

**KETCHIKAN CHARTER COMMISSION**

REGULAR MEETING

July 7, 2004

The regular meeting of the Ketchikan Charter Commission commenced at 6:02 p.m., Wednesday, July 7, 2004, in the City Council Chambers.

**Roll Call**

PRESENT: OTTE, HARRINGTON, MCCARTY, FINNEY, PAINTER,  
THOMPSON, KIFFER

ABSENT:

**A: Pledge of Allegiance****B: Ceremonial Matters/Introductions**

City Public Safety Director, Rich Leipfert, North Tongass Fire/EMS Chief Dave Hull, and Borough Attorney, Scott Brandt-Erichsen were recognized as being in the audience.

**C: Public Comments**

NONE

**D. Informational Reports and/or Commission Presentations**

THOMPSON indicated that he'd been trying for the last 3 weeks to get a copy of the revised and approved Borough budget and he said he'd been unable to successfully do that. He spoke to the Borough Manager today and he said he's been promised a copy tomorrow, 7/8, but this has pushed us a week or two, or maybe even three weeks behind schedule. It's going to make it difficult to get the Petition completed in a timely fashion. He just wanted everyone to be aware that the schedule has slipped a bit due to that. THOMPSON said that the Commission could certainly go back and use the previous year's budget, but it would be a lot better to use the newly approved one since there have been changes in the mill rate and the sales tax.

OTTE indicated that THOMPSON was going on vacation and the Borough has requested the Council Chambers on the 16<sup>th</sup>, which was scheduled to be the next Commission meeting. She said barring any real objections from the body, she said she'd like to move the meeting from the 16<sup>th</sup> to the 29<sup>th</sup> and have back-to-back meetings the 29<sup>th</sup> & 30<sup>th</sup>. That would be a good time to work through the highlighted areas in the Petition and the Charter and finish that up. There would still be the meeting on the 23<sup>rd</sup>, at which time the budget could be discussed, as well as the City and Borough Attorneys have indicated a willingness to attend that meeting and go over the points they'd made in their memoranda. THOMPSON indicated that it was the goal right now to finish up the budget discussion at the first meeting in August and get the completed draft to the City, the Borough and Saxman by no later than the middle of August.

MCCARTY wanted to know if there had been response to the letters that were sent to Saxman, KIC and Cape Fox Corporation. OTTE indicated there had been none.

OTTE requested that during the break in meetings, the Commissioners please go through the Petition document and mark any changes that are felt really important to change. Should there be sections that are highlighted that aren't really that important to change, those should be marked as well.

#### **E. Consent Calendar**

M/S PAINTER/HARRINGTON for approval of the minutes of the June 25, 2004 regular meeting.

A voice vote was taken.

Minutes approved by a unanimous voice vote.

#### **F. Vouchers**

M/S PAINTER/HARRINGTON for payment of Vouchers in the amount of \$ 100.59.

A roll-call vote was taken.

FOR: HARRINGTON, PAINTER, FINNEY, MCCARTY, THOMPSON, KIFFER, OTTE

ABSENT:

Vouchers were approved by a vote of 7-0.

**G-1 Recess the meeting into worksession to consider the 2004 Draft Consolidation Petition, as well as the 2004 DRAFT Charter, as well as correspondence received addressing issues within the Petition and Exhibits.**

Note: Work sessions are informal discussion sessions held for the purpose of exchanging and gathering information. No action may be taken, formal rules of order are relaxed, and there is no requirement that minutes be kept.

M/S PAINTER/KIFFER to recess into work session.

A roll-call vote was taken to recess into work session.

FOR: HARRINGTON, PAINTER, FINNEY, MCCARTY, THOMPSON, KIFFER,  
OTTE

ABSENT:

HARRINGTON indicated that on the night's agenda were two action items dealing with Fire & EMS powers & services. One describes the Fire & EMS together as a mandatory areawide power and the other as a service area power. One says they will be exercised together with everyone the same and the other keeps the services as they are now. HARRINGTON indicated that when the Commission started off, the thought was to maintain the status quo. He said he'd gotten the information about what it might look like if those services were offered areawide and he had sent the body a budget proposal very similar to what Chief Leipfert had distributed at the meeting. He said his was a little more detailed with various options. If the Commission wanted to do the Fire & EMS areawide, he said he thought it would have to include an areawide .5% sales tax. He said that currently the City uses 1.37 mills to support the Fire & EMS plus .5% sales tax plus part of the Public Works sales tax plus the fees for services. He said that it appears if the services went to an areawide basis it would require, roughly, a 1.7 mills to support the areawide Fire & EMS which is slightly less than what South Tongass has and a little less than North Tongass and a little more than what the City currently pays, and the .5% would be areawide instead of just in the City. He said that he'd made an error in that he'd indicated that it appeared that it would be a neutral item for the service area within the City that they would have \$130,000 of their Public Works sales tax that would be freed up, whereas the increase in their property tax would be \$135,000. There was a math error and the increase in the property

tax would be \$193,000. It would not be precisely neutral, costing the Gateway Service Area approximately \$63,000 in increased taxes.

Chief Rich Leipfert indicated that at the last week's meeting he had expressed his personal concerns and issues. He said he'd worked with Mr. Hall for a half-day on numbers, spoke with HARRINGTON a bit, and he said he still feels that areawide is what's best for the community. He said he would hate to see areawide Fire & EMS be the downfall of the consolidation effort because of one service area or another having to pay more or pay less or get what they feel is a different service level. Chief Leipfert said he felt the service levels would not be different, but the financial issues could be a stickler. He said he believes strongly in the consolidation effort and he said that he believes strongly in his heart that the areawide Fire & EMS is what's best for the community, but he would hate to see that issue be a sticking point in the passage of the consolidation. He said he felt that it could become a significant sticking issue to the consolidation. He indicated that if there were a mechanism written into the petition to allow for the Assembly to provide for that transition after they've been in place and running for a while, he said that might be the best route. He doesn't think that areawide EMS and separate Fire entities are a viable option. That would strap the resources. Ideally, yes; realistically, he said he'd leave that up to the individuals who will have to make the vote and take the choice. He reiterated that he believes wholeheartedly in the issue, but he feels it will be a big sticking issue if there is an increase in any one of the service areas that have to pay for it.

PAINTER asked if Chief Leipfert concurred with HARRINGTON's and Mr. Hall's figures about, roughly speaking, the rural service area's Fire & EMS costs would decrease slightly? Chief Leipfert said he thought that's what his numbers indicated. PAINTER said that in the City's prior consolidation effort that the opponent of consolidation is the rural resident. They don't want to pay for services they don't need or want. There are a lot of people that think that consolidated Fire & EMS areawide would result in a better product, not considering the cost. There are also those who feel otherwise about the issue. If it would cost the rural people less than what is currently being paid for probably a better product, he indicated to the Commission that he didn't know what the rest of the body thought, but he'd like to hear what everybody thinks about the subject, especially Jerry, and Dave Hull. PAINTER went on talking about the turmoil that rural fire has gone through in the past 25 years, he'd just like to hear what everyone else had to say.

THOMPSON asked HARRINGTON if he'd done any analysis in terms of North & South Tongass, if an areawide .5% sales tax is implemented, the reduction in property taxes versus the increase in sales tax that someone might pay? Or is

that simply an allocation so that there would actually be a true reduction? HARRINGTON responded that he'd done no analysis as such because he doesn't have a clear handle on what the increased cost would be to the outlying residents for a .5% sales tax increase. He said personally he doesn't spend very much outside the City and that most of his expenditures are within the City. It would hurt the rentals and the various businesses that cater to tourists that would generate a little bit.

THOMPSON said he was really struggling with the issue and that he concurred with Chief Leipfert that an areawide Fire & EMS is a good thing. It makes sense and it's part of what the Commission is trying to do with consolidation, but politically speaking and realistically speaking, he said if he were a City resident and his mill rate was going to go from 1.4 to 1.7 under consolidation, he said he wouldn't be very happy about that.

HARRINGTON said that the Commission needed to remember that this is part of the general fund. That 1.437% is an allocation for the fire department for the City or the Service Area, their general fund. The 1.37 is part of the general fund and that Public Works sales tax goes into that same fund, so it's an off-setting, almost completely off-setting dollar amount, so the discussion isn't about a dramatic increase in property taxes. It's less than a tenth of a mill if all the money is blended together.

KIFFER said he questions himself regularly on this because initially he came into the consolidation process very opposed to a consolidated fire department. He said he thinks there are two things that are going to hamper getting these fire departments consolidated. One is the people. That's the biggest point. The people are not going to vote for services they don't receive. Either true or not, the perceptions of the public are very strong. He said he'd visited 14 residents in the Shoreline neighborhood on Sunday and 13 of those residents were absolutely, completely and utterly against the Shoreline Annexation and the promise that their taxes wouldn't go up and they would receive a better service. Their taxes did go up, but were that all because of the fire department? No, it wasn't. He said he explained that to all of them and it just didn't matter. It was a perception that they were told their taxes would not go up and they did. They were told that their fire station would be manned, and it wasn't. That's the perception, whether or not it's true. In this case, he said he thinks that saying that the fire departments are going to consolidate and receive anywhere close to the same level of service North & South as is enjoyed in the City is ridiculous and he said he thought the people would see right through that. The people on the North and South ends, because they have chosen to live outside the City limits, will accept some degree of inequity of service, just because they do.

