

City of Edna Bay - Regular Meeting

1 — Meeting Date, Place and Call to order:

This Regular meeting was held on Monday, December 11th, 2018 at Edna Bay School.

At the approval of those in attendance, Councilor (Mr.) Poelstra called the meeting to order at 6:10 PM.

2 — Roll Call:

Heather Richter	- Mayor / Presiding Officer	(Absent)
Karen Williams	- Vice Mayor / City Council	(Absent)
Tyler Poelstra	- Clerk / City Council	(Present)
Myla Poelstra	- Treasurer / City Council	(Present)
Sandy Henson	- City Council	(Present)
Doris Greif	- City Council	(Present)
Lee Greif	- City Council	(Present)

2.1 — Public Participants:

Roger DiPaolo	Louise DiPaolo	Sue Crew	John Dodson	Sharon Wargi
Katie Buss	Joe Wargi	Brian Poelstra		

3 — Consent Agenda:

A: Approval of Meeting Agenda:

The current agenda was read by Councilor (Mr.) Poelstra.

Consensus of the public attendants was taken in favor, and no objections were noted.

B: Approval of Prior Meeting Minutes:

The following minutes were presented for review:

- 1: Special (Postponed Regular) Minutes of November 19th, 2018 -
Small one word typos under Dock Committee and EMS noted.

Consensus of the public attendants was taken in favor, and no objections were noted.

Motion:

Councilor (Mr.) Poelstra moved to approve the consent agenda with noted corrections to the minutes.

- *Seconded by Councilor (Mrs.) Poelstra*
- **Approved by unanimous vote of the council**

3.1 — Business:

Old Business:

- a: *Taking Out Fuel Loan or Directly Purchasing Next Load of Fuel, Discussion and Decision.*
- b: *Changing Logistics and Finances for Post Office, Discussion and Decision.*

New Business:

- a: *Opening of Bids/Award For Road Contracts EDB-11-18-C105 and EDB-11-18-C106, Discussion and Decision.*
- b: *Hearing for Budget Amendment Ordinance #18-15NCO for Roads, Discussion and Decision.*
- c: *Hearing for Budget Amendment Ordinance #18-16NCO for Fuel Purchase, Discussion and Decision.*

4 — Mayor's Report:

No report.

5 — Clerk's Report:

No report.

6 — Treasurer's Report:

Myla Poelstra read back the treasurer's report. Sue Crew had questions regarding the Profit/Loss from last year. After 5 minutes it was agreed the item could not be summarized for a basic Q/A and if it was deemed necessary could be discussed at length under an appropriate agenda item at a future meeting.

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Committee Reports

7.1 — Dock Committee:

Tyler Poelstra reported that DOT has not yet responded with the draft designs they stated they would provide. He also noted that one of the finger floats is tipping more to one side than normal. It also appears the center breakwater light may not be producing light, but that needs to be confirmed.

Sue noted her opinion that finishing the fence reduced the parking, and that the shed and old vehicles should be moved to open up more room. It was noted by attendants that the parking area near the approach has been notably improved in size and quality, and now offers 4-5 vehicle parking places.

7.2 — Road Committee:

No report.

7.3 — EMS Committee:

No report. Sue called Airmedcare and passed on that her conversation with them revealed that if a patient is transported out of Edna Bay to Ketchikan and on to another state they will cover multiple legs of travel to that point. They will not cover travel from another state back to Alaska for the patient.

7.4 — Search & Rescue Committee:

No report.

7.5 — Fire Committee:

No report.

7.6 — Fish & Game Advisory:

No report.

7.7 — Bulk Fuel:

Myla Poelstra reported that the fence was installed and the final parts of the project will be done by the end of the month. Louise has concerns backing into the facility and would like to see reflectors installed on the gate posts / bricks to make it easier to see backing in.

The next load of fuel is tentatively scheduled for January.

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Old Business

Item A – Taking Out Fuel Loan or Directly Purchasing Next Load of Fuel...:

Councilor (Mr.) Poelstra opened the item noting he was not here for the initial discussion.

It was noted that during the last discussion on the item the main question was whether when money is borrowed for the fuel if the City has to have a secure amount of matching funds to back the loan. Myla noted that after speaking with our LGS, when we borrow money all we need is a budget amendment and a line for Revenue and a line for the loan expense in our annual budget.

It was noted that the main suggestion for considering a loan was to keep as much liquidity in our funds for the new dock, and it was anticipated that the projected designs / costs for the project would be available by now. Buying the fuel directly will save the cost of interest on the loan (4%). The first loan had no interest. Myla noted the original loan is paid in full and all remaining fuel is a City asset.

Questions were raised around how much fuel needed to be purchased, which is estimated at around 25K gallons. Councilor (Mr.) Poelstra felt its worth going for 25K gallons to save an additional .05 cents per gallon. After discussion around the dock funding and matching grants, it was noted that matching funds will not be available until the dock is owned by the City. This point mitigated any benefits of paying 4% on

the loan.

Consensus of the public attendants was taken in favor of purchasing the load of fuel directly. No objections were noted.

Motion:

Councilor (Mrs.) Greif moved that we pay out of our General Fund for the next bulk load of fuel.

- *Seconded by Councilor Henson*
- **Approved by unanimous vote of the council**

Item B – Changing Logistics and Finances for Post Office....:

Councilor (Mr.) Poelstra opened the item noting he was not here for the initial discussion.

