



THE CITY OF WHITTIER

Gateway to Western Prince William Sound

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**WHITTIER CITY COUNCIL
REGULAR MEETING
TUESDAY, MAY 17, 2016
7:00 PM
COUNCIL CHAMBERS
P-12 BUILDING**

MINUTES

1. CALL TO ORDER

Mayor Daniel Blair called the meeting to order at 7:16 p.m.

2. OPENING CEREMONY

Dan Blair led the Pledge of Allegiance.

3. ROLL CALL

A. Council Members Present: Victor Shen, Debra Hicks, Ata Ma'ae, Monty Irvin, Dan Blair and Peter Denmark.

B. Council Members Absent: Dave Pinguoch

MOTION: Victor Shen made a motion to excuse Dave Pinguoch from the meeting.

SECOND: Ata Ma'ae seconded the motion.

VOTE: Victor Shen: Yes, Ata Ma'ae: Yes, Debra Hicks: Yes, Dan Blair: Yes, Peter Denmark: Yes, Monty Irvin: Yes.

Motion passed 6-0

C. Administration Present: Mark Lynch, City Manager, Jennifer Rogers, Acting City Clerk, Scott Korbe, Public Works Director, Andy Dennis, Harbormaster, Lynette Dennis, Finance Officer, Dave Schofield, Public Safety Director,

Others Present: City attorney, Holly Wells (telephonically), Moe Zamarron, Dave Goldstein, Gregg Clifford, Mike Bender, Ted Spencer, and Larry Gilman (telephonically).

4. APPROVAL OF MINUTES

A. February 16, 2016 Regular Meeting Minutes

B. April 19, 2016 Regular Meeting Minutes

C. April 26, 2016 Special Meeting Minutes

MOTION: Peter Denmark made a motion to approve the meeting minutes of February 16, 2016 and April 26, 2016 as is.

SECOND: Ata Ma'ae seconded the motion.

VOTE: Peter Denmark: Yes, Ata Ma'ae: Yes, Debra Hicks: Yes, Dan Blair: Yes, Victor Shen: Yes, Monty Irvin: Yes.

Motion passed 6-0

MOTION: Peter Denmark made a motion to approve the meeting minutes of April 19, 2016 with an amendment to correct the amount shown on page 10 from \$4,485,000 to \$485,000.

SECOND: Ata Ma'ae seconded the motion.

VOTE: Peter Denmark: Yes, Ata Ma'ae: Yes, Debra Hicks: Yes, Dan Blair: Yes, Victor Shen: Yes, Monty Irvin: Yes.

Motion passed 6-0

5. APPROVAL OF REGULAR MEETING AGENDA

MOTION: Peter Denmark made a motion to approve the agenda as is.

SECOND: Ata Ma'ae seconded the motion.

VOTE: Peter Denmark: Yes, Ata Ma'ae: Yes, Debra Hicks: Yes, Victor Shen: Yes, Dan Blair: Yes, Monty Irvin: Yes.

Motion passed 6-0

6. MAYOR'S REPORT

A. Mayor Report

Mayor Dan Blair stated that the latest he heard regarding Great Pacific is that they'll try to open up this summer, but it's unsure if that's certain or not.

B. Vice Mayor Report

None

7. MANAGER'S REPORT

A. City Manager's Report- Mark Lynch

See written manager's report in original council packet.

Mark Lynch briefly went over his written report and had the following updates to share.

- Harbor roof is almost complete and the siding is progressing.
- Policing for Girdwood is moving forward and they're working on negotiating a contract.
- Is in negotiations with a welder for the ocean dock.
- Briefly discussed the resolution in the packet regarding the issue with the railroad and the prices on the processing on the DeLong Dock.
- He has been in contact with Roger Stiles from Great Pacific. Mark was informed that Great Pacific is not formally closing and would like to move forward with the lease approval for the egg room.
- Reported that finance officer, Lynette Dennis, has been working on the audit and has modified the financial reports to help identify the amount of revenue collected.

Peter Denmark asked Mark Lynch if he has the name of the fish processors who have stopped or reduced operations. Dan Blair replied that Pack Star is not going to operate. There were five processors last year, this year there will be two.

1. Financial Report- Lynette Dennis

See Revenues with Comparison to Budget for the 4 months ending April 30, 2016.