KIFFER said he thought that EMS is the easiest one to consolidate. The EMS

services have some things that can be done in first responders, in fact, the South Tongass folks have contracted with the City and they receive, not the same service that the City has, but it's probably acceptable to them. And they use a first-responder where volunteers from the area respond to the scene and then the City ambulance comes out and does the transport. That same thing is possible on the North end, but he said he really had to agree with Chief Leipfert is that he just doesn't see splitting up the Fire & EMS response. In a consolidated fire department, North Tongass is going to lose a considerable amount of their volunteers right at the beginning and the reason for that, right, wrong or indifferent, there are folks that are in the North Tongass fire department that cannot meet City standards. Shoreline ended up with the same thing. He said those are the real realities and he felt that North Tongass Fire Department had a fire on Strawberry Road that showed the three departments do work very well together. He said he felt there are a lot of things that are on the plus side for not consolidating.

KIFFER went on to say that he could see that he thought there was a way to consolidate the fire departments, but he didn't think in the way the Commission is thinking. He said that services needed to be consolidated if it makes sense or saves money. He said there are a lot of things that are in the four fire departments that consolidation does make sense. For example, training, purchase of equipment and that sort of thing. But, he said, the things that don't make sense should be left alone.

MCCARTY said he was reminded of the acronym, NIMBY, not in my back yard. He said what the Commission is going to have to do is balance the logic of some of the ideas and the reality. Is the Commission going to approach or go past something that's palatable to be voted in, but is possibly so wishy-washy by the time the Commission gets done with it, has the Commission done anything of benefit. He said that he couldn't see some of these things, using the fire department as an example, that it isn't beneficial to put it together. Just for the running of the departments, not talking about the personnel, not talking about how it is funded, but it's not a logical system. There's a certain esprit de corps among those departments and that's a reality and he's not trying to minimize it, that commitment is needed from those who serve. Everyone's conceding that everyone is committed to the quality of the work and the need for the consolidation and on one side it's said that even if the departments are not joined, they are professional enough to work together and it's not that big an issue. On the other hand, it's said that if they are professional, they can get past this sectionalism and make it work.

MCCARTY went on to say that supposedly the benefits of some people think of consolidation and they want it to happen versus just an awful amount of inertia

in the community. He said he perceives the attitude is mostly “it’s change, it’s suspicious, there’s something wrong with it unless you can really sell it to me.” He said that’s a real hard hump to get over. He said he’s heard over and over how the Commission has to show some really concrete things because that’s what it’s going to take to convince the people. Are taxes going to go up or are things going to be cheaper? Frankly, he said, more realistically what is being looked at is it’s probably not likely to get cheaper but maybe we can hold the line or make so the increases are not greater with consolidation than without. The Feds and the State are giving out less and the community is having trouble scraping up money because of what’s happened in the major industries. The perception that the City people will bail if they find out it’s going to cost them a little more money. He said he didn’t know exactly what the number is, but there may be a little mosquito bite within the City limits on a personal taxpayer. He said he really thinks that the City voters are strong enough that they think it’s time and that is not an issue. Maybe symbolically it’s enough for the North and South residents that they might decide for consolidation. He said he didn’t know. It’s a real tough call. He said he just looks at it and he’s hearing too much mention of what does it take to sell this thing and at some point, the farm has been sold and is the Commission doing anything of benefit. This is a key issue and he doesn’t know the answer, but he said, to some extent it’s amazing when people say, “it’s a terrible idea, you can’t do it.” A couple of years later, amazingly, “why was this ever questioned?” is said. MCCARTY said the time has come and it’s time to bite the bullet. The Commission can figure out how to do it as need be, but this is a prime example. Either the Commission decides the departments are separate but equal and have them remain that way, or the Commission can decide to try to put some of this stuff together. He said he can see the reasons for putting the departments together, but he can sure see why others have a different opinion. MCCARTY wanted to know at what point does the Commission know whether they are doing anything worthwhile, if when things come up, the Commission says, “Oh, this is rough and we’re not going to do anything about it and just go for the easy stuff.”

North Tongass Chief Dave Hull spoke to the Commission. He said he’d like to echo Chief Leipfert’s earlier comments about the work that the Commission is doing. This is an incredible undertaking and the controversy that has to be dealt with is trying enough, so he said he wanted to congratulate the Commission on their efforts. He said he’d come into the middle of the mix by retiring from the City Fire Department and graduating to the North Tongass Fire Department. He said his outlook is honest and objective about the North Tongass Department. He said he went out there thinking to himself that it was going to be bad, but it isn’t. There is some great equipment. There has been a tremendous amount of work done, a lot of it due directly to Mr. KIFFER. He’s

said he's heard a lot of the current discussion throughout his tenure as Chief, in that he has several people on the North Tongass board who are also currently involved with the Commission.

Chief Hull said he is a little bit more neutral than Chief Leipfert about whether the departments should be consolidated or left in their current configuration. He said he believes that the departments could exist in their current configuration if the consolidation were to go through and that there's no reason to believe that the fire departments and the way that they are structured right now could not only exist but also thrive in that consolidated environment. More and more on fire & EMS calls, and more than at any time during his thirty years in Ketchikan, has he seen the departments coming more and more together rather than bumping heads over political issues. They are paying attention to what's more important in this issue and that's either the person that's laying in the street and needs the ambulance or it's the person whose house is burning down and needs some water put on it before they lose everything they have. That's a real compliment on the entire change in attitude that the whole island has had. There can be any number of perceptions as to why that has been such a problem in the past, but he said he was bringing up because he has seen it flare up once in awhile even in these discussions. Because, he said, he sees people going back and looking at this and saying they have to go back to the way it used to be.

Chief Hull said his bottom line is that he agrees with what Chief Leipfert has said and with what KIFFER has said that the Commission should not separate fire and EMS. Whatever decision the Commission makes, keep those two services together. He said they can make work whatever other decision the Commission makes, but if the fire & EMS are split up, it's going to cost more money than the Commission realizes.

Chief Hull went on to say that no matter what decision is made regarding the Fire & EMS, it's going to cost more money than is realized, anyway. That's not good or bad, that's just how it is. It costs money to have an ambulance sitting at Station 6 ready to go, even though it's not running, it costs money to stock it, it costs money to keep it maintained, it costs money to keep supplies on it. The same thing holds true for any of the rigs that are currently held in the apparatus bays at the City or anything that's held in apparatus bays at South or North Tongass. It costs money. It also costs money to run and utilize those rigs. There was a tree fire the night of the 4<sup>th</sup>. There was no harm intended, but a 100' tree caught on fire. He said he would estimate that fire cost the North Tongass department \$1,000 to put out. And that's just how much that stuff costs. He said that's just a realization that everyone needs to come to when



consolidating the departments is considered.

Chief Hull said there was one point to bring up in what KIFFER said is the perception of and the people and how they're going to feel. If the Commission chooses to consolidate fire & EMS, it's going to have to be sold very well; otherwise there will be a loss of a considerable amount of the volunteers. The reason that those volunteers will be lost is that all of a sudden for some reason, now, because the departments are going to be consolidated, everyone will be looking toward the City, whether it's right, wrong or indifferent, because the City is the big kid. Everyone else on the outside is the little kid. He said he wouldn't argue and tell the Commission that perhaps they (the City) can attack a fire a little bit faster and put it out, but there's nothing to convince him to tell the Commission that either the North or South departments couldn't do as well.

Chief Hull said he'd been around a lot of different types of fire departments, not only in the State, because he's on a Governor's board for EMS, and he's also on the State training committee, but he's also served in various other aspects that have sent him around the nation, and he said the equipment that is on this island, the personnel on this island and the training afforded on this island rivals any community anywhere in the US of similar size and similar width of jurisdiction. He said that was another thing that the Commission should know. He said there's absolutely no doubt that the key to that is the people. South Tongass is all volunteer and doing very well. North Tongass is doing very well with two paid staff, but predominantly volunteer.

Chief Hull said the backbone of the City's department is the volunteers and there has been some difficulty there because of changes that Chief Leipfert has made that have presented the perception that the volunteers are no longer needed. That isn't true and the perception has been there and it's been such a difficult perception to deal with, it has cost him some volunteers. Chief Hull said that KIFFER's point is something for all the Commission to keep in mind is that this perception will cost volunteers if the fire departments are consolidated. He said he wasn't speaking to the point as to what's good or bad. If he were forced to choose between the two, Chief Hull would say that consolidation would probably be the best way to do it.

However, Chief Hull said he'd caution the Commission again that it doesn't necessarily mean what is being looked at is a City fire department that's going to be spread out amongst the entire island. Because, he said, if that's what's going to be done, it's going to cost more money than can be afforded. The issues are broken up as to what is done on the scene, when all the equipment arrives and it's broken up into the time it takes to get there. He said he could guarantee that what's done on the scene is pretty much the same throughout

the island. It's very, very good. What really puts the advantage as far as the City is the manpower situation that they have, because they have people right on the ridge that can respond within a minute and are at their destination within their jurisdiction within about four to five minutes regardless of what's going on. Unless the desire is to staff the entire island that way, the outlying areas are never going to get that level of time. He said they'd always be good on scene, but what's going to cost money is if the time frame is shortened. The problem is that if volunteers are lost because of the perception that people will think that they're "only" volunteers and this is going to be a paid department and volunteers won't be needed any longer. Then there will be a problem on both ends.

