

**MINUTES FROM A REGULAR MEETING  
OF SELDOVIA CITY COUNCIL  
COUNCIL CHAMBERS**

**Monday  
September 10, 2018  
6:00pm**

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| MORRISON<br>ROJAS<br>LETHIN<br>SWEATT<br>COLBERG<br>CAMPBELL |
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- A. Call to Order & Roll Call: MEETING CALLED TO ORDER BY MAYOR LENT AT 6:00 PM  
PRESENT: COUNCILMEMBERS: MORRISON, ROJAS- telephonic, LETHIN, SWEATT, COLBERG,  
CAMPBELL- telephonic

STAFF: CITY MANAGER CAMERON  
FINANCE OFFICER TAYLOR  
CITY CLERK GEAGEL

- B. Pledge of Allegiance: Held  
C. Excused Absences: None  
D. Agenda Approval: COLBERG/MORRISON MOVED TO APPROVE TONIGHT'S AGENDA OF  
SEPTEMBER 10, 2018

VOICE VOTE/UNANIMOUS/MOTION PASSED

SWEATT/COLBERG MOVED TO AMEND TONIGHT'S AGENDA TO REMOVE ITEM 01. SELDOVIA  
FUEL AND LUBE LEASE NEGOTIATION  
VOICE VOTE/UNANIMOUS/MOTION PASSED

COLBERG/LETHIN MOVED TO APPROVE TONIGHT'S AGENDA AS AMENDED  
VOICE VOTE/UNANIMOUS/MOTION PASSED

- E. Consent Agenda: *(All items under the Consent Agenda are approved with a single motion, no discussion, and one vote. A Council Member may request to remove an item(s) for discussion and a separate vote.)*

1. Approval of Minutes: Minutes of the Regular Meeting, August 27, 2018

2. Payment Approval Report: Payment Approval Report 08/01/18-08/31/18

3. Ordinance Introduction:

COLBERG/SWEATT MOVED TO ACCEPT THE CONSENT AGENDA  
VOICE VOTE/UNANIMOUS/MOTION PASSED

- F. Mayoral Proclamations: None  
G. Public Presentation Prior Notice: (each presenter has up to 10 min) None  
H. Public Presentation for Items not on Agenda: (public has 3 min each)  
JENNY CHISSUS- Thanked the city for their help with the chainsaw carving tournament. It was a success, and they couldn't have done it without the help of the community, and her husband, setting up. It was a great finale to the season.  
I. Committee and Advisory Board Reports: (each member has 5 min)  
WALT SONEN- Cook Inlet RCAC Seldovia Representative. He went to Kodiak last Friday, not a whole lot was discussed. Things to bring to their attention was their local Nuka Research some of which was based here, had been heavily involved in a pipeline study of the existing pipelines in the Inlet. They were coming to the final phase of the three phase project, and it had involved more than a year and was a big deal. Hilcorp had been working on a cross-inlet pipeline. The CIRCAC had been calling many years for the termination of the Driftwood Terminal, 6 years ago they wrote a paper stating that they would like to see a cross-inlet pipeline instead. Hilcorp was now going to use an inactive gas pipeline, work has been going on since last winter and the pipelines were pretty much hooked up, the first oil would cross the Inlet in early October. Hilcorp has had successful bidding offshore in the Inlet between Kachemak and Chinitna Bay, testing may have disturbed whales and sea mammals, and they intend to go through,

when they get funding, with oil exploration in middle of inlet. Hilcorp has a couple of leases up near Ninilchik. Tesoro merged with a company called Endeavor. The fuel stations would remain the same, but the business name had changed, they also just merged with Marathon who is more of an east based company. He stated that his term would end that year and he had served with pleasure and would be willing to serve another three-year term if the council would like. CIRCAC's fall meeting revolved through three sites and next year would be in Seldovia. The PSWRCAC fall meeting would be in Seldovia that following week and would be free to attend. PSWRCAC spends a lot of money to not be in Kenai and he stated he is sorry he will not be there to attend.

