



THE CITY OF WHITTIER

Gateway to Western Prince William Sound

P.O. Box 608 • Whittier, Alaska 99693 • (907) 472-2327 • Fax (907) 472-2404

**WHITTIER CITY COUNCIL
REGULAR MEETING
TUESDAY, MARCH 18, 2014
7:00 PM
COUNCIL CHAMBERS
P-12 BUILDING**

MINUTES

- 1. CALL TO ORDER:** Mayor Daniel Blair called the meeting to order at 7:14 pm.
- 2. OPENING CEREMONY:** Mayor Daniel Blair led the Pledge of Allegiance.
- 3. ROLL CALL:**
 - A. Council Members Present:** Victor Shen, Natasha Turituri, Ata Ma'ae, Dave Pinguoch, Shawni Phillips, Dan Blair, Peter Denmark
 - B. Council Members Absent:** None
 - C. Excused Absences:** None
 - D. Administration Present:** Brenda Krol, City Clerk and Dan Blair, Acting City Manager

Others present included: Gwen Granger, Suzanne Eusden, Dave Goldstein, Kelly Bender, Scott Korbe, Dave Schofield, Seth & Leslie Cottrell, Sue Miller, Don Stevens, Mike Bender, Dyanna Pratt, Brooks Chandler, Monty Irvin, Dave Garcia, Mike Scholtz, Bruce Bustamante, Princess Cruises & Tours, Lisa Kruse, David Cottrell, President of Whittier Inn.

4. APPROVAL OF MINUTES
None

5. APPROVAL OF REGULAR MEETING AGENDA
Dave Pinguoch added resolution #06-2014 to the agenda as item #14A.

Dave Pinguoch also added to the agenda under new business Interim City Manager Contract as item 16C.

MOTION: Dave Pinguoch made a motion to approve the regular meeting agenda for March 18th 2014 as amended.

SECOND: Shawni Phillips seconded the motion.

VOTE: Motion passed unanimously.

6. MAYOR'S REPORT
A. Mayor Report – Dan Blair
None

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B. Vice Mayor Report – Dave Pinguoch

Vice Mayor Dave Pinguoch gave a brief verbal report.

Vice Mayor Pinguoch stated that he has been working on the harbor issues for the last ten years but most recently in the last six months he has been working on putting together options of where we are at and where we are going as it relates to the harbor and that he is now ready for that to go to a council workshop.

Mayor Dan Blair thanked Vice Mayor Pinguoch for all the help and work he has done on the harbor.

7. CITY MANAGER'S REPORT

A. City Manager Report – Daniel Blair

See written manager's report in original council packet

Acting City Manager Dan Blair touched briefly on his written report.

▪ **Finance Report – February 2014 – Sally Schug**

See February 2014 monthly finance report in original council packet

▪ **Legal Report – Brooks Chandler**

See legal status report in original council packet

▪ **Lobbyists Report**

None

Mayor Dan Blair said "in the interest of moving through tonight's agenda does anyone have any questions for the harbor or public works?"

B. Director's Reports

▪ **Harbor – Sue Miller**

See written report in original council packet

▪ **Public Safety – Dave Schofield**

See written report in original council packet

Dave Schofield briefly went over his written report and welcomed any questions.

▪ **Public Works – Scott Korbe**

See written report in original council packet

8. COMMISSION REPORTS

▪ **Planning**

See original council packet for minutes from the last Planning meeting held on February 5th 2014.

▪ **Port and Harbor**

See original council packet for minutes from the last Port and Harbor meeting held on February 4th 2014.

Monty Irvin gave a brief verbal Port and Harbor report.

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

None

10. CONSENT AGENDA

None

11. PUBLIC HEARING (NON-ORDINANCE)

None

12. PRESENTATIONS

A. Kelly Bender – Passenger Transportation Business Tax (PTBT)

See handout from the Greater Whittier Chamber of Commerce in original council packet.

Also in original council packet, see letters from the following regarding PTBT.

Phillips Cruises & Tours
Salmon Berry Tours
Premier Alaska Tours
907 Tours

Kelly Bender introduced herself as President of the Whittier Chamber of Commerce.

Kelly Bender told Council that she is talking tonight on behalf of the Chamber of Commerce but also as a business owner.

Kelly Bender gave a brief history of the Passenger Transportation Business Tax and then she talked about the PTBT and ordinance #03-2014.

Kelly Bender stated that when former city managers Bob Prunella and Tom Bolen began to enforce the PTBT the City sent out letters to all the transportation companies telling them that they will pay this tax and back taxes.

Kelly Bender said "this is quite an inconvenience for these companies because they already have their rates in line and some of the companies didn't even know this tax existed."