THOMPSON asked how many volunteers are with the North Tongass department and Chief Hull responded there were currently 21 volunteers. He was asked how many volunteers were on the South Tongass and while not knowing the exact number; he felt they were either the same as North Tongass or maybe a little more. Chief Leipfert indicated there are currently 35 volunteers on the City's department. Chief Hull reminded the Commission that even though it sounded like a large number, there are people who volunteer on more than one department. He said he's the only one that's a member of all three departments. Chief Hull said the volunteers become the backbone of the departments. He said to never mix professionalism and career and think somehow there's a difference between the professional volunteer person and the professional career person. Every fire and EMS person on this island is all professionals. An anecdote regarding everyone working together in an emergency situation on the 4<sup>th</sup> of July was related where a young woman fell off a float and the City ambulance had trouble getting there and by the time the ambulance got there, South Tongass happened to be there with some of their rigs and had the person on a transport board. KIFFER was there and helped and he ended up going in on the City ambulance to transport the patient to the hospital. Chief Hull said that's how it's supposed to work. That's how it needs to end up.

PAINTER asked Chief Hull about a statement KIFFER had made about losing some of the volunteers because they couldn't meet the City standards. Chief Hull indicated that's one of the reasons the City seems like a more, for lack of a word, a better department is because there is a physical agility standard that needs to be met, coming right out of the NFPA standards where a doctor certifies that the person is physically fit and there is a physical test that proves that certification. That is good in one way because it keeps the volunteers fit because fit firefighters are safer firefighters, getting injured less, so there's every good reason to do it, but on the other side of the coin, there are a lot of

people that a department can miss out on, a lot of experience, because there's no way, he said, that he could pass that testing. He said his days of going inside with an air pack are over and that's okay. He said he'd learned to stand outside and let the kids do it. Jerry's point is what's going to happen is that perception is going to come back in to say, "well, what kind of department are we going to turn into?" And the perception is, "we're going to turn into the Ketchikan Fire Department." Unless a couple of things happen.... if that consolidated department is going to form and what's currently in place is going to be scrutinized, and he wanted the Commission to know that what's currently in place here in town is probably one of the finest departments to be found, but if the standards that are in place, that's going to exclude a tremendous amount of the volunteers just because they're not going to be able to fulfill that level of physical obligation. He asked, "So, what do you do? Do you lessen the standard? Or do you make exceptions?" He said he didn't know the answer.

PAINTER said he remembered having to pass the physical agility test when he was a volunteer fire fighter. He talked about some of the past equipment used on the various volunteer departments. He talked about the current service area departments. He said this (the Consolidation effort) is probably not the place to do this change, but to keep things at status quo as far as the fire & EMS. He said he'd like it to be a future possibility for the new Assembly, but he said he would be a staunch supporter, if Consolidation happens, he said he didn't think that they community needed four fire departments, but possibly three departments, but he said he thinks that the Airport fire department should be part of the Gateway Service Area because in the most recent past there was a tiff between the City and the Borough on the mutual aid agreement. He talked about the logistics of the airport and the potential for an accident, and he said he understood fully the rift that came about because of a lack of training on the City's responders to the specific type of aircraft fire fighting needed. A discussion continued regarding this aircraft fire-fighting training and the eventual signing of the mutual aid agreement. PAINTER said he felt the Borough's staffing is very minimal and the time involved for other responders to be on scene is significant. He said there should be at least a consolidation of the Airport CFR and the Gateway Service Area's Fire & EMS. Chief Hull indicated that the tiff erupted not because of local politics but because of OSHA standards and the law. For any department to respond to the airport and expect themselves to jump into a burning aircraft without the proper training is just not an acceptable fire fighting technique. The most important person on the scene is the fire fighter and that is how the law sees it. He said everyone would have readily responded, however, there would be nothing the extra responders could have done with the plane without the additional training. He said he'd brought it up because of the perception thing; a lot of people saw that as an issue for the Borough and the City to be fighting over. It did cause a rift, however, it was

because there was no choice, not because of any petty differences.

KIFFER said the issue becomes what the people want and what they want to pay for. The people who are moving from the City to the North & South, and people who move back into the City, do that for a reason. It doesn't have to be right, but it has to be what the people want. He said that PAINTER made the comment that Shoreline had a nice little rural fire department on .8 mills. They did. Are the residents of North Tongass comfortable with the rate they are paying? Time will tell, but they went out and established their service area and they levied a tax upon themselves and that speaks volumes. South Tongass did the same thing. It's what those residents wanted. KIFFER went on to say that he felt the biggest success of the Commission so far has been in the language that was put forth concerning the Clerks. He said he felt it went very smoothly and the language got written correctly because both of them were sitting in the chairs taking part in the meetings. He said he felt that when the time for these fire departments, when the time is right, he said he thinks they will consolidate. How it's worked out equitably and how it's funded, how the volunteers are retained, he said he didn't know. There are some serious problems there, but when they want to consolidate, and he said he wasn't saying it wouldn't be in two or three years, and the community may be addressing this before the consolidation decisions are made. Chief Hull's comment about having these departments working together, that's what it's going to take. There are wrinkles within the departments themselves that are saying, "Gee, I don't want to be a part of the City fire department." When that goes away, there will be a situation just like the Commission had with the Clerks. The Clerks got together, decided between themselves that it was a good thing and it was easy to make happen. He said he thought the same thing would happen with the fire departments, but it's going to have to be like you convince the workers that it's their idea and it will happen.

HARRINGTON said there are currently two governments providing fire & EMS. After consolidation there will be one government overseeing fire & EMS on all of the roaded area of the Borough. This is an areawide situation. It will be areawide fire & EMS as far as the roaded lands under one administration, the Borough Assembly. It could be said in the document that the consolidation of the fire & EMS will only be done by Service area. He said he was talking about taxes – not administration, it will be administered areawide. It cannot be avoided. HARRINGTON said he thought the mechanism is going to be present for the efficiencies to take place no matter if it's designated areawide or whether it's a service area, the mechanisms are in there so that the Assembly can take the taxation issue and divvy it up separately or do it formally across the board, whether it's said to be areawide or nonareawide. He said the Commission is spending a lot of time talking about issues that, in reality, are

not going to make a big difference except as it gives direction to the new Assembly. However it's desired to be done, maintaining the three esprit de corps departments and call it areawide and have the uniform taxation, but it would need a lot of preparation. Or, it could be left as a service area thing with the understanding that those efficiencies that can be taken care of by the Assembly can be brought into play. He said the Commission is spending a lot of time that in the final analysis isn't going to make a lot of difference.

Scott Brandt-Erichsen, Borough Attorney, spoke to the Commission and said that when he looks at the taxes he's going to pay for fire, the issue of whether the people in the City would pay more or less, fire is just one component of this. There are some other powers and payments that are going to shift that will have other impacts on taxes. He said for himself, when he looks at what the cost is going to be, he's not going to itemize fire and focus on that, he said he would look to what the total bill would be. He said that right now he's paying 8 plus 6.4, for a total of 14.4. What would his total bill be after consolidation? If, on the fire, there would be a little increase on the City residents' contribution, and about the same in the other areas, the Commission has to look at it in conjunction with the other things involved in the consolidation. He said he thought it was true what HARRINGTON said about the administration being centralized. The most difficult problem in his mind for the Commission is parceling out the money, because currently there's a big chunk of revenue that comes from City sales tax that pays for the City fire service. 85% of the sales tax in the community is generated from the sales in the City, so, in effect; people who live on North or South Tongass are paying City sales tax and paying for the City fire department. If that were parceled out so people are paying for what they get, the City's property tax would be really go up. He said he didn't think that would be what the Commission had in mind, so the money and services need to be carved up so that they are reasonably equitable. One of the potential snags that he thought should be brought up, and he said he didn't know the figures on it, but he said that there are a number of the volunteer fire fighters on South Tongass and maybe one or two on North Tongass who are career City fire people. Regardless of whether they are service areas or not, there would be a labor issue encountered where with separate governments, the volunteers for the Borough could be paid \$10 per hour as a volunteer. If they are career fire fighters for the City and they respond, after consolidation, under one employer, they're doing the same work that they get paid for. He said he didn't know what the price tag would be on that situation or the impact on the volunteer force, but it's an issue.

THOMPSON asked what the City paid their volunteers. Chief Leipfert said it wasn't so much a volunteer issue as it is the four career staff that are the Chief, EMS Lt and two significant volunteers on the South Tongass department that

would be an issue as far as whether they continued in that capacity as volunteers and they could be paid overtime to do that or whatever could be worked out.

PAINTER asked Chief Leipfert about currently in a mutual aid situation, where one of the paid City fire fighters does go to one of the rural areas. Chief Leipfert indicated that would be during their off-duty time only. As an employee of the City while on duty, they get their regular pay. If a response is mutual aid, that's part of the salary. If the response is on the employee's own time, they get no salary from the City. If the response is during the employee's time off and the City requests off-duty personnel to respond, they get two hours of double-time for the first two hours and then time and a half for every hour after that.

THOMPSON said that under consolidation, regardless of whether there is a consolidated department, or the service areas are kept, there would be one employer and there would be an employee that's working for the employer during off-duty time that makes it more expensive. They would get double time or whatever the rate would be and that price tag is unknown. THOMPSON wanted to know how many people would fall into that category. Chief Leipfert indicated there are four career staff that are currently with South Tongass. One is the Chief. There are currently no career staff working as volunteers on the North Tongass department. Mr. Brandt-Erichsen said that maybe it wasn't such a large problem, but it is an issue to be aware of. Chief Hull interjected that it would probably be about \$25,000 per year. THOMPSON said that going back to the taxation thing, if the City sales tax is left the way it is, .5% sales tax collected within and paid to the Gateway Service area and the Service Area allows that to happen, allows those people to continue in both capacities, some of the people from outside the Service Area who are paying that sales tax, there would be some give and take and the \$25,000 could be absorbed and it wouldn't be as big a deal.