B. City Attorney's Report – Holly Wells

Holly Wells reported that she is working on the Girdwood policing contract, railroad issues and the Whittier Manor Lease.

C. Directors Reports

● **Harbor Report- Andy Dennis**

See written report in original council packet.

Addressing the harbormaster, Peter Denmark stated that the city manages water access at Smitty's Cove and collect fees for the use of the ramp. He said that they've received complaints from people trying to use Smitty's Cove and being impolitely confronted by the railroad. He asked if we're having a boundary war over there. Andy Dennis replied that the railroad has marked their property line in bright orange paint and has a sign stating that vehicles will be towed or ticketed if they park on their side of the line.

Andy noted that there is only room to park five or six cars. There is a sign which informs people that they must pay a fee in order to park there. Andy said that his employees monitor the area sporadically.

There was a brief discussion on where the lot lines are at Smitty's Cove. Peter Denmark asked Andy Dennis to look into where the actual lot lines are.

● **Public Safety Report- Dave Schofield**

See written report in original council packet.

● **Public Works Report – Scott Korbe**

See written report in original council packet.

8. COMMISSION REPORTS

● **Planning Commission**

None

● **Port and Harbor Commission**

See minutes from the March 3, 2016 meeting in the original council packet.

● **Parks & Recreation Committee**

Victor Shen announced that the Parks & Rec. Committee received a small grant in the amount of \$7,000 from the Kenai Mountain - Turnagain Arm National Heritage Area, which is to be used for park improvements. They are still trying to find a suitable location for a volleyball court.

● **PWSAC**

None

9. CITIZEN'S COMMENTS ON AGENDA ITEMS NOT SCHEDULED FOR PUBLIC HEARING

None

10. CONSENT CALENDAR

None

11. PUBLIC HEARING (NON-ORDINANCE)

None

12. PRESENTATIONS

A. Larry Gilman – Lease Exchange Proposal

Larry Gilman proposed that the city consider a short term special use permit for the summer. He recently purchased property in the Whittier Harbor District and would like to exchange it for property located on the lot on which the city sewer treatment station is located. Larry added that the city would receive prime real estate next to the harbormaster's office and Custom Marine Services would have a place to store and work on boats.

Debra Hicks asked if he is still planning on moving forward with his sandwich shop. Larry replied that the sandwich shop is a long term goal and the lot exchange would be a short term use. He'd like to have a place to provide boat parking and be able to work on boats.

Peter Denmark asked Larry Gilman, "Are you looking for a short term lease to operate Custom Marine Services on property that your boats are already on?" Larry's response was inaudible. Victor asked, "What is the current city land being used for?" Mark replied, "Larry's boats are currently parked there. Historically, it has been kept unleased because it's a snow dump area. In the summer time, we've allowed SERVS to use the lot for their drills."

Mark Lynch stated that there are other entities who are also interested in the same piece of property. For short term use, Mark doesn't have a good number on what should be charged. The only other property comparable would be the property that is leased to the Marine Highway System. A parking area is leased to them at \$1.60 sq. ft. per year. Whether property here is worth as much as down there is debatable.

Larry proposed a percentage of the gross. Mark replied, "The concern is that if the lot gets full and for some reason something happens to the lessor and they're not able to remove their property by winter, then snow will have to be trucked to another location which will get costly."

Scott Korbe encouraged the council to consider the intended use. "It's one thing to park and store vessels, that's one thing. To work on vessels and the environments risks that you can have potentially next to a water way is extremely important. i.e. grinding bottom paint off right next to a water way."

Larry Gilman stated that, "My key words are I'm not going to use it for storage, just maintenance. So it'll basically be a moving stock." Peter asked Larry, "Is boat work being done on that lot. Are you working on hulls, or is it storage only?" Larry replied that there is currently a little work being done right now. Peter asked Larry if he was concerned with doing hull work so close to a water way. Larry's response was inaudible.

Larry Gilman said, "The boat repair service will enable boat owners to hire local people to work on their boats which will create jobs which will be a positive input on the community."

Victor Shen announced, "I have concerns if the lot has been used as long term snow storage in the past; then there is planned future use with the City. It'll create cost for us if we have to haul the snow."

Scott Korbe added, "The land is part of the master lease with the railroad; any revenue generated will be shared with the railroad."

