

KETCHIKAN CHARTER COMMISSION

AGENDA STATEMENT

NO H-1

MEETING OF **February 25, 2005**

ITEM TITLE

Amend Specific Items as Suggested in the
Comments and Brief submitted by the City of
Ketchikan and the Ketchikan Gateway Borough

SUBMITTED BY Glen Thompson

SUMMARY STATEMENT

Within the comments and brief received by the LBC at the end of December were several items that are considered housekeeping in nature.

The attached document lists these items and their specific changes to the 2004 Petition. These items can be taken separately or as a whole under this agenda statement.

Most of the comments in the City's Brief were directed at budgetary, taxation, or fund balances and transfers and will be addressed separately. There was one item in the Brief that is included in this agenda item, listing housekeeping points. The letter from the Ketchikan Gateway Borough contained numerous quick fixes and are listed here in the order of that document.

RECOMMENDED ACTION:

"I move to amend the Consolidation Petition as indicated in each separate item of the attached list."

From the City of Ketchikan Responsive Brief

IIIH (a) Page 8 of Exhibit F: delete the reference to the Ketchikan General Hospital Recovery Program.

IIIH (b) Page 15 of Exhibit F: Change the sentence referencing the \$5.5 million general obligation bond that the City will issue in 2005 for wastewater improvements to read, "This bond will be paid from the revenues of the Wastewater Enterprise Fund."

IIIH (c) Page 3 of Exhibit J #4: Currently the sentence in question reads, ". Operated as a division of the Museum Department, it is available for rent and use by all Borough residents." Corrected, the sentence should read, "The facility is available for rent and use by all Borough residents."

IIIH (d) Page 4 of Exhibit J #6: The second paragraph of this section currently reads, "The City also assists in the annual financing of the state sponsored Ketchikan Public Health Center, which provides public health and medical services to all residents of the Borough. Funding of the Ketchikan Public Health Center is derived from the City's General Fund, local contributions and state assistance." Corrected, this paragraph should read, "The City also assists in the annual financing of the state sponsored Ketchikan Public Health Center, which provides public health and medical services to all residents of the Borough. Funding of the Ketchikan Public Health Center is derived from the City's General Fund. The rest of the operations of the Public Health Center are funded directly by the State of Alaska and are not part of municipal operations.

IIIH (e) Page 6 of Exhibit J #9: The fourth sentence in this section currently reads, "KPU is operated as a public utility and is regulated by the Regulatory Commission of Alaska." The sentence should be corrected to read, "KPU is operated as a public utility and as such is regulated by the Regulatory Commission of Alaska, however the City retains rate-setting powers and a certain degree of self-regulation."

From the Ketchikan Gateway Borough Comment Letter Dated 12/21/04

2. P3, Footnote 4: The Borough's argument that the information contained in this footnote is incorrect and not needed. Delete footnote 4.

7. P8 of Exhibit F, Transient Occupancy Tax Fund: The current wording of sentence 3 of the paragraph reads: "The City currently assesses a six percent (7%) tax and the Borough assesses a four percent (4%) tax. Upon consolidation, this tax will be assessed at six percent (7%) areawide." The correction to this item will change the written numbers "six" in two instances to the written number "seven" to match the digit reference numbers.

8. P9 of Exhibit F: The current section reads "**Wastewater Services Fund:** This is an existing fund that was established to account for all of the financial resources used by the City to operate its wastewater treatment plant and collection system. Revenues earned by this fund come from charges for services paid by the users of the facilities and services. Upon consolidation, the operations of the wastewater systems operated by the Borough will be incorporated into this fund. The assets and liabilities of this fund will be remitted to the

Municipality of Ketchikan for the benefit of users of wastewater services, however the funds from the former City of Ketchikan will be reserved for the Gateway Service Area." Add the following sentence: "The Assembly may combine the wastewater funds from the Gateway Service Area and the nonareawide sewer funds if it elects to operate both wastewater functions together."

9. P12 of Exhibit F: The current heading of the section reads, "**Land Trust Repair and Maintenance Fund:**" The heading should be corrected to read: "**Land Trust Fund:**" and the fund reference in the budget document (page 9 of Exhibit F-1) should be changed, as well.

10. Pages 12-14 of Exhibit F: Delete all references to provision of sewer powers in the Forest Park, Gold Nugget, South Tongass and Waterfall Service areas.

11. See Item #9.

12. P12 of Exhibit F; P8 of Exhibit H: Inclusion of water and sewer services offered.

Page 12 of Exhibit F currently reads, "**South Tongass Service Area:** This is an existing service area fund that was established by the Borough to account for financial resources restricted for the benefit of the residents of the service area. This service area currently provides fire protection and EMS services." The last sentence should read, "This service area currently provides water service, fire protection and EMS services."

Page 8 of Exhibit H: add to the list as #14 Sewer services (borough-owned utility)

Page 22 of Exhibit J: Suggest adding the underlined paragraph as shown.

F. SCHEDULE FOR INTEGRATION OF ASSETS, POWERS AND DUTIES:

The following is the planned schedule for the integration of powers and duties of the predecessor municipalities. All time periods mentioned in this section refer to the time period following the effective date of the consolidation which is the date the State certifies the election of the consolidated Municipality's Assembly.

It may be helpful to either pre-select or provide a method for selecting which agenda and meeting procedures will be used and which procurement process will be used immediately following consolidation because from the first day, staff will need to know what procurement procedures should be followed. As a default, former City and former Borough staff could continue to use their respective procedures until a selection is made. As to meeting procedures, the assembly procedures may be the best default, as the governing body will be the Assembly.