Mr. Brandt-Erichsen said that was true and if the sales tax destination was equalized out, so there wouldn't be the people outside paying and not getting the services. THOMPSON said that would be an example of a direct service they would be getting for paying the tax designated for fire, beyond coming into the City and being in a building and having it catch on fire or falling down and needing EMS and City response. Any time someone is in the City limits, it doesn't matter who you are, if there's a fire or an emergency, the City department will respond whether you're a City resident or not. Mr. Brandt-Erichsen responded that the level of service received would be the same if there were a consolidated department; it's just that the response time would be quicker if they live closer to the fire station. And that would be the case within the current City limits. If a person lives at the farthest point in the City from the

fire station, is the service less? Not really. The response time is greater, but the same service is offered. If the departments were consolidated, there would be full-time service, just not necessarily at a person's doorstep.

Chief Hull said he'd like to make a point of clarification on that statement in that the assumption would be made that the person would be living close to a manned fire station. If the person lived close to an un-manned fire station, then there may still be a wait, because volunteers would have to respond to the station, get the gear & rig and then respond from there. KIFFER said that also has an effect on insurance. Homeowner's insurance within the City limits is different from that of the Borough residents.

PAINTER said there were a lot of inequities with the systems that are currently in place. He said one of the points he'd tried to make at the last meeting and Mr. Brandt-Erichsen touched on it in his remarks, was, as with the rural telephone user, in reality, subsidizing the City water user, the rural property owner is virtually helping pay for the City fire department because of the .5% sales tax. Most purchases are made within the City, so the rural person is currently helping to fund the City fire department and police.

THOMPSON said the candidates at the debate prior to the election while the snow was on the road and he said when he comes to town, the City plows those streets for him and he said he drives on the streets and uses the sidewalks and when he's in town he has police protection and fire/EMS response from the City. It's not like there are no services received just because of being a rural resident, because everyone comes to town and conduct commerce in town and if commerce is conducted, that's where the people are and that's where the services are delivered. It's another inequity, but he said he didn't feel it was as great as people make of it.

KIFFER wanted to know what kind of dollars are being discussed. He said the Commission is kind of split with the City and rural residents, so he wondered what is the percentage of the pot of rural people coming to town to pay that sales tax and he said to him it becomes an inequity. He said once the responders are on-scene, the quality is fine, but the Commission is asking the rural residents to pay the same for a response time that's double or triple that of the City and the only way the rural response time could be more like the City's is to have manned stations on both ends of the road and that's over a million dollars just in wages. Maybe that sales tax that is being paid by rural residents in the City might not look all that bad when the idea of consolidating and trying to bring the response time down by adding another million dollars a year in wages.

MCCARTY said he looks at it and looking at what the Commission is trying to accomplish and the way the voters are going to look at it. Either the glass is half full or half empty. The Commission is looking at a situation about which there is no doubt there are going to be very few, if any, people in the community that are going to find everything in the finished product to their liking. Everyone can find something they don't like. In the age of negative campaigning, if that basis is taken, if people are saying, "I don't like this or that, as opposed to saying I like 98%, but..." it dies. He said he's more tuned into the idea that maybe the Borough residents have reached the point where they'd say, "I'd like to have a vote on KPU instead of just paying the rates and someone else decides. Maybe I'd like to have a little bit more of a say in how the sales taxes, that I spend a large part of collected in the City, but aren't necessarily making it back out to me other than when I'm in the City getting some of the benefits." He said those are tremendously important issues to him. The idea of having two governments in a community this size doesn't make sense. He wanted to know how the problem of staffing the airport at even a medium level emergency response could be met. There would be a horrendous cost and huge amount of people just sitting in around in rigs on the one every five or ten year eventuality. There needs to be some way figured out to make things better. There should be one department head. If there are two or three different people, it's easy to nay-say. Consolidation is a way of approaching the problems and, at some point the Commission needs to bite the bullet, or just say to heck with it, we're just spinning our wheels and we'll just keep doing business as we have and hope like heck there is the professionalism, that are fire fighters & EMS crews are a fine example of, and hope that good people will make good things happen. He said the Commission needs to be careful of the idea of not putting anything into the Petition that's going to make anyone unhappy, or might make them unhappy so they won't vote for consolidation. At some point, the Commission is going to come up with a product that isn't worthwhile. He said he's heard all the stuff and he sees a tremendous amount of worth in all of the comments, using this as an example, and there are a number of others in there, but he said he thinks at some point the Commission has to say that if there is going to be consolidation, then let's do it, instead of saying that it can be put off until later when it's a good idea. Well, when's the good time? This is the time.

PAINTER said, again, that he would hate to jeopardize the success or failure of consolidation over trying to include consolidation of the fire departments, but he said he still says that the maintenance shop issue should be addressed. KPU, the City, the Borough, the Airport and the School District all have their own shops and when the facilities, personnel and tools are added up, it's a significant cost. He said that by the Airport becoming part of the Gateway Service Area's fire department, there are some cost savings there. He said he



wasn't sure of the numbers, but he thought there are 6 CFR people at the airport, but he thought the FAA mandates that there only have to be a minimum of two on duty when flights arrive & depart. He said he thinks from an operational standpoint, it would behoove the City fire department to be more involved in that in a rotation of people, for experience, and there have to be cost savings. OTTE interjected with the question whether the rotating career fire fighters would clear brush and the runway and fix equipment and do the painting and the other duties the personnel at the airport currently perform. Chief Leipfert indicated that the City fire crews have a lot of chores to perform when they are not actually responding to calls.

FINNEY said that in the Commission's survey about 70-75% of the people said they wanted areawide Fire & EMS. He said his concern about mutual aid agreements is that everyone is already in mutual aid getting something that is not being paid for. He said he thinks that when the other people's resources are added in, it could get out of balance. Who's got the most resources when in a mutual aid necessity and he said he sees an inequity there that should be corrected. Last meeting Chief Leipfert touched on a little bit of the inequity in that, in that when push comes to shove, if there's a fire in the City and the resources are needed there and then something happens in the Borough, the mutual aid thing isn't going to work out. Chief Leipfert would have to put all his resources in the City. If there were an obligation throughout the community and personnel would be dispatched accordingly. Third, FINNEY said, over time, like KIFFER said, it ought to work. Three years hence this thing is going to actually be in production as far as consolidation. He said he really had to think that the fire folks in this community in three years time could sell it and could get together and ramp up something that would go forth and make good sense for the community because bar none, they're there regardless of whose responsibility it is and the best thing for the community is, you know, the people that care are there. He said that in three years time, something could be put together that would work.

MCCARTY said he thought the Chief said it last meeting and FINNEY brought it up again, is this idea of making things work together. There are specialized rigs and maybe only one is needed in the community, whether it's fire fighting or whatever, but each area needs to have that service. They cannot use somebody else's without some sort of a contract because of taxation problems and who has control, so that piece of equipment sits idle most of the time. Chief Leipfert mentioned that there could be a spare rig, one in the community, instead of each group having to have a spare just in case. Rigs could be rotated, for example the oldest goes to the junk pile and the next oldest becomes the spare rig. Those sorts of things could be done with a lot of different equipment. If there is one entity running it, that sort of thing could be

done without having to jump through all sorts of hoops at different times. And the idea, there is a major situation with a south end, north end and city center, frankly someone has to do triage. If there is one person in charge and they are professional, sometimes it's going to hurt, just like a surgeon, having to make a decision, which will be saved and which will be let go because the other is more dangerous. That's the sort of thing and maybe it's hard to sell on the election platform, but he said that's why he sees the need to look at this and some of the other entities.

FINNEY brought up a frivolous thought about where to base equipment.

KIFFER said it seemed the Commission was talking in a circle again, but he talked with someone about perceptions and he said he thought he carried a perception about consolidating fire departments that he's against it and, in actuality, that's not quite true. He said he'd love to have a manned station out North and that he's been waiting 18 or so years for that. But, he said, what he does sitting on the Commission and as a taxpayer is somewhat different. He said he had to be careful on what seems like a great idea, is it going to a) backfire and sink the consolidation effort, or is it flat going to cost the community more money. He said he firmly believes, and maybe it is three years, or eight or ten years, who knows? He said he truly believes that the fire departments, at some point, are going to be able to fix these problems as at the airport and what not. How they do it, he said he didn't know. He said what he's seen in the last ten months has been more improvement in fire department cooperation than he'd seen in the community in 20 years. It worked great with the Clerks because they thought it was a good idea. He said he thought the Commission should leave this thing as a service area function and then encourage these fire departments to come up with a plan. He said he hesitates to give the new Assembly the authority to make it happen because he said he thought it would be going down the same road. One of the reasons the Commission is sitting there is because, quite frankly, the people don't trust the Assembly. He said he thought it would work out on its own. He also said he thought it was like combining the Public Works departments made sense, but he didn't think the fire departments did right now.

HARRINGTON said he would reiterate that the Commission cannot keep the Assembly from doing whatever it chooses to do, which includes, and could potentially include, the unification of all three fire departments and call it service area by taxing them differently and still, because they're going to be in charge, those on the service area boards, are only advisory. It is the Assembly that will have the final say. He said he thought they have all of the tools that they need to make the efficiencies within the future Assembly, so he said just leave it to the service areas, because that's the safe way to go right now.

THOMPSON said one of the comments he'd like to make to what HARRINGTON was saying is that 12.03 is written in such a way that if they want to consolidate later on and put everything under a unified department, they have to go back and change the Charter because 12.03 says, "These powers are exercised only in service areas."

HARRINGTON said that was correct, but to remember that taxation is what is being talked about, not delivery of services. And the Assembly is in charge of the taxation.