Kelly Bender said "we as the Chamber have been talking about this for months but we only just found out that it hasn't been coming to the Council, the issue and our concerns that we have been bringing to the City Manager."

Kelly Bender said to Council "I am here to ask you to exempt buses and vans for hire from the PTBT." and then she briefly explained her reasons.

Kelly Bender said "we really would like to see Whittier become a business friendly community."

Kelly Bender said "I don't have an issue paying the tax and all the businesses that have participated in this, those of us here in Whittier do not have an issue with paying the PTBT, we believe we should be taxed because we are the end user."

Charles Grimm, President and CEO of BAC Transportation spoke briefly on his concerns with the Passenger Transportation Business Tax.

Bruce Bustamante from Princess Cruises & Tours spoke briefly about the ordinance pertaining to the exemption of cruise ship passengers and ordinance #454-03.

Lisa Kruse from Phillips Cruises & Tours spoke briefly regarding her concerns with the PTBT.

Dave Goldstein also spoke briefly regarding the PTBT.

Councilor Peter Denmark stated that he is noticing a number of different issues incorporated in here.

Councilor Peter Denmark said “we have some previously inexperienced enforcement efforts afoot, that were forwarded.”

Peter Denmark asked “did all of the transportation companies get a letter from the City specifically about this?”

Dyanna Pratt answered “yes, according to the City Manager, the companies that he told me to send them to, that he knows comes to Whittier.”

Peter Denmark said “you guys who are speaking tonight, did you get this letter?”

Charles Grimm answered “yes”

Kelly Bender said “Premier got it, Magic Bus got it, Salmon Berry Tours and 907 Tours got it, and these are primarily smaller companies.”

Dyanna Pratt stated that she believes it was sent at the end of summer.

Charles Grimm said “yes, it was after our season was over, it was September or October.”

Charles Grimm said “the letter was demanding back taxes and an enforcement act, informing us that basically if we didn’t have a business license the police were going to pull us over and check and we would have to keep a copy in each vehicle or we would be subject to a fine or a ticket.” “I mean that is how friendly the letter was.”

Kelly Bender thanked the Council for their time.

Mayor Dan Blair said “on behalf of our community there is not intent to be rude, I apologize that the information was conveyed in a way that was unfriendly.”

B. Seth Cottrell – Whittier Inn expansion

See handout and drawings from Seth Cottrell in original council packet.

Seth Cottrell stated that the Inn would be opening April 15th and he said “as most of you know the SERVS training will be in town for that first week and we will be very busy.”

Seth Cottrell stated that the Inn’s revenue has steadily increased over the last two seasons and reservations are up again this year which again means more tax revenue for the City.

Seth Cottrell spoke briefly regarding improvements and repairs on the Inn that they have planned over the next couple of weeks.

Seth Cottrell said “the Inn is not a lost cause it just needs some love and support, not only from ownership and staff but it needs love and support from the City in which it operates.”

Seth Cottrell turned the floor over to the President of the Whittier Inn, Mr. David Cottrell.

David Cottrell started to talk about the dispute that the Whittier Inn is in with the City of Whittier.

David Cottrell stated that the jury trial is coming up in May of 2014.

City Attorney, Brooks Chandler stopped Mr. Cottrell and told him that he is unable to talk about the lawsuit, that he asked to be put on the agenda to give a presentation on the Whittier Inn’s expansion plans only.

David Cottrell briefly went over the Inn’s plans for expansion.

David Cottrell stated that the Whittier Inn would like to expand hotel rooms across the street from the existing hotel.

13. ORDINANCES

A. Introduction (first reading)

1. #02-2014 – An ordinance amending Whittier Municipal Code Chapter 2.04 and 2.08 to establish procedures for telephonic participation by city council members and to further establish quorum requirements

MOTION: Peter Denmark made a motion to introduce ordinances #02-2014, setting the public hearing for April 15th 2014.

SECOND: Shawni Phillips seconded the motion.

DISCUSSION: There was some brief discussion and it was decided to strike B, in section 2 of the ordinance and section 3 was amended to require three council members to be present at the physical site of the meeting.

VOTE: Motion passed unanimously.

B. Public Hearings (second reading)

1. #03-2014 – An ordinance amending Whittier Municipal Code Chapter 3.08 to apportion the cost of providing transportation to and from Whittier for Sales Tax purposes

MOTION: Shawni Phillips made a motion to postpone ordinance #03-2014 and to schedule a council work session for Wednesday, March 26th 2014 at 6:00 p.m.

SECOND: Peter Denmark seconded the motion.

VOTE: Motion passed unanimously.

Council recessed at approximately 8:45 p.m. for a short break.

Council reconvened at approximately 9:06p.m.

