

City of Kodiak Regular Council Meeting Agenda for August 22, 2019
7:30 p.m., at 710 Mill Bay Road, Assembly Chambers (Room 232)

- I. Call to Order/Roll Call**
 - Invocation/Pledge of Allegiance

- II. Previous Minutes**
 - Approval of Minutes of the August 8, 2019, Regular Council Meeting.....1

- III. Persons to Be Heard**
 - a. Proclamation: Library Card Sign-up Month in Kodiak8
 - b. Public Hearing: Retail Marijuana Store License Renewal Application No. 20113 for High Rise, LLC10
 - c. Public Comments (limited to 3 minutes) (486-3231)

- IV. Unfinished Business**
 - a. Second Reading and Public Hearing, Ordinance No. 1389, Amending Chapter 2.04 With a New Section 2.04.025, Excusing the Mayor’s or Councilmembers’ Non-Attendance When Caused by City Business.....11

- V. New Business**
 - a. Resolution No. 2019-15 Appropriating \$5,000 From the Sewer Utility Operating Unassigned Fund Balance and Authorizing the Purchase of the Sewer International HV607 6X4 Chassis Flusher Truck to RWC International, Ltd.....15
 - b. Resolution No. 2019-16 Appropriating \$22,000 From the General Fund Unassigned Fund Balance, \$10,000 From the Trident Basin Unassigned Fund Balance, and \$12,000 From the Shipyard Unassigned Fund Balance and Authorizing the Purchase of Appraisal Services to MacSwain Associates, LLC.....21
 - c. Consideration of Retail Marijuana Store License Renewal Application No. 20113 for High Rise, LLC.....27
 - d. Authorization of Bid Award No. 2020-001 for Purchase of Vehicles From Kodiak Motors for Public Works-Building Inspector Department, Parks and Recreation Department, Harbor Department, and Sewer Wastewater Treatment Plant Department.....40
 - e. Authorization to Purchase Police Vehicle From Alaska Sales and Service With Up-Fitting to be Completed by Alaska Safety, Inc.....45

- VI. Staff Reports**
 - a. City Manager
 - b. City Clerk

- VII. Mayor’s Comments**

- VIII. Council Comments**

- IX. Audience Comments (limited to 3 minutes) (486-3231)**

- X. Adjournment**

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DRAFT

**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, AUGUST 8, 2019
IN THE BOROUGH ASSEMBLY CHAMBERS**

I. MEETING CALLED TO ORDER/INVOCATION/PLEDGE OF ALLEGIANCE

Mayor Pat Branson called the meeting to order at 7:30 p.m. Councilmembers Laura B. Arboleda Randall C. Bishop, Charles E. Davidson, Terry J. Haines, Richard H. Walker, and John B. Whiddon were present and constituted a quorum. City Manager Mike Tvenge, City Clerk Nova Javier, and Deputy Clerk Michelle Shuravloff-Nelson were also present.

Salvation Army Major Dave Davis gave the invocation and the Pledge of Allegiance was recited.

II. PREVIOUS MINUTES

Councilmember Whiddon MOVED to approve the minutes of the July 25, 2019, regular meeting, as presented.

The roll call vote was Councilmembers Arboleda, Davidson, Bishop, Haines, Walker, and Whiddon in favor. The motion passed.

III. PERSONS TO BE HEARD

a. Public Comments

Lawrence Anderson, Senior Citizens of Kodiak, Inc., Board member, thanked the Mayor and Council for the nonprofit grant support. He provided a report of the Senior Citizens of Kodiak, Inc. services that were provided locally and he highlighted that low income and minority receive a priority of services. He reminded citizens that aging can be a difficult process.

Jonathan Strong, Kodiak Area Mentor Program (KAMP) mentor, gave a report and highlighted the services that are provided and stated that the staff members are all volunteers. He spoke about opioid addiction and helping individuals find treatment outside of Alaska. He said he visits the jail to help those with recovery issues and also individuals find vocational opportunities.

Melissa Austin, Kodiak Women's Resource & Crisis Center (KWRCC) Lead Manager and Counselor, thanked the Mayor and Council for the nonprofit funding consideration. She said they will continue to provide services to victims of domestic violence and sexual assault. She said it is an honor and responsibility to help those of need within the community.