MCCARTY said that Mr. Brandt-Erichsen might have something to say about that. He said it struck him that it can't just simply be said it's a borough-wide fire truck, if, in fact, people in a specific area have paid for it. The Assembly can't, for instance say, that truck's needed on the South end more than the North and it's going to be moved there. It belongs to the people in the service area, although they are part of the Borough, their taxes bought it. There is, he thought, a legal difference.

Mr. Brandt-Erichsen said the service areas are like different cookie jars of money and you cannot take from one jar and put it in another. An example, now, there is North Tongass and South Tongass, they are both under the Borough Manager, but he can't take North Tongass assets and give them to South Tongass and vice versa. He said he's not sure if that exactly meshes with the comment, but that's one of the concepts of the service area. HARRINGTON said the Manager has the complete ability to say the North Tongass truck is worth \$150,000 now and it's needed South, therefore the funds from South will be allocated to North to refund them the cost of the truck and move it South. He has that authority. Mr. Brandt-Erichsen said if that's the legitimate value of the truck. HARRINGTON said this was assuming there were a legitimate basis for that, under mandate from the Borough Assembly, he has to run the place. Mr. Brandt-Erichsen said that scenario could happen, yes. But there would be a value for value exchange so that each has the same asset.

MCCARTY said the Commission is circling again and THOMPSON said he was calling a recess so that everyone could clear their heads and come back and make a decision as to where this is going. The meeting recessed at 7:26 pm.

The meeting was gavelled back into work session at 7:37 pm.

FINNEY wanted to know if the Commission could come up with something that

allows the Fire & EMS to currently be service areas and allows it in the future be areawide. He wanted to know if there was a category like that to put this issue in. HARRINGTON said that it could be made areawide and put into the transition plan that has to take X amount of years to transition out of the current service areas into an areawide power.

THOMPSON said there wasn't anything presently in the Charter that allows what was asked because 12.03 says these will only be done in service areas. In order to transition them into areawide, the Charter would have to be changed and he said he had a problem with that "only" there. He said he thought that would be a good way to transition. HARRINGTON has hit it on the head. THOMPSON also said he agreed with HARRINGTON's earlier comment that ultimately the new sitting Assembly is going to have responsibility for all service areas and if they determine that it makes sense to do something a little differently, they will have the power to do it. Some things might have to be taken to the voters, and granted, the voters are going to speak at the polls, but it goes back to the Public Works Department – the garage, the administration of Public Works. There are several things in the Public Works Department that THOMPSON said he thought should be a function of the Municipality and if the service area, the Gateway Service Area needs street maintenance, they would get charged for it. That isn't in there, but whether things are put into a service area or not, it's going to be administered by the Borough (Municipality).

FINNEY said he was struggling with the idea that it's basically an areawide power in everything but name. He said it would seem to him that it would be needed to do the mechanics and make that happen, too. THOMPSON said that it could be adopted as an areawide power and put in either the Transition Plan or the Charter that currently those services will be operated in service areas, but within three to five years they will be operating as a consolidated Fire & EMS department.

KIFFER said that's going back to the same thing. Instead of asking the people to not accept a tax increase, it's saying go ahead and vote for this, but we're going to go ahead and give the tax increase in five years. The effect is going to be the same to the voters.

THOMPSON said the numbers show that the taxes are going to remain the same or actually decrease under HARRINGTON's scenario.

KIFFER said that was assuming that the people on the North & South ends are comfortable with a degradation of their service. HARRINGTON wanted to know if KIFFER was saying a degradation compared to the service in the City or a degradation from their current level of service. KIFFER said, no, maybe he'd

misspoken. They are going to be paying for something that they are not receiving. They're going to be paying something on the North end for a service; if you get an ambulance, you're going to pay the same, but in town you would get that ambulance in 4 minutes, and on the North end you would get it in 20.

THOMPSON said that's a level of service issue and it's already known that in the City a person can live at the far end of time and not have the one-minute response. You're ultimately going to get the same service provided, but even on North Tongass right now, whoever lives right next door to the station with the responding equipment is probably going to get a little bit faster service than at Mile 16. He said that if there is the same level of service that the people are getting, say in North Tongass EMS right now, if there can be the same service and have the same cost or even something less, what's the problem?

KIFFER responded that it's the \$840,000 that's going to have to be paid in wages on the North end to get nearly the same service. THOMPSON said no, the same service that the North end has now. KIFFER said that was exactly his point. He said when the departments are consolidated...how many people were retained out of the volunteers of Shoreline? Zero. KIFFER said in the North Tongass department right now, there would be about 5 retained if consolidation of the departments occurs and the people that are currently volunteering for the City Fire Department are people that can meet the standards. And the people that will be left to volunteer at the City Fire Department are people who will be able to meet those standards. He said there had to be a way, and he thought the departments could come up with one, in the back of his mind it's some sort of battalion-type thing, but that could happen inter-departmentally. If this is taken to the voters and makes it happen, all they are going to see is that they are paying the same and want the same service. Just like the Shoreline; that's why they are getting water and sewer. They want the same service; they're paying for it and by golly they're going to get it. And the same thing will happen out North. What is different is the amount of money it's going to take areawide to make that service close.

FINNEY said he thought that people were more sophisticated than that because he said he thought they'd know that to have the same level of service (as the City) they'd have to have fire hydrants and he said he thought the people, in general, understand that that's not in the cards.

KIFFER said it's not in the cards like we thought Shoreline wasn't in the cards for fire hydrants.

MCCARTY said the Commission could either keep their noses up against the trees and see how the horizon is gone or step back a little bit and see the

bigger picture. He said he had trouble believing that, whether it's the volunteers, whether it's the general voters in the community that they're going to be so bound up in some of the smaller-picture issues that it makes the idea of one department a bad one. At some point the Commission is either going to have to say it's a good idea to try and consolidate the fire departments or it's a bad idea. He said he'd again go back to two points: If there is an areawide service, there is the ability to do it, but it's not necessarily provided or not provided exactly the same in every spot. If the choice is to go with service areas then there are some major restrictions on what can be done and the monetary issues of how things get allocated. And there is the problem of potentially more than one person having to make the decisions. The Assembly is not going to be able to sit down and decide where a truck gets sent at this hour. Basically it's a military operation. There is a general who says what's going to happen and it has to be that way to make some of these things work right. The other point, he said, if the timing issues are looked at; if a person works in the City 40 hours a week or so, the time it takes to go to and from; the shopping and the other things that are done; even if a person doesn't reside in the City, a lot of that fast response time is still received. The benefits are being received. They talk about the people who don't have kids in school get the benefits of having good schools in the community. He said it's not that precise. He said he knew a lot of voters who vote that way, "If I'm not getting mine, then the heck with it." Is that the product the Commission wants to come up with? He said he wouldn't support it.

PAINTER said he wanted to read what's currently in the Charter and only one thing he'd like to see changed in the Charter in regard to this subject. *Section 12.03 Services Provided by Service Area: The following powers shall be exercised only through service areas: 1) The establishment and operation of police departments, hiring of police officers or the contracting for services of police officers; 2) \*\* The establishment and operation of fire departments, the hiring of firefighters, and the contracting for fire fighting services; \*\* 3) The collection, but not disposal, of solid waste.*

*However, nothing in this Charter prohibits the municipality from providing police, firefighting, solid waste collection, or other auxiliary functions to the exercise of an authorized areawide power at areawide expense when necessary to operate facilities used for areawide services; or to respond to a disaster as defined by State law.*

*Nothing in this Charter, except Section 12.02, prohibits the municipality from exercising any other power on a nonareawide basis or through service areas. No areawide power shall be interpreted to include or authorize any of the powers described in (1) through (3) above. Dispatching services for fire and*

*law enforcement may, however, be provided areawide and shall be provided areawide for emergency 911 dispatching.*

PAINTER said there is one word he'd like to see taken out in the first sentence, only. He said he didn't think the word "only" needs to be there if the Commission wants to allow the future Assembly, or in the future, the fire department.... He said if that one word were taken out.... He said it does state that those powers shall be exercised in the service areas but then it goes on to say "however". FINNEY wanted to know if the word "shall" still be in there and the answer was yes. He commented that "shall" was as good as "only". PAINTER then said maybe both of the words could come out. Then PAINTER said, no, just "only" because there is emphasis there. Because it goes on to say "however", but if the word only were to be taken out...He said he didn't know and asked Mr. Brandt-Erichsen what he thought.

Scott Brandt-Erichsen said he didn't think that change (removing "only") gets where PAINTER indicated he wanted done because there is the list of areawide powers and the police, fire, and solid waste collection aren't on the list of areawide powers, they're only service area powers. If they are listed as service area powers, in order to go outside the service area, it would have to be adopted as an areawide power and by just addressing "only" or "shall", police is then put in the same boat as fire and garbage and he said he thought that would be causing more problems than are trying to be corrected. PAINTER wanted to know what Mr. Brandt-Erichsen's recommendation would be. Mr. Brandt-Erichsen indicated that what is desired for the wording depends on what the desired result would be. PAINTER said he wanted to see, in the future, the Assembly, in conjunction with the fire & EMS personnel (Chiefs), to have the possibility in the future of consolidating. Mr. Brandt-Erichsen said that one of the rubs is the State statute that was enacted in reaction to the Hillside police issue in Anchorage where if there is a police service area, fire service area or one other specific type, if changes are made to any of those, there has to be a public vote. So whatever is locked into for service areas for fire in the Charter that cannot be altered without approval both in both the service areas or all affected service areas. So any one of them could veto the action. He said if the desire is for an orderly process of integration, HARRINGTON's suggestion is the best bet. The Commission would say it's an areawide power, the first year is the same in the service areas with the same funding, the Manager has a year to come up with a plan. And then that plan has to be implemented or transitioned in over a two-year period, or whatever time period is picked to integrate the departments to provide the services areawide. He said his only caution on that would be when the money is being parceled out, the Transition Plan addresses what's going to happen to the sales tax, because, if it isn't described, the sales tax isn't going to go with the service because it requires a

vote to raise the sales taxes areawide.