MOTION: Dave Pinguoch made a motion to return to regular session.

SECOND: Shawni Phillips seconded the motion.

VOTE: Dave Pinguoch: Yes, Shawni Phillips: Yes, Peter Denmark: Yes, Victor Shen: Yes, Dan Blair: Yes

Motion passed 5-0.

Peter Denmark asked that the record reflect that Councilors Ata Ma'ae and Natasha Turituri had excused themselves because of a potential medical emergency.

Dave Pinguoch suggested moving the executive session up so that Brooks Chandler can make the last tunnel out of Whittier at 10:00 p.m.

14. EXECUTIVE SESSION

A. Legal briefing on Whittier Inn lawsuit

MOTION: Shawni Phillips made a motion to go into executive session at 9:08pm regarding the pending litigation with the Whittier Inn.

SECOND: Victor Shen seconded the motion.

VOTE: Motion passed unanimously.

MOTION: Shawni Phillips made a motion to go back into regular session at 10:04 p.m.

SECOND: Dave Pinguoch seconded the motion.

VOTE: Motion passed unanimously.

13. ORDINANCES – (2ND READING) CONTINUED

2. #04-2014- An ordinance amending the zoning map of the City of Whittier

MOTION: Shawni Phillips made a motion to open the public hearing on ordinance #04-2014.

SECOND: Dave Pinguoch seconded the motion.

VOTE: Motion passed unanimously.

The following individuals spoke briefly during the public hearing on ordinance #04-2014.

Suzanne Eusden
Dave Golsdtein
Don Stevens
Gwen Granger
Dave Garcia

MOTION: Peter Denmark made a motion to close the public hearing on ordinance #04-2014.

SECOND: Shawni Phillips seconded the motion.

VOTE: Motion passed unanimously.

MOTION: Dave Pinguoch made a motion to postpone ordinance #04-2014.

SECOND: Peter Denmark seconded the motion.

VOTE: Motion passed unanimously.

15. RESOLUTIONS

A. #06-2014 – A resolution authorizing the City Manager to enter into a contract with VMS, Inc. d/b/a Transfield Services North America, Transportation Infrastructure (“Transfield Services”) to provide security/law enforcement at the Anton Anderson Memorial Tunnel.

MOTION: Dave Pinguoch made a motion to adopt resolution #06-2014.

SECOND: Shawni Phillips seconded the motion.

VOTE: Motion passed unanimously.

16. UNFINISHED BUSINESS

- A. Shotgun Cove Road**
- B. Harbor reconfiguration and financing**
- C. Hazard Mitigation Plan**
- D. WMC Title 2 revision**

Mayor Dan Blair stated that unfinished business would be carried over to the next meeting agenda since council only had 20 minutes before they had to adjourn.

17. NEW BUSINESS

A. RCAC Appointment

MOTION: Shawni Phillips made a motion to retain Andrea Korbe as the RCAC representative for Whittier.

SECOND: Victor Shen seconded the motion.

VOTE: Motion passed unanimously.

B. Appointment to vacant Port and Harbor seat

Mayor Dan Blair appointed Larry Gilman to the vacant Port and Harbor seat.

C. Interim City Manager Contract

MOTION: Dave Pinguoch made a motion to allow the Acting City Manager to negotiate the Interim City Manager contract with Mr. Donald Moore.

SECOND: Peter Denmark seconded the motion.

VOTE: Motion passed unanimously.

18. COUNCIL DISCUSSION

Peter Denmark told Mayor Dan Blair "I understand you are meeting with Sue Cogswell tomorrow."

Mayor Blair replied "yes, in Anchorage at noon."

Peter Denmark stated that he would like to join Mayor Blair but he probably would not be able to go to Anchorage because there is a tourism conference in Girdwood at the same time.

Peter Denmark stated that he feels that the City under utilizes the ARDOR funding and with a little creative planning there are significant grant dollars that may even be applied to our harbor.

Councilor Shawni Phillips suggested that the Council introduce an ordinance requiring the City Manager to live within the city limits during employment as City Manager within 180 days of being hired.

Councilor Shawni Phillips said "in light of this evening's news I would ask that we give 30 seconds of silence for Carol Iosefa and her family tonight."

Victor Shen suggested that the City develop a partnership with the school to provide funding to keep the school gym and facilities open longer for the community.

19. CITIZENS' DISCUSSION

None

20. ADJOURNMENT

MOTION: Shawni Phillips made a motion to adjourn at 11:00 pm.

SECOND: Dave Pinguoch seconded the motion.

VOTE: Motion passed unanimously.

Attest:



Brenda Krol
City Clerk



Daniel Blair
Mayor/Acting City Manager