1. PWSRCAC Representative- Alisha Chartier

CLERK GEAGEL- Presented Alisha Chartier's letter to the council as written in the laydown and the flyer for the PWSRCAC conference happening in Seldovia the following week on September 20th and 21st.

J. Public Hearings:

1. ORDINANCE 19-01 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SELDOVIA, ALASKA, ADOPTING CHAPTER 5.35 BUSINESS LICENSE AND ESTABLISHING A PENALTY OF OFFENSE IN TITLE 1.08.040 MINOR OFFENSE TABLE

a. Presentation by Staff or Council

CLERK GEAGEL- Presented ordinance 19-01 and discussed that applicants would fill out the application and the city would email the borough to verify if the applicant was in compliance for sales tax and property tax, as well as verify with city departments that the applicant was compliant with city utilities. The verification would be based upon the applicant's business and would not verify accounts not based on the business. She discussed that large groups of applicants could be sent to the borough in a spreadsheet.

b. Council Discussion

MORRISON- Inquired as to when the business license would be due and if it was in addition to the borough and state license.

CAMPBELL- Discussed several errors in the ordinance draft.

ROJAS- Inquired if it would affect a business that was ran in a residence if they were behind in their private residence utilities.

CM CAMERON- Discussed that it would be problematic if a residence and business were in the same building and the business utilities were kept up, but not the residences. If the utility was shut off, it would ultimately shut off the whole building and they would need verbiage to cover that. She discussed that when someone rents a business there was a landlord tenant agreement for water and sewer utilities. If a business license was not received for a business than a 14-day notice would be sent out, if there was still no response then the business would be billed a fine and if the business was still not responding then they would be sent to collections.

LETHIN- Discussed that the ordinance assumed that everybody with a business licenses owned, what if someone manages a property?

MAYOR LENT- Inquired about situations where someone was renting.

c. Public Presentation or Hearing (public has 3 min each)

JENNY CHISSUS- Discussed that the borough and finance department would have to do due diligence, and asked about the process if the city needed to send the borough 60 applicants. She discussed that borough property taxes were due October or September so the borough should know by the beginning of the year who was compliant. She inquired about enforcement. For the record she stated she was not opposed to a business license or a 30-dollar fee, but was looking at the extra effort for the city office and encouraging businesses, not scaring them away. If this was under the guise of billing water and sewer then it was not the easiest way.

d. Action/Disposition

SWEATT- Spoke in support of ordinance 19-01.

MAYOR LENT- Inquired if the new fee would be enough of a difference for the work of the staff.

CONSENSUS TO TABLE THE HEARING UNTIL THE NEXT MEETING WITH THE CHANGES REQUESTED

K. Unfinished Business:

L. New Business:

1. Conditional Use Permit- Sensenig

a. Presentation by Staff or Council

CLERK GEAGEL- Presented the Planning Commission's recommendation to extend Conditional Use Permit 13-01 with the ownership of the house and discussed the history of the permit, the minutes that approved the original permit and the letters from the new potential owners.

b. Council Discussion

MORRISON- Spoke in support of extending the permit to the next owner.

CAMPBELL- Discussed that it looked like everything was in order and spoke in support of extending the conditional permit, residential use was a permitted conditional use in that zone.

ROJAS- Spoke in support of extending the conditional use.

SWEATT- Inquired if another property that needed a permit had been notified.

CM CAMERON- Stated that they had not yet been notified.

c. Public Presentation or Hearing (public has 3 min each)

JENNY CHISSUS- Spoke in support of extending the conditional use permit to travel with the property.

PAULIE CARLUCCIO- planning commissioner, discussed that when they granted the permit to Ruth they intended for it to travel with the property, but it was not in the findings. She spoke in support of extending the conditional use to travel with property and discussed that for some conditional uses it did not make sense to have them travel. This one was a house, had always been house, would probably always be house, and it was adjoined with residential properties. The permit would become null and void if the property turned into a business and they would not need another conditional use for that. There could be a stipulation that the permit goes with property as long as it remains a residence. She discussed that the permit would go with the house if they wanted to rebuild as a house, but not as a business.