PAINTER wanted to know if the Borough currently has areawide powers in certain areas, but doesn't exercise them. Mr. Brandt-Erichsen said yes, or exercises them on a very limited basis. Could that be brought in, that if the powers were areawide and not be exercised? THOMPSON said the power can't be given and then say they can't exercise them. Mr. Brandt-Erichsen said that there was no way to prevent those powers from being exercised. Through the Transition Plan, the exercise of those powers could be paced, but it couldn't be stopped.

KIFFER wanted to know what the body's reluctance was to have a vote of the people. THOMPSON said there would be a vote of the people on the Charter. KIFFER said that's what he was saying and it's going to...if the people want the fire departments consolidated, vote of the people. HARRINGTON said the same thing that has happened in the past in that it passes, but it doesn't pass in Saxman, or it doesn't pass in the Borough. It has to pass everywhere. KIFFER asked if that was wrong. HARRINGTON said it's not. KIFFER again asked if that were wrong and HARRINGTON said he wasn't saying it was wrong, it was just a reality.

THOMPSON said that the survey responses, and he conceded there weren't that many, showed an overwhelming majority favoring areawide fire service.

MCCARTY said there is going to be a vote and that's what this Charter thing is, it's going to have a public hearing process, it's going to be reviewed by State agencies. He said it could either be amended right now and drop this and say we'll do each section, we'll just put it out for election each time, or it can be done this way and try to do it all in one big bundle. There's no attempt at a hidden ball to slide something through so the people won't know it's been done like some of the riders on a Federal revenue bill. It's there. And, to some extent, it is take it or leave it. There's a package that either there's going to be somewhat of a unity or there isn't. That's the concept.

HARRINGTON said there's a point where discussion gets circular and where motions need to be on the floor to speak to specifically. He said he'd like to see this be put for specific action after the work session. It's on the agenda and deal with specific motions.

THOMPSON asked if there was anything new the Commission wanted to discuss in work session with regard to the Petition. He said he wanted to bring up one thing and he'd read HARRINGTON's memo on the property tax cap and he said it sounded as though HARRINGTON was backing away from that issue



because of some mechanical reasons. THOMPSON said that to him... HARRINGTON said for the total tax cap. He said there already was a 30-mill tax cap. THOMPSON said there is a situation where the Commission is giving the new Assembly some broad powers to do things but there are also some caveats in there that before they spend the taxpayer's money, there must be a referendum from the people. Just like is done with sales tax and bonds; the same thing should be done with a property tax cap. He went on to say that if every one of the service areas, as they exist right now, had a cap that was set at say 3 mills above where it is, and the areawide was set at 5 mills above where it is currently, that would leave enough room for the planning that would be needed and there would be a cap that if it is desired that it be raised, there would have to be a vote to raise that cap. THOMPSON said that in this last vote on the sales tax increase where, he said he felt extorted. He said it felt that the voters were being told that if the sales taxes weren't raised, then the property taxes are going to go through the roof. And if the sales tax increase is approved, the property taxes will only be raised a little. THOMPSON said the whole point of having a vote on the sales tax is do the voters feel the government is spending the taxpayer's money in an appropriate manner and living within the means and budgeting etc. etc. If the Assembly can arbitrarily raise the property tax cap and raise the taxes on the other side of the coin, then there shouldn't even be a vote on the sales tax because there's no limit to what... well, there's a 30 mill limit, 3% limit on property tax, but if the Assembly gets it up to 30 mills, he said he thought they'd get voted out of office pretty quickly. He said he still thinks there is some room to do some sort of tax cap. He said he didn't think it would necessarily affect the bonding. He said he'd really like to take another look at that. It may be a moot point. THOMPSON said he'd been told before, if the Assembly isn't trusted, vote them out of office, but he said he thought the community had just gone through some of the effects of not having a statutory cap that has to go back to the voters.

FINNEY wanted to know if it could be changed so that any raise, either in sales or property tax, has to go to the people. He said to heck with the cap. It was confirmed that currently any change in the sales tax has to have voter approval. THOMPSON said that the problem that is then encountered is that often-time at the end of the budgeting period and a deficit budget is being faced and it takes that certain amount of time, whether 90 or 120 days, in order for issue to get before the voters. Allowing that property tax to have a cap gives the Assembly a little wiggle room without having to schedule a vote and votes get very expensive. FINNEY said he sees the Assembly running the millage rate right up to the cap in short order. PAINTER said there is currently an 8-mill tax cap in the Borough that is set by ordinance. Mr. Brandt-Erichsen explained that as a second-class borough, the cap couldn't be set by Charter, which requires amendment by the voters. The Assembly can amend the cap. He said that

was more of a moral guidance than anything else because all it takes two Assembly meetings to repeal it. He went on to say that in a Charter there could be a cap set. He said one of the things the Commission should be cautious about is that it's not cinched down so far so that the cap becomes the minimum. If there is no other way to raise revenue, if you think you might have expenses in the future, the tax will be at the cap every year so there can be a reserve built up so that the storm could be weathered. There needs to be enough margin allowed for unforeseen events.

PAINTER said that basically, with the current Borough tax cap set by ordinance, it could be changed in two meetings. If the cap were in the Charter, it would require about 75 days (minimum) to change with a vote of the people. Advance planning would have to be in place at all times to see far enough ahead if there is a thought that the tax cap might have to be raised. It would be just a little bit harder to change. THOMPSON wanted to know if PAINTER was going along with what FINNEY said and make any change in the mill rate have to have voter approval. PAINTER said that in other words, if a tax cap were set in the Charter at 20 (?) mills, he said he didn't understand how that would work because the tax cap in the Municipality is going to differ in each of the service areas. THOMPSON said the cap would have to be separated out. There would have to be a service area and a general cap in order to do it. He said it's a little more complicated, but it's do-able.

MCCARTY said that there is a specific date that the mill levy has to be set. The mill levy is based on the budget. Instead of having until June 15 to set the mill levy, which is about a month after the end of the legislature, that can have major effects on what funding is available and what can be done with the local budgets, it would be necessary to move back to where a decision would have to be made as to whether there would be an election on the cap, maybe some time in March. There are problems with the envelope. It may be a good idea, but MCCARTY said he was just laying out the parameters and the need to work backwards if the mill levy is going to be set by June 15, there would need to be an election far enough ahead of that date, which means there would have to be cognizance of a problem in March. That's a problem because what's available from outside sources can affect the local budget and without knowing in advance, it makes the process harder.

THOMPSON said that if it were put in the Charter that as of the date of the inception of the new municipality, a property tax cap will be established at, say, 5 mills above the then-existing general property tax and you set one that's 3 mills above the then-existing service area rates, there would be enough wiggle room and if adjustment was needed, there's time to have an election. If proper management is in place, they are going to know what their budget is and there would be time to figure it out.

MCCARTY asked Mr. Brandt-Erichsen if 1 mill was about a million dollars. He responded that areawide; a mill was about a million dollars.

PAINTER wanted to know if there were any consolidated or unified communities in the State who currently have tax caps. Mr. Brandt-Erichsen said that Anchorage has a tax cap, but it's not based on a flat mill. There are other communities that have a set mill tax cap. Pretty much any home-rule municipality that has a Charter can have one. There are some factors that should be built into any tax cap. He said, for example, taxes necessary to pay voter approved bonds would probably be added to whatever the limit would be. In terms of parceling out areawide and service area caps, service area boundaries change. If a service area goes away, does that automatically raise the areawide because it is taken as an areawide power – what would be the interaction there? He said that most of the tax caps are a single, areawide tax cap. He said he was not familiar with any service area tax caps that are in any sort of Charter.

THOMPSON wanted to know if currently in service areas, didn't property tax and sales tax issues have to go to a vote of the service area voters. Mr. Brandt-Erichsen indicated that sales taxes always have to go to the voters. HARRINGTON interjected that currently the City Council can raise the sales taxes within the City. Mr. Brandt-Erichsen continued that the property taxes for service areas currently do not require a vote of the service area residents; the tax rate is just set by the Borough. He continued that a lot of the service areas may have ordinances that say a specific mill levy and that's what the mill levy would be in that service area unless that ordinance is amended. THOMPSON wanted to know if that wasn't the same ordinance that sets it every year and Mr. Brandt-Erichsen indicated it was not. He said there was at least one service area in the Borough where the ordinance itself says the mill rate is \_\_\_\_\_. He said that going the tax cap route; some of the factors to take into account are the voter-approved bonds and what happens if services shift from being service area to areawide. The Anchorage tax cap provision isn't mill levy based, it's revenue based and it says the increase in property taxes, revenue, from year to year, can't be more than the increase in the assessed value due to new construction, the voter-approved bonds, and there's one other factor, but there's nothing in there for inflation. He said that over a period of time they keep getting closer to and they end up cutting because of the cap, or playing shenanigans with assessed values. Not that that is what went on, but he said he'd heard complaints that the assessments seemed to go up quite a bit. He said the other problem with that was they had a settlement of a large case with a huge influx of money as well as sales of property, so the mayor that year said he was going to cut the budget by that amount and use this one-time revenue assist

and it lowered the cap. So, the next year, without that one-time money and it got bad.