There was further discussion about this topic by the council members.

Mark Lynch stated that if council is considering offering a short term lease, they should consider putting a firm end date and a restriction that they can't do bottom work there which would contaminate the soil. Mark's understanding was that it was going to be used as a staging area where he could pull boats out and park them there until he can move them to his shop to work on them. Mark added, "Larry did not get permission to do work there. The boats are not there by any city's permission, they just went there." Dan Blair asked Larry "In the event that SERVS need to deploy their equipment there, would this operation interfere with that deployment?" Larry replied, "Absolutely not." Mark reminded Larry that this was an opportunity for him to present his idea to the council, if action is taken, it will be done under New Business.

B. Ted Spencer – Tourism Signs & Earthquake Memorial

Ted Spencer stated that is he interested in marketing Whittier to the world as a destination for summer tourism. He would like to add point of interest signs along the waterfront walkway which explains the history of Whittier. He also wants to create a brochure which identifies the amenities of Whittier and what there is to do here. He requested matching funding from the City to purchase the walking tour signs.

There was a lengthy discussion on whether or not the Whittier Chamber of Commerce should tackle this project. Peter Denmark requested more specifics for the plan.

There was further discussion about who would install and maintain the signs.

Victor Shen asked the harbormaster and public works director if this is within their capabilities and capacities to have more signs. The harbormaster replied that it is, as long as the signs are metal and low maintenance. He then asked Ted, "What will the signs be mounted to and will the costs include what it will be mounted to." Ted replied that it did not.

Victor Shen requested that they be able to preview the signs before they're constructed since they'll be our responsibility. Ted Spencer replied that he will involve the city in the process.

Dan Blair asked Mark Lynch if this can be put in the 2017 budget. Mark replied that it's an option, once the actual cost is known.

13. ORDINANCES

A. Introduction (1st reading)

1. #04-2016- An ordinance amending WMC 8.04, "Fireworks"

MOTION: Victor Shen made a motion to introduce ordinance #04-2016, amending the word Fire Chief on section 2, A to Director of Public Safety, and setting the public hearing for June 21, 2016.

SECONDED: Peter Denmark

VOTE: 6-0

2. #05-2016- An ordinance amending WMC 2.26.050, "Duties of the City Clerk"

MOTION: Victor Shen made a motion to introduce ordinance #05-2016, setting the public hearing for June 21, 2016.

SECONDED: Ata Ma'ae

VOTE: 6-0

3. #06-2016- An ordinance enacting WMC 10.24, “Stopping, Standing and Parking”

MOTION: Peter Denmark made a motion to introduce ordinance #06-2016, with an amendment to remove City Clerk on Section 10.24.240 Appeals, and setting the public hearing for June 21, 2016.

SECONDED: Ata Ma’ae

VOTE: 6-0

B. PUBLIC HEARING (2ND reading)

None

The council recessed at 9:10 pm and reconvened at 9:25 pm.

15. RESOLUTIONS

1. #17-2016- A resolution requesting FY2017 PILT

MOTION: Peter Denmark made a motion to adopt resolution #17-2016, with an amendment to change heading of the resolution from 2017 to 2016.

SECONDED: Victor Shen

VOTE: 6-0

2. #18-2016- A resolution declaring an economic hardship.

MOTION: Victor Shen made a motion to adopt resolution #18-2016 with the following amendments.

Change the amount of \$5,000,000 on the 10th paragraph to “more than \$2,500,000” and delete paragraphs 17 and 18.

SECONDED: Debra Hicks

VOTE: 6-0

3. #19-2016- A resolution adopting the Port & Harbor Commission Goals and Priorities for 2016.

MOTION: Victor Shen made a motion to adopt resolution #19-2016 with the following amendments to the Goals and Priorities list.

1. Change “Complete the Whittier Harbor” to Complete the Whittier Harbor Renovation
2. Change “Review and Develop Current Harbor Policy and Procedures” to Review and Advise Updates to Harbor Policy and Procedures

SECONDED: Peter Denmark

VOTE: 6-0

16. COUNCIL DISCUSSION

Peter Denmark thanked the Mayor and City Manager for the Economic Hardship Resolution. He stated it was very timely and will be a powerful tool in the ongoing railroad land swap negotiations.