CM CAMERON- Inquired as to what would happen if someone tore down house, would the permit go with house or property?

MORRISON- Inquired what would happen if someone bought the property for a commercial use.

d. Action/Disposition

ROJAS/COLBERG MOVED TO EXTEND CONDITIONAL PERMIT FOR PROPERTY IN QUESTION  
VOICE VOTE/UNANIMOUS/MOTION PASSED

2. FFY 2018 Community Development Block Grant Funds

a. Presentation by Staff or Council

CM CAMERON- Discussed an upcoming community block grant opportunity for up to \$850,000 that was due December 7<sup>th</sup>. There were a few hoops to jump through if they wanted to pursue the grant, they would need a letter of intent and to pick a project category. Three out of four of the capital improvements projects that the city had prioritized in February 2018 would qualify for the grant, and they have had several discussions about community and economic development in the past. The grant would not be eligible for funding equipment. One stipulation is that the city's low moderate-income level needed to be at 51%, it was currently at 30% and was a little outdated from the 2010 census. There was a survey that could be done of 120 families and individuals and if they could establish 51% they would be in a better position to receive funding. She asked the council to discuss and see if the opportunity met the needs of the City of Seldovia. The grant preferred a 25% funding match, but the application was based on a point system and the match could be in-kind and funds. The LWCF project was in-kind and the city donated time, labor, equipment and some labor costs. The city match's the senior meals grant was 10% and they could earmark part of the general fund for the new grant opportunity. She discussed the project categories; the community development category was a better presentation, the economic opportunity was more rigid, and the planning category was broader and would be for a bigger project down the road. As far as tangible, if that was what the council wanted to improve, it would be community development. After the letter of intent and survey there would be a very public process with meetings on what was wanted, part of scoring would be on how much public input they had. They could remodel the city buildings with a public use, but they would not be able to remodel the city hall as its primary business was government.

b. Council Discussion

LETHIN- Spoke in support of pursuing the grant with the project category of community development.

COLBERG- Spoke in support of pursuing the grant with the project category of community development.

ROJAS- Spoke in support of pursuing the grant with the project category of community development if the city office had time. She inquired about the 25% matching fund and where the funds would come from.

SWEATT- Asked if the staff had time and energy to put the grant together. She discussed when reading the proposal, that it struck her as an opportunity for water and sewer improvements and she inquired if they could match 25% for a community development.

MORRISON- Discussed using funding for water and sewer improvements.

CAMPBELL- Spoke in support of pursuing the grant with the project category of community development.

c. Public Presentation or Hearing (public has 3 min each)

JENNY CHISSUS- Spoke in support of using funding for water and sewer improvements and asked if the industrial building would qualify for the grant.

CARLUCCIO- Spoke in support of using funding for water and sewer improvements. If they updated the system then the city would not have to spend as much money on repairs.

d. Action/Disposition

LETHIN- Discussed looking to VSW for funding for sewer and water improvements.

MORRISON- Stated they had been trying to get money from them for a long time.

CAMPBELL- Discussed that water and sewer improvements were going to be in the millions, a lot more money than this little grant was going to be. The water treatment plant was 5.5 million dollars. They need to identify a project that the community could obtain as a whole.

SWEATT/LETHIN MOVED TO DIRECT THE CITY MANAGER TO DRAFT A LETTER OF INTENT FOR THE 2018 COMMUNITY BLOCK GRANT WITH THE PROJECT CATEGORY COMMUNITY DEVELOPMENT

VOICE VOTE/UNANIMOUS/MOTION PASSED

M. Administration Reports:

1. Treasurer's Report: See Laydown

F/O TAYLOR- Presented the treasurer's report as written in the laydown.

LETHIN- Inquired if the insurance could be on accrual basis.