THOMPSON wanted to know if Anchorage had the ability to put a cap increase in front of the voters and Mr. Brandt-Erichsen said yes. KIFFER wanted to know how rapidly that could be done. Mr. Brandt-Erichsen said he couldn't remember if Charter changes could only be at a general election, or if they can be at a special election, but it's a Charter change. He said that the Commission needed to be careful in the way the language is constructed and that it allows for anticipated long-term changes in the community.

THOMPSON said that maybe instead of having a cap itself, maybe the Commission could limit the amount that the Assembly, by ordinance, could raise the cap in a given year, from year to year. Say, they couldn't raise the cap more than 2 mills per year and then they could be voted out if it's not liked. That would certainly give them the leeway to set the cap and if they raise it more than two or three mills, or whatever, in a year, that would be their limit on how much they could raise the cap, ergo, that's how much they could raise the property taxes.

PAINTER said that based on one mill equaling almost a million dollars, he said he would think, and especially since the last \_ mill was quite painful for a lot of people and the intimidation of the sales tax vote, he said he'd think that wouldn't need to be that high, 3 mills per year.

KIFFER wanted to know how big a problem this was. He said the Borough had been running under the cap for awhile, for years, and there have been some pretty severe economic changes in Ketchikan and haven't come into a situation other than this situation with the Borough budget this year but there were other things involved and it wasn't just because it was up against the tax cap. He wanted to know if the Commission was making a big deal out of nothing. It's been running underneath the tax cap. If the Commission puts a cap on there that was high enough to allow some wiggle room, he didn't see a problem and it's a great selling point for the consolidation.

MCCARTY said that if the Commission is going to do it, then make sure that the election isn't only allowed in October should the need arise to change the cap; that's a number of months after the mill levy is set and it wouldn't do any good since the it would have to wait until the next session. There has to be something that could be triggered in time to do it by the middle of June. Secondly, talking about the money; part of the reason why there was some of the difference in what there is in reserves between the City and the Borough is because the Borough did set their cap and used some of the Stevens monies

and other funds to make up the difference between the revenues and the cost of running the government, so they used that to keep the mill levy lower and not reduce their spending. That's not necessarily a good or a bad decision, that's part of how some of the funding was going.

PAINTER wanted to know if Economic Development money was used to subsidize the Borough budget. He said he didn't think so. Mr. Brandt-Erichsen said that MCCARTY was right. From about 1998 on, the interest money was used from the Economic Development funds. One of the manners in which the money was used was some of the community grants were funded by funds that were generated by the Economic Development fund. PAINTER said it wasn't used to subsidize the general cost of government. Mr. Brandt-Erichsen said it depends on what is defined as the general cost of government. He said an example is some of the school funding items, the three years of \$250,000 per year that funded school activities came from Economic Development monies. He also said there was a fair amount of money that was generated from interest income off that disaster fund money that was spent on things that otherwise, and prior to 1996, would have been funded by property taxes, and at the same time, the mill rate was lowered. Mr. Brandt-Erichsen said that if the revenue sources and the spending patterns (he said he'd done this about a year ago to figure out what had happened) and there was about a million and a half difference from 1995 to 2002 in terms of the amount of revenues that the Borough had to spend on these things and the amount it was spending. The difference was attributable to the loss of the interest income off the disaster funds, reduction of State revenue sharing of about \$3-400,000, a reduction of general interest income on other Borough funds of about \$300,000 and the school bonds. The swing was about a million and a half. A rough estimate of the equivalent of the interest off the disaster funds that had been used was somewhere between  $\frac{1}{2}$  of a mill and a mill.

## **G-2 Reconvene Into Regular Session**

M/S OTTE/PAINTER to reconvene into regular session and address the items left on the agenda. There was a unanimous voice vote taken to return to regular session.

## **H: Unfinished/Old Business**

### **H-1: 2004 Draft Consolidation Petition**

There were no changes for the Petition or Charter approved during the work session. The item will appear on the next agenda.

### **H-2 Amend all Petition documents to replace the name of the newly created service area (the former City of Ketchikan) [Second reading]**

M/S MCCARTY/PAINTER to affirm the choice to change the name of the newly created service area (former City of Ketchikan) in the Petition documents to the Gateway Service Area in the second reading.

A roll-call vote was taken on the motion.

FOR: THOMPSON, OTTE, PAINTER, MCCARTY, KIFFER  
AGAINST: FINNEY, HARRINGTON  
ABSENT:

The motion passed 5-2.

### **H-3 Fire and EMS Powers**

It was decided by the body to consider H-3 (b) first.

#### **H-3 (b) Amend Article XII, Sections 12.02 and 12.03, establishing Fire & EMS powers as areawide**

M/S HARRINGTON/PAINTER to make the suggested changes to Charter Article XII, Sections 12.02 and 12.03, establishing an areawide Fire and EMS Department within the consolidated Municipality. With this action, the necessity of the North Tongass Fire & EMS Service Area would be nullified and that issue will be addressed should this current action take place. It further moved to return this agenda item at the next meeting for a second reading."

THOMPSON said that specifically what this does is it adds a new subparagraph (c) to 12.02 that states *The power to provide emergency medical and fire fighting services*. And it deletes 12.03 (2) which is ~~The establishment and operation of fire departments, the hiring of firefighters, and the contracting for fire fighting services~~; and it deletes the last sentence in 12.03 which states

~~Dispatching services for fire and law enforcement may, however, be provided areawide and shall be provided areawide for emergency 911 dispatching, as well as a reference through (3) in the last paragraph of 12.03.~~

KIFFER said the Commission had done a pretty good job of listening to the experts that came before it and he urged the Commissioners to listen to the comments of the two fire chiefs that came to the meeting.

MCCARTY said that he hoped he was echoing KIFFER's analysis and he said basically there has to be a judgment call made as to whether it's better to consider consolidation of these departments at this time and have clearly some negative feedback and whether the negatives outweigh the positives in that it can function as is and that it would be too much of an impediment to total effort of passage of consolidation. He said whichever way the Commissioners vote, that's the lynchpin of it. He said he wouldn't try to defend one position over the other. Both had real valid points. It's a judgment call. He said that we would see if the judgment is good or bad.

A roll call vote was taken on the motion.

FOR: HARRINGTON, THOMPSON, MCCARTY, OTTE  
AGAINST: KIFFER, PAINTER, FINNEY

The motion passed with a 4-3 vote.

THOMPSON said he was going both ways on the issue. He said he thinks he's finding MCCARTY's statements on this to be persuasive on this. If the Commission votes this up and the people don't want it, they will let us know. We're hopefully going to have some public hearings and if this is absolutely the wrong thing to do, the house will be packed and we'll get some feedback on it. If, as we've been doing lately and we have no feedback, we're doing okay.

HARRINGTON said that he thinks it's incumbent on the Commission if this is going to be an areawide power, there has to be language brought back for the implementation plan at the next meeting that says how this is going to be done and if that's not done, he said he'd probably change his mind. The make or break is going to be on the implementation plan. HARRINGTON said that he'd try to write this plan and maybe KIFFER could work on something as well.

OTTE urged the Commissioners to bring back amendments, but if they do, to please make sure they were in written form so that copies could be distributed to the body and audience prior to the meeting.

HARRINGTON said he thought that amendments shouldn't be as amendments but as a freestanding section to the implementation plan for the unification of the departments and also an amendment to change the Charter to change the .5% sales tax at some year after the adoption of this when it becomes areawide (concurrent with that time).

MCCARTY said he was supportive of doing this and he said he thought the Chair hit a spot and that he would have voted for the change, even if he were strongly against it, because this is such an important issue it should be on the table and the Commission may have to weather the fire storm, but if it hadn't passed, he said it probably wouldn't have come up for a lot of people to think about it. He said he's willing to be persuaded otherwise. It's important enough that the people should come to the meetings because this is a hot button issue. He said the same thing would be with the property tax issue, but to have something on the table and the word would get out, and most people would say, yes, they want a cap. There is some benefit with some of these issues to make sure there are listeners and the Commission wants to hear what the public has to say.

OTTE said that the issue could be brought back for a third reading depending on how the next meeting goes. THOMPSON said he didn't hear any of the Commissioners say this was a deal breaker for them. It's a delicate balance between the Commissioners on this. MCCARTY said there are some wise heads out in the community and after a couple of weeks of discussing this issue; we want to hear from the people. He said he could see someone coming in and saying, listen, have you thought of this, have you thought of that. That's a good idea—bad idea. But this is the sort of thing that's really crucial to where the Commission thinks they're trying to head.

**H-3 (a) Amend Article XII – Areawide, Nonareawide and Service Area Powers, Sections 12.03 (2), 12.07 and 12.02 (c) [CONTINUED from June 11, June 18 and June 25, 2004 Meetings. Motion on the floor.]**

The motion on the floor is "I move to make the suggested changes to Article XII, Areawide, Nonareawide and Service Area Powers as shown above."

M/S THOMPSON/PAINTER to postpone consideration of this item until the next regular meeting and the second reading of the prior agenda item.

PAINTER said he thought this item was to make sure that fire & EMS never got separated into separate departments.

HARRINGTON said that both could not be passed.



MCCARTY said that this could be moved to the next agenda as the subsequent item after the item approved at this night's agenda, that of the areawide Fire & EMS.

FOR: HARRINGTON, FINNEY, PAINTER, OTTE, MCCARTY, KIFFER, THOMPSON

AGAINST:

ABSENT:

The motion passed 7-0 to postpone this item until the next meeting and make it subsequent to H-3 (b).