IV. UNFINISHED BUSINESS

a. Second Reading and Public Hearing, Ordinance No. 1388, Authorizing Amendment No. 4 to the Lease Between the City of Kodiak and NOAA for Warehouse Space on Pier II

Mayor Branson read Ordinance No. 1388 by title. Ordinance No. 1388 authorizes Amendment No. 4 to the existing NOAA Warehouse Lease at Pier II. Currently NOAA leases warehouse

space totaling 5,400 sf at \$17.55 per square foot per year. The current lease allows for this Amendment No. 4 and is supported by the Harbormaster.

Councilmember Walker MOVED to adopt Ordinance No. 1388.

Mayor Branson closed the regular meeting, opened and closed the public hearing, and re-opened the regular meeting when no one came forward to testify.

The roll call vote was Councilmembers Arboleda, Davidson, Bishop, Haines, Walker, and Whiddon in favor. The motion passed.

V. NEW BUSINESS

a. **First Reading, Ordinance No. 1389 Amending Chapter 2.04 With a New Section 2.04.025, Excusing the Mayor's or Councilmembers' Non-Attendance When Caused by City Business**

Mayor Branson read Ordinance No. 1389 by title. The Mayor and Council wish to include a section in the City code that contains language that could be considered for excusing absences when the Mayor or Councilmember are absent from regular meetings, when caused by conducting or attending City business.

Councilmember Bishop MOVED to pass Ordinance No. 1389 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

The roll call vote was Councilmembers Arboleda, Bishop, Haines, Davidson, Walker, and Whiddon in favor. The motion passed.

b. **Resolution No. 2019–12, Amending Sections 9 Harbor Fees of the Schedule of Fees, Charges, and Tariffs**

Mayor Branson read Resolution No. 2019–12 by title. The City sets its fees and charges for various services by a resolution of the Council. On June 13, 2019, the Council adopted Resolution 2019–10(SUB), which amended several sections of the fee schedule. Some of the harbor fees needed to be further amended to reflect the five-year rate structure adopted per Resolution No. 2017–01.

Councilmember Arboleda MOVED to adopt Resolution No. 2019–12.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, Haines, Walker, and Whiddon in favor. The motion passed.

c. **Resolution No. 2019–14 Authorizing Payment of Fiscal Year 2020 Nonprofit Organization Grants and In-Kind Contributions**

Mayor Branson read Resolution No. 2019–14 by title. Each year the City Council authorizes grant payments to local nonprofit organizations. The types and levels of funding are based on the City Council's nonprofit funding policy guidelines, which were most recently adopted by Reso-

lution No. 2018–06. The policy resolution stipulates the total amount available for nonprofit grants in a given fiscal year, which equals a maximum of one percent of budgeted general fund revenues, not to exceed \$175,000, exclusive of any fund balance appropriations and transfers to capital project funds. This policy limits organizations to one funding criteria or program per year and provides up to \$5,000 for Youth and Adult Recreation Programs and up to \$15,000 for Public Safety Support and Emergency Response Support Programs. The policy also grants agencies the ability to apply for a special one-time only grant for special projects when the City has additional funds available. The City received 19 FY2020 applications from nonprofit organizations that serve Kodiak, down from the 20 applications received last fiscal year, for a total amount requested of \$184,522. Council reviewed the applications at the July 23 work session and voiced a consensus to fund the Alutiiq Museum & Archaeological Repository and the Kodiak Maritime Museum from the Tourism Development Fund to keep within the available \$175,000 cap. Subsequently, the Mayor and Councilmembers voiced a preference to award the excess of \$430 to the Kodiak Hockey League effectively increasing their request to \$4700.

Councilmember Davidson MOVED to adopt Resolution No. 2019–14.

Councilmember Whiddon stated he was pleased that they were able to award these funds. He said that Kodiak is an extraordinary place to live.