Councilor Henson noted that when she was meeting the mail planes for Pacific Air they paid \$100 to meet each plane. She shared her view that that is a starting point, and that Taquan does not pay to move the mail and instead provide time-limited benefits for Myla like one flight per month and some free freight that does not include hauling groceries. Her feeling was that Teran is always available and works to meet every plane that comes to Edna Bay and should be compensated some amount for what he does.

Brian explained that he did the math on the mail weights and ran some numbers to prepare a suggestion he felt could fairly compensate for the work involved and set a good standard going forward. This included paying by the LB and not based on how long it takes to move the mail at .08¢ per/lb, \$16 per plane to run to the dock unless the mail hauled (coming and going) is over 200LB. \$16 would not be paid if the weights are over 200LB. This keeps the flight hauling from being unfair to the person doing the work, makes sure this person is not compensated for standby time unless they haul the outgoing mail to the dock and the plane cancels, and sets the rate at a level Brian explained would keep the position something others would have interest in doing in the future if the work needs to change hands. The freight hauler would need to pay his own taxes on the income.

Myla explained that the mail that came and went from Edna Bay over the last 11 months totaled over 122 thousand pounds of mail. Discussion included that a back-down ramp would help some, but that the mail still needs to be moved and lifted regardless but that if the float plane float is moved out to the end of the dock where DOT has suggested the work load and time it takes to move the mail will be higher. Councilor (Mr.) Greif discussed whether to extend the existing postal budget and agreement with Myla if the per/lb rate is approved. Some felt the situation needs to be resolved now to help with the work load, but that a longer term solution needs to be addressed.

Councilor (Mr.) Poelstra agreed that a short term solution is necessary but also wants to see planning go into making the Post Office a long term asset to the City that can involve other people in the process down the road. He also explained that he does not approve of a flat rate since the mail weights are so widely variable and felt the pay by weight format is fair and square. John Dodson agreed with per-lb.

It was agreed to list the policy points for the freight hauling as:

- 1: \$16 per-plane under 200LB of aggregate weight, or after leaving for plane.
- 2: .08¢/LB for over 200LB aggregate weights.
- 3: Starting January 1st, 2019.

The budget amendment figure was discussed to be ~\$12K per year, but with the current fiscal year ending soon it was agreed to limit the budget amendment to \$6K to cover 1/2 year of freight hauling.

Consensus of the public attendants was taken in favor of the suggested mail freight policy points. Two members abstained.

Motion:

Sandy Henson moved to amend the budget to include \$6,000.00 to Postal to cover freight service as outlined below:

- 1: \$16.00 per-plane under 200 LB of aggregate weight, or after leaving for plane.
- 2: .08¢ / LB for over 200 LB aggregate weights.
- 3: Starting January 1st, 2019.

- *Seconded by Councilor (Mr.) Poelstra*

- Approved by unanimous vote of the council

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New Business

Item A – Opening of Bids/Award For Road Contracts EDB-11-18-C105 and EDB-11-18-C106....:

Tabled - term extended by one additional month.

Item B – Hearing for Budget Amendment Ordinance #18-15NCO for Roads....:

Tabled - Awaiting bids before deciding final budgetary figure.

Item C – Hearing for Budget Amendment Ordinance #18-16NCO for Fuel Purchase....:

Councilor (Mr.) Poelstra read back the ordinance and passed out copies of the ordinance to those in attendance. The ordinance was also projected on the overhead for those in attendance to review.

The ordinance includes adding \$70K to Bulk Fuel for the direct purchase of the next load of fuel from City funds without making use of a fuel loan.

Consensus of the public attendants was taken in favor of accepting the ordinance as presented. No objections were noted.

Motion:

Councilor (Mrs.) Poelstra moved to accept Ordinance #18-16NCO, to amend the FY19 budget to include \$70,000.00 for Bulk Fuel purchase.

- *Seconded by Councilor Henson*

- Approved by unanimous vote of the council

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Persons to Be Heard

Councilor (Mr.) Greif expressed his opinion that \$24K for postal is ridiculous, but that he wouldn't want to do it for less and is not against paying a young man what he has coming, but still feels its a ridiculous cost.

Councilor (Mrs.) Greif stated she could not express why but does not feel the per pound rate is fair all the way around.

Councilor (Mr.) Poelstra stated his opinion that no different than a community without a school, a community without a post office is dead. He expressed he doesn't know how we put a fair price on the work load, but also does not feel its fair to expect anyone to do the work for free.

Councilor (Mrs.) Greif stated she and Lee could not do it, but doesn't know how other communities do it without pay, and feels that some do it that way.

Sue Crew stated from what she has seen because we are not connected to the road system Edna Bay gets a lot more mail than other communities.

Councilor (Mrs.) Greif stated there are more people in other communities than in Edna Bay, and they also get Amazon and get more mail.

Councilor (Mrs.) Poelstra stated that she knows Edna Bay gets more mail volume than almost any other small community our size, and stated the other communities took the opportunity when it was available to them to become a federal post office and have paid positions. She feels we put ourselves in this place when we rejected the federal post office in the 90's and feels we would have the money like they do to pay for this had we not done that and have left ourselves responsible with figuring out how to keep it going.

Councilor (Mrs.) Greif stated Naukati, Whale Pass and all these other small communities like we are are not being paid by the postal.

Adjournment

Councilor (Mr.) Poelstra moved that the meeting be adjourned.

Motion to adjourn seconded by Councilor (Mrs.) Poelstra.

Meeting adjourned at 7:53 PM.