MCCARTY said that it is wise because having (a) and (b) makes it clear that these two items are joined at the hip. There will be one or the other.

HARRINGTON said that on mandatory areawide powers and under 12.03, Services provided by the Service Areas are not specified and for protection purposes he said he planned to bring back a couple of additions. One of them would be Code Enforcement for building codes. The fear out North is palpable about what happens in consolidation if the City building code enforcement coming out and checking that whole process and he said he wants that clear in the structure that it is a nonareawide power, and can't be added without a vote. He said there might be a couple of others.

#### **H-4: Amend Article I, Section 1.01 – Name (First Reading)**

M/S MCCARTY/PAINTER to amend Article I, Section 1.01 – Name, by deleting the words City and Borough and adding the words Municipality of in their place. The new Section 1.01 would read, "The municipal corporation shall be known as "Ketchikan". Whenever it deems in the public interest to do so, the municipality may use the name "Municipality of Ketchikan."

A roll-call vote was taken on the motion.

FOR: PAINTER, HARRINGTON, FINNEY, MCCARTY, OTTE, THOMPSON, KIFFER

AGAINST: HARRINGTON

ABSENT:

The motion passed by a vote of 6-1.

**H-5: Amend Article IV, Section 4.01 – Municipal Manager: Appointment, Term, Qualifications, Removal (Second reading.)**

M/S PAINTER/HARRINGTON to amend, in second reading, Article IV, Section 4.01 by changing the last sentence to read, “The Assembly may suspend or remove the manager at any time by a vote of the Assembly.”

MCCARTY said that the reason the Commission wanted this section to be reviewed was because there was some thought that the Commission might want more than a simple majority to remove the Manager and voting for this language indicates that just a majority would be needed to remove the Manager. He also said that with respect to the Clerk and the Attorney, who also serve at the pleasure of the Assembly, there are some differences between the functions of the different people and the areas that they manage are substantially smaller and very precise as opposed to global, but he would not oppose the change, but there are some differences that might justify a different handling of those two other positions.

FINNEY wanted to know if the way it stands, the Clerk & Attorney were not included in the language of this amendment. It was confirmed that those positions are not in this change, just the Manager.

OTTE said that amendments to the descriptions of those two other positions could always be brought back to be addressed separately by the body.

MCCARTY said he didn't think it was a bad idea to treat all three the same, but there are some differences in the functions.

PAINTER wanted to amend the motion, even though it was a second reading, in regard to Ms. Edwards' final remarks addressed to this change. She had requested that when action was taken on this section on the Manager, that the Attorney and Clerk also be addressed. OTTE pointed out that was what had been being discussed.

OTTE said that amendments to the Attorney and the Clerk sections could be brought back for the body to review, since each are in separate sections of the Charter.

THOMPSON said he thought there was similar language as far as the pleasure  
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of the Assembly and the majority vote and this is cleaning up the moot language. OTTE responded that the way it reads now is “a majority of the assemblymembers,” and any vote is by a majority. He said he thought the sections on the Attorney & Clerk already had the majority language in them. OTTE said she wasn’t sure, but would check and bring back amendments should that be necessary.

MCCARTY said that although the Commission does relax the Robert’s Rules, that would be a major change bringing in a whole other title. It would be better to bring it to the next meeting. THOMPSON indicated that PAINTER’s suggestion would be brought back as an amendment to the Charter should the Clerk and Attorney sections not contain the removal language.

A roll-call vote was taken on the motion in the second reading.

FOR: PAINTER, HARRINGTON, FINNEY, MCCARTY, OTTE, THOMPSON,  
KIFFER  
AGAINST:  
ABSENT:

The motion passed by a vote of 7-0.

**I: New Business**

OTTE mentioned the letter from Mr. Stage of Loring informing the Commission that Loring is going to be attempting to become a service area in order to levy taxes on their property so that they can take over the State dock facility. She indicated she would draft a letter thanking him for his information and find an area in the Petition document to indicate that at the time of the writing of the Petition, the residents were pursuing this new service area process.

OTTE also asked FINNEY about email correspondence. He replied he couldn’t find the area in the document referred to in the emails and perhaps OTTE could send him something to base his assignment on. FINNEY also said that should the areawide Fire & EMS pass, the requested information would not be needed.

**J: Commission Comments**

OTTE asked that if Commissioners had amendments to the Petition documents, to please forward them to her for inclusion in the packets.

MCCARTY said that he feels that it's worthwhile to put something about Loring in the Transition Plan. They have a very good rationale for wanting to become a service area. He said that on the expected third reading on the Fire & EMS issue to find that the vote will change to about 5 to 2 in the other direction. He said he thinks that one of the things the Commission needs to do and as individuals to make sure that people out in the community realize that the Commission is suggesting that this is a possibility that should be explored and hopefully people will show up and whether it's letters to the editor or showing up at the meetings or getting in touch with individual Commissioners, that is beneficial. It's a close call.

FINNEY said he'd struggled with the Fire issue since the Commission is, after all, trying to consolidate governments and why not consolidate the fire services. He said he'd like to hear from people as to how they feel about it.

HARRINGTON said he has an aversion to 3-4 votes, just like on the service area board, he said he hates 2-3 votes. It says there hasn't been enough of a consensus reached. And because it's a change from a current situation, he said that his vote is real close. He said his gut level says to keep it the same unless there are significant reasons to change it. He said that a 3-4 vote just doesn't give him the comfort that the Commission knows what they're doing yet, so he's hoping for some input and a few join the other side, or he'll join them.

PAINTER said he concurred, but he doesn't want to jeopardize the consolidation effort by causing it to fail because that's one of the things that the rural voter didn't like. He also questioned about his and another Commissioner's notebooks seemed awfully full, while the others didn't have as much paper. There were several answers given, with some laughter.

THOMPSON said that one thing that had come to mind while some of the discussions were being held and that was a "laundry list" of things that were mentioned as being put in the Transition Plan that the new sitting Assembly would need to deal with in the next few years. If the fire & EMS vote goes back to the service areas, then that's something that should be in that laundry list and everyone should be thinking about the types of things that should be included. Something on the order of, "Here are the issues that this Commission thinks should be looked at, the equity in the sales tax, the KPU water issue," and all these things that we've said were going to be left status quo, but there's still a lingering problem. They're not something that the Commission wants to address as part of consolidation, but Mr. New Borough, this needs to be fixed.

OTTE reminded the Commission there are seven weeks left to complete the document.

MCCARTY said that assuming there isn't a cap in place when the petition moves forward, that would be something to add to the laundry list as something to be explored. One of the reasons we may not include it is the fact that it's so complicated, but it's something that might be worthwhile and a lot of people would like to see, but it may take more time than this Commission has to work on that issue. He said he wasn't trying to talk the Commissioners out of it, but if it isn't done now, it should be in the Transition Plan. He also thinks that the issue of districting for seats, if this Commission does not address it, should be added into the Transition Plan to consider.

THOMPSON said that OTTE was scheduling a couple of public hearings in August, and the Commission had talked about in the beginning, that we were going to try to put out another survey. He asked if the other Commissioners had any interest in doing that at this point.

OTTE said no, unless it's put in the newspaper, not as a flyer but as a piece of the paper, because people tend to take those extra flyers and throw them away. But, she said, she thinks that the Commissioners had enough to do right now, and if people were genuinely interested in what the Commission is doing, we wouldn't be echoing quite so much.

MCCARTY said that people are watching at home. He said it's amazing how many people out there are paying attention. It seems like it's nobody because we hardly see anybody here.

THOMPSON said he'd gotten some feedback walking around on the 4<sup>th</sup> of July and a lot of people said they really appreciated the job the Commission was doing. He said a lot of people recognized the amount of work that's being put into this and how difficult the task is and it is appreciated.

FINNEY said one thing he'd be interested in, in lieu of a survey, is actually an informational bulletin with some of the highlights or some of the things the consolidated government will look like – the bullet points. If it's informational, it may be the good and the bad. He said we might want to take a look at the pros and cons of putting that out from the Commissioner's viewpoints, the selling points or the negatives.

MCCARTY said the three he mentioned that we should have in the Transition

Plan if they don't pass, he felt that maybe the newspaper should be contacted and asked to put something in, or the radio stations. The three things that seemed to have interested the Commission the most are the idea of the cap, Fire & EMS and the voting districts. There may be a couple of others, but those are the ones that the Commission has gotten into a lot. We've worked through most of the others and seem to have a pretty good consensus and it might be worthwhile to get that out there in the media that it's getting to be crunch time and we're 4-3 at this point.

THOMPSON said there were standing invitations from KRBD & KTKN to come in and talk about what's going on with the Commission. He said maybe the end of this month or the first part of next month would be a good time to go talk to them again. HARRINGTON said that should be done before then on the Fire & EMS thing. THOMPSON wanted to know if he heard a volunteer. MCCARTY said he didn't think he'd be good as a solo but he had no problem being there with somebody else. THOMPSON said that maybe MCCARTY & KIFFER could go – a staunch pro and a staunch con to bring out both sides of the issue. MCCARTY said he didn't think the Commissioner's were that far apart on analyzing what the important points are, it's trying to make a judgment call on it. The idea of getting an efficient system to make sure in dealing with such an important issue that everybody's in agreement on, but what's the best way to do it? Is it working well? If it isn't broken, should the Commission try to fix it? Is there a better way? MCCARTY said he respects KIFFER's opinions and they're very well founded.

The meeting was adjourned at approximately 8:51 p.m.