Councilmember Haines thanked the nonprofit agencies for their services.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, Haines, Walker, and Whiddon in favor. The motion passed.

d. Authorization to Award Bid for Leasing Document Production Equipment to Office-TECH (an Authorized Xerox Agency)

The City of Kodiak accepted sealed bids for the lease of document production equipment for the Administration offices at City Hall, the Kodiak Public Library, the Harbor offices at Fisherman’s Hall, and the Kodiak Police Department. The date of invitation began on June 19, 2019, and closed at 2 p.m. on July 19, 2019. City staff reviewed all bid proposals and scored based on the required criteria as set forth by the bid documents.

Councilmember Haines MOVED to authorize a sixty-month lease agreement with Office-TECH/Xerox Corporation for:

- 1 Xerox C8055/H2 in the amount of \$673.78 monthly, with funds coming from the General Fund, Non-Departmental, Administration Equipment Rental Account; (\$8,085.36 annually; \$9,000 budgeted)
- 1 Xerox C8055/H2 in the amount of \$465.57 monthly with funds coming from the General Fund, Police, Police Support Services Equipment Rental Account; (\$5,586.84 annually; \$8,920 is budgeted)

- 1 Xerox C8055/H2 in the amount of \$341.82 monthly, with funds coming from the Enterprise Fund, Boat Harbor, Administration Equipment Rental Account; (\$4,101.84; \$5,000 is budgeted)
- 1 Xerox C8055/H2 in the amount of \$244.32 monthly, with funds coming from the General Fund, Library, Administration Equipment Rental Account; (\$2,931.84 annually; \$3,000 is budgeted)

and authorize the City Manager to sign the leases on behalf of the City.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, Haines, Walker, and Whiddon in favor. The motion passed.

e. Authorization to Award Bid of Cisco Phone System Equipment and Installation and Migration of Existing Cisco System to GCI Communications Corp

The City of Kodiak accepted sealed bids for the Cisco phone system equipment and installation and migration from the existing Cisco system. The date of invitation began on June 14, 2019, and closed at 2 p.m. on July 15, 2019. The lowest responsive bidder was GCI Communications Corp. GCI Communications Corp bid \$77,903 for the Cisco phone system upgrade for parts and labor \$21,785 for the optional updated Cisco phones.

Councilmember Whiddon MOVED authorize a bid award of Cisco Phone System Equipment and Installation and Migration of Existing Cisco System to GCI Communications Corp in the amount of \$99,688, with funds from the General Capital Projects, Project Number 4057, Citywide Phone System Upgrade and authorize the City Manager to execute the documents on behalf of the City.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, Haines, Walker, and Whiddon in favor. The motion passed.

f. Authorization of a Three-Year Service Agreement for Preventative Maintenance for Uninterruptible Power Supply (UPS) with Vertiv Corporation

This request authorizes a three-year service agreement with Vertiv Corporation, original manufacturer of the Liebert uninterruptible power supply (UPS) installed at the Police Department, for annual preventative maintenance. The UPS system protects over a million dollars' worth of critical equipment from source power disturbances, outages, and load faults allowing critical aspects of public safety and City business to continue during utility power problems. The cost of this agreement is \$24,530 (or about \$8,176.66 per year of coverage) and includes a thorough inspection and testing to ensure the system is properly functioning. This is a budgeted expense.

Councilmember Davidson MOVED to authorize a Three-Year Service Agreement for Preventative Maintenance for Uninterruptible Power Supply (UPS) with Vertiv Corporation in the amount of \$24,530 with funds coming from police administration repair and maintenance and authorize the City Manager to sign the agreement on behalf of the City.

The roll call vote was Councilmembers Arboleda, Bishop, Haines, Davidson, Walker, and Whiddon in favor. The motion passed.

g. Authorization to Purchase and Replace VRLA Batteries, Fans, and Capacitors in the Police Department's UPS with Vertiv Corporation

This request authorizes the purchase and replacement of VRLA batteries, fans, and capacitors for the uninterruptible power supply (UPS) at the Kodiak Police Department's battery backup. The current VRLA batteries were replaced in FY 2015 and the fans and capacitors were installed during original construction of the police department in 2010. The estimated cost to replace the batteries is \$63,514.20 and fans and capacitors are estimated to cost \$12,011.00. These estimates include shipping, labor, and the removal of the old batteries. This expense was included in the FY 2020 budget.