Victor Shen stated upon receipt of the grant they received from the Kenai Mountain Turnagain Heritage Area, the recommendation they had for the committee was that they gain support from the council in acknowledging that the land south of the school would be designated as a city park. He added that it might help them acquire grants in the future.

Dan Blair asked if the Parks & Rec. Plan can be amended to include the land as a designated park. He also stated that he’d like a trail that would connect the park to the west side of the parking area along Whittier Creek so that there will be a safe pedestrian egress to the park.

Scott Korbe reminded the council that city employees and staff are not permitted to talk to the property owner, Jim Barnett. A local citizen and member of the Parks & Rec. Committee talked to Jim Barnett and the general manager, Gwen and obtained permission to recreate the original dike trail this summer.

Peter Denmark would like to explore finding funding to complete the new public safety building. There was discussion about possible options.

Due to time restraints, Peter Denmark suggested that the Executive Session be postponed until the next meeting.

17. CITIZEN'S DISCUSSION

None

18. EXECUTIVE SESSION

Postponed until the next meeting.

19. UNFINISHED BUSINESS

A. Shotgun Cove Road Project

Work began again on May 1st and substantial progress has been made. Scott Korbe provided the council members with pictures showing progress of the work. One culvert has been completed and the one on the other side is ¾ done. Installation of the head walls and tail walls have begun. The estimated substantial completion date is June 15th with the final completion by July 4th.

B. ARRC/COW Land Swap

Covered in the City Manager's report.

C. Improve Salmon Sport Fishing in Northwest PWS

Nothing new to report.

D. Whittier Manor Lease

Not discussed during this meeting.

E. Public Safety Complex- Phase 2

Discussed under Council discussion, item #16.

F. Paddle Craft Launch

Scott Korbe stated that pricing did not come in as expected for the kayak road access. He and the city manager will develop a bid strategy for the future on what will be done.

20. NEW BUSINESS

A. Safe Boating Proclamation

With all council members in favor of the proclamation, Mayor Dan Blair signed the Safe Boating Proclamation.

B. Lease Extension – Great Pacific

Mark reported that he has been working with Roger Stiles. Roger requested that they be able to lease land that would replace the land they lost. Mark asked Roger if they were closing down and he replied that they have not committed to anything except that they would not do fish from the flats. He would like to continue with the lease on the egg house. The lease rate has been reduced because they lost the outside storage area. The lease extension will have taken effect January 1, so this is done in retrospect.

Roger is in favor of getting the lease extension approved through the end of December. He would like to lease additional property to store boats and equipment.

MOTION: Victor Shen made a motion to authorize the City Manager to extend the lease extension of Great Pacific.

SECONDED: Debra Hicks

VOTE: 6-0

C. Tourism Signs & Earthquake Memorial

Council requested more information from Ted Spencer before making a decision. Council member, Debra Hicks, requested that they preview the designs of the signs.

Scott Korbe reported that Col. Brooks was in town along with Col. De Rocky working on the monument. They directed Scott to contact Bruce Sexauer. He'll try to schedule a meeting with the US Army Corps Regulatory, Stevenson, to discuss a potential launch facility.

D. Gilman Lease Exchange

Peter Denmark stated that there is no policy in place, and what they do will set a precedence regarding lease exchanges. Mark added, "Larry came and asked me if f he could lease the property down at the sewer plant, I told him no. We told him no because at that time, GP had already asked about space so he told him no; it wasn't available. He went there and moved anyways. I told Schofield to call him and tell him that he needed to move his stuff. That was what prompted the temporary use permit."

"His stuff appeared on city property and he's had it there for a couple of months now and he hasn't paid us anything. Now he wants to do a short term thing because if we don't do this tonight, I'm going to give Chief Schofield the opportunity to once again call him and say move your stuff."

Peter stated that they have a process problem.

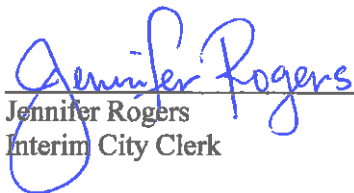
21. ADJOURNMENT

MOTION: Peter Denmark moved to adjourn the meeting at 10:34 p.m.


SECONDED: Ata Ma'ae seconded the motion.

VOTE: Motion passed unanimously.

Attest:



Jennifer Rogers
Interim City Clerk



Daniel Blair
Mayor