CM CAMERON- Discussed that the insurance company, AMLJIA, would not allow an accrual basis, and that there was only one other municipal insurance company in Alaska, and they were comparable. She pointed out that though the insurance was very high, it was very good insurance and included safety seminars, legal advice, and covered the buildings very well.

2. City Manager's Report: See Laydown

CM CAMERON- Presented the city manager's report as written in the laydown and included that in the past two weeks maintenance was getting to bottom of the water leaks list and was waiting on locates the following week to work on Anderson Way. The DOT land proposal was still going on and they were moving in that direction, she stated that she thought there was a lot of red tape and channels that DOT had to get through and she appreciated that they were so positive. The city put out a notice about not having boat hauls out and launches available while Tyler was on vacation, it had motivated people to get put on the schedule and they really appreciated that, instead of the normal short notice given. Charlie Palmer with the DEC will be there on the 24<sup>th</sup>, along with Kevin who has been there working on leak projects, they were a huge resource helping the guys to be able to troubleshoot leaks. They will be here to present a drinking water protection plan; the city has one source and they need to be very diligent in protecting it. The protection plan will help increase the city's score for capital development projects, the higher the score the more that agencies will want to give the city money for being proactive. The unofficial tally for the summers tour boats was 7566 and that did not include the state ferry, Jakolof, airplanes and personal water craft. Sales tax revenue was slightly elevated and it helped that fast ferry would run until the 16<sup>th</sup>. They were also seeing a little more activity because of the nice weather. Paul would officially be on duty on the 8<sup>th</sup>, with the move she stated she doubted he would get there for a weekend before then, after the 8<sup>th</sup> they could look forward to seeing him more often. There was a rural management course that would help increase points in December that Jackie was willing to go to in lieu of AML. Heidi and herself would attend AML in November, and the schedule would work well so that the office would not need to close. The fire engine was still with UAA and Chip and

they would use the first few weeks of class this semester to finish work up and then it would belong to the city. She is still working on an O&M manual for dam. In regards to the executive session, because a member could not be there in person there could not be an executive session, she asked if the council would be available for a special meeting Monday the 17<sup>th</sup> at 9am. They will have enough time to post the special meeting and it would only cover the executive session topic. She thanked the council for being flexible. She stated that if people could please go the PWSRCAC meeting they really did appreciate when the community was involved. The city attorney would be there as he was also their attorney, she would meet with him Wednesday. Charles had been a quick study and pretty much aced everything in his water one course. Him and Tyler got along well and got a lot of things done.

SWEATT- Inquired if Charles would be the one monitoring the water treatment plant while Tyler was away.

N. Informational Items Not Requiring Action:

1. PWSRCAC Project Planning Request
2. Absentee Voting Opens September 12, 2018

O. Executive Session: *Upon adoption of a motion stating the purpose for an executive session, the Council in closed session may discuss or receive the following:*

- ~~1. Seldovia Fuel and Lube Lease Negotiation - To receive privileged legal advice from the City Attorney, and for matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the City.~~

Removed from the agenda

P. Council and Mayor Comments Concerning Items Not on the Agenda:

MORRISON- Thanked everyone for coming and great job staff.

LETHIN- Thanked everyone for their time and attending.

SWEATT- Thanked everyone for coming and the staff for their work.

COLBERG- Thanked everyone for coming and the staff for their work.

CAMPBELL- Thanked everyone for coming and the staff for their work.

MAYOR LENT- Thanked everyone for attending and thanked the staff.

Q. Next Meeting: Regular Meeting will be held on Monday, September 24, 2018 at 6:00 pm

R. Adjournment:

COLBERG/SWEATT MOVED TO ADJOURN AT 7:30 PM  
NO OBJECTION/MOTION PASSED

I certify the above represents accurate minutes of City of Seldovia Council meeting of September 10, 2018.



Heidi Geagel  
Heidi Geagel, City Clerk

Approved by Council 10/08/18