Councilmember Haines MOVED to authorize the purchase and replacement of VRLA batteries, fans, and capacitors in the Police Department's Uninterruptible Power Supply from Vertiv Corporation in the amount of \$75,525.20 with funds coming from Police Administration machinery and equipment greater than \$5,000 account and authorize the City Manager to sign the agreement on behalf of the City.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, Haines, Walker, and Whiddon in favor. The motion passed.

h. Authorization of FY2020 Pavement Repairs for Von Scheele Drive, Project No. 20-01/5039 to Brechan Construction LLC

To keep City streets in safe driving condition requires a continual asphalt maintenance program. This project will utilize the available funding in the project budget to remove and replace paving on Von Scheele Drive that has deteriorated to a level that requires complete removal and replacement. Brechan Construction LLC is the only asphalt pavement producer and large project paver in Kodiak and no other large paving contractors are mobilized in Kodiak this year, therefore staff recommends Council authorize FY19 pavement repairs project No. 20-01/5039 to Brechan Construction L.L.C. as a sole source unit price contract in the amount of \$407,558.00.

Councilmember Davidson MOVED to authorize FY2020 Pavement Repair for Von Scheele Drive, Project No. 20-01/5039 to Brechan Construction L.L.C. in amount of \$407,558 with funds coming from the Streets Capital Improvement Fund project number 5039, Annual Pavement Repairs, and authorize the City Manager to execute documents on behalf of the City.

Councilmember Whiddon complimented the staff for managing the budget and adhering to it. He stated it was a job well done.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, Haines, Walker, and Whiddon in favor. The motion passed.

VI. STAFF REPORTS

a. City Manager

Manager Tvenge said the Monashka's water reservoir, is the primary water source for those on City water, and he confirmed the reservoir is essentially full. He said he will continue to update the community, especially if there is no rainfall during the month of August. He provided an update the Alaska Municipal League online sales tax governance committee; he said there will be a consortium formed and it will act as a collection agency for online sales tax. He shared information will be forthcoming and it is anticipated that it will start in January 2020. He said that the Alaska Department of Environmental Conservation (ADEC) determined the City could not have prevented the spill regarding Lift Station 5. He referred to the handouts for and sewer and wastewater future plans. He shared that City offices will close beginning at 3 p.m. tomorrow for the City's employee picnic.

b. City Clerk

Clerk Javier gave an overview of the upcoming meeting schedule work session and regular Council meetings. She indicated that candidate nominating period is open until August 15 and nominating petitions are available in the Clerk's office.

Councilmember Whiddon stated the Fisheries Work Group meetings will resume in September.

VII. MAYOR'S COMMENTS

Mayor Branson said she will be at the Alaska Municipal League meeting next week and anticipates a busy week. She said she understands that the Governor has no intention of changing his vetoes. She said she is pleased that Von Scheele Road will be fixed and stated that she is pleased that leases and appraisals are moving forward.

VIII. COUNCIL COMMENTS

Councilmember Walker thanked the department heads and said he appreciated the Von Scheele pavement repairs that will occur.

Councilmember Davidson thanked the staff for their hard work.

Councilmember Arboleda appreciated Mr. Lawrence's comments and the public comments from the nonprofits that were present during the meeting.

Councilmember Whiddon did not have comments.

Councilmember Bishop thanked the staff. He reminded the public about Warm August nights; he said to enjoy and be safe.

Councilmember Haines reminded citizens to contact their legislatures and representatives if they have comments. He reminded the public to be bear aware and be conscientious of what is placed in their garbage outside to avoid.

IX. AUDIENCE COMMENTS

None

X ADJOURNMENT

Councilmember Davidson MOVED to adjourn the meeting.

The meeting adjourned at 8:15 p.m.

The roll call vote was Councilmembers Arboleda, Bishop, Davidson, Haines, Walker, and Whiddon in favor. The motion passed.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Minutes Approved:

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PERSONS TO BE HEARD

MEMORANDUM TO COUNCIL

Date: August 22, 2019

Agenda Item: III. a. Proclamation: Library Card Sign-up Month in Kodiak

SUMMARY