water damage. Bridget's opinion is that right of ways have a specific purpose so she prefers that the City not rent or lease them out when there is other land available for that purpose. Mike thinks there should be plenty of notification for legal matters; he agrees that everything should be moved out of City right of way. Randy Wright, Jr. would like to wait until springtime to enforce anything; we have plenty of space if people wanted to do a special land permit and that should be the appropriate way as opposed to right of way usage. Council agreed to allow ample time for notifying everyone that all City right of ways need to be cleared of personal belongings. If residents want to use City property, there is space available for parking and/or land use. This item will be added to the May Regular Council Meeting agenda for more review.

5. **Waste Area: Fees and collection.** Council has not received any information in regards to this item.

6. **Land Use Permits: Rates and Renewals.** There are three special land use permits and two of which are known to be expired. Ken Page's lease expired about seven months ago and Jeff Wetton's lease expired in January. Randy Wright, Jr. and Perry measured the spaces being used in the two construction-related special land use permits. Except for a vehicle and a few tires (not for certain these belong to Jeff), the Wettons are in their allocated boundaries. Ken is well out of his range, measuring a usage of 100' x 245'. Perry and Randy discovered that both the red dump truck and container in question does not belong to Ken. Ken's rate equated to seven cents per square foot for his current lease spot. The Council discussed rates and there is a consensus that seven cents per square foot is too low. Perry thinks one dollar per square foot is too high; he would be comfortable with a charge of 10 cents per square foot. It was discussed that if the City charges a higher rate for space being used, people will be motivated to use less space and consolidate more. **Perry Olson made a motion that the Council sets special land use permit fee for special land use permits only, at 10 cents per square foot.** Mike Underwood seconded. Discussion: Randy Wright, Jr. commented that he thought one dollar per square foot was reasonable. In regards to other cities, a customer would have to buy property, develop it and build on it, which would equal well over a few hundred dollars. Randy suggests charging more to produce more

income for the City. Brian Wilson commented that locking the City into a fixed amount could produce problems in the future. There should be a flexible rate scale in place, in the event where we have a customer from out of town interested in leasing as opposed to locals. Dick Stewart commented that we should have a system where the rate correlates with the size of land needed. He also agrees that a flexible rate scale should be set in place for various situations. **Perry Olson withdrew his motion; Mike Underwood withdrew his second.** Perry would like to put this on a workshop to discuss rates and ideas. Brian requested that lease dimensions and fees for all land use and parking be provided to Council for the next discussion. Bridget would like office staff to contact other cities to get an idea of how much they charge for land use dimensions; she requests this information be presented at the next Workshop.

7. **Water Leak-discussion of charges. Perry Olson made a motion that the City not charge anyone for the two overage leaks that were discovered based on our discussion (in Executive Session).** Dick Stewart seconded. Discussion: Bridget suggested letting the affected homeowner's become aware of what happened with their meters so the same issues will not happen again; maybe this will help them become more diligent about what is on their property. Brian suggests letting everyone know that locks will be attached to all water meters from now on. Roll Call: Dick Stewart: yes. Brian Wilson: no. Perry Olson: yes. Bridget Wright: yes. Mike Underwood: yes. Randy Wright, Jr.: yes. Motion Passes.

8. **Firewood in old gym.** When the wood stove in the office was no longer being used, the firewood in the office was then liquidated. Dick suggested lowering the price for a cord of wood. Brian Wilson agreed with Dick. Since the wood is becoming moldy and is odd-sized to begin with, it would be best to get rid of it as soon as possible. Brian suggested not charging anyone for it at this point but instead take advantage of community service and get it out. **Perry Olson made a motion that we offer it to sale for the community at \$50/cord. If at the next meeting it hasn't moved, we can re-address it.** Mike Underwood seconded. Roll Call: Brian Wilson: yes. Perry Olson: yes. Bridget Wright: yes. Mike Underwood: yes. Randy Wright, Jr.: yes. Dick Stewart: yes. Motion Passes.

Executive Session/Legal Matters. Perry Olson made a motion to move into Executive Session. Mike Underwood seconded. All were in favor, none opposed. Motion Passes. **Perry Olson made a motion to adjourn from Executive Session.** Randy Wright, Jr. seconded. All were in favor, none opposed. Motion Passes.

Public/Council Comment: Brian would like to have on record that the water meters installed incorrectly will be moved to their proper locations as soon as the ground thaws. These meters will be the customer's responsibility from here on out and the homeowners will need to know that their meters are installed properly at their own expense from now on. Mark Higgins would like to know who pays if a meter has been in the ground for a while and someone new buys the property, unaware that their meter was not in the proper location. Mark says there is one instance in town where this has occurred. Both Bridget and Brian agreed that this would be the property owner's responsibility and not the City's; due diligence should be exercised. Perry requested that Mark provide the City Clerk with a list of all people whose water meters need to be relocated so Perry can issue a letter to these customers. We will give customers until the end of September to complete the work, which should be done before it freezes again. Dick suggests providing an explanation as to why the City is doing this.

Library: Debbie will see if she can get people to donate to the library for Internet. If people want to donate specifically for Internet, Perry mentioned that the Library can use that donation money to contribute to the Internet Café Julie Hull has shown interest in starting. Brian commented that throughout Alaska, a group called Friends of the Library runs fundraisers for libraries in small communities. He suggests looking into this for assistance.

Water/Sewer: Mark explained that the electronic components controlling the water plant are outdated and need upgrading. Mark has approached Council in the past for new equipment and Council has

approved an amount of around \$27,000. John is the contact person Mark has for purchasing, programming and installing the equipment. The company John was intending to buy equipment from was bought out and it would be more expensive for the City to buy from anywhere else. The next option would be purchasing after-market equipment, which is what our Water/Sewer is currently using. This route would be cheaper but the equipment is 20 years old. Mark explained that this would be considered a back-up supply of parts if something went wrong. Mark is seeking Council's approval for a purchase order so John can purchase parts. Mark also shared that a State representative from DEC is interested in upgrading our Water/Sewer department with a grant that would cover new equipment expenses, however, this could take at least two more years before development. After Mark questioned what our best option was, the representative from DEC recommended buying the after-market equipment until we can receive grant money from the State. Mark gave an estimate of \$6,000-\$12,000 for parts with labor/programming/shipping costs bringing everything to a total of about \$17,000. Perry explained that Council did allocate materials for the Water plant in the budget but these materials will not be purchased, as explained by Mark. Perry reminded Council that there is enough money in the budget for Mark to follow through with this back-up plan and since Council has already budgeted more than enough money, Perry does not see a need for another formal decision to be made. The money will just go to a different set of parts than originally planned. Perry would like Mark to purchase this equipment under the budget line we already have in place unless Council feels a need to make a formal decision at another meeting. All Council members are in agreement with this purchase being made under the current budget line. Mark explained that John has already been to our plant and has knowledge of what needs to be done. He has been very helpful in the past and is willing to help out with this project.

Adjourn: Perry Olson made a motion to adjourn. Dick Stewart seconded. All were in favor, none opposed. Motion Passes.

Passed and approved this 15th day of March 2018.

Perry Olson, Mayor

Gina Cavaretta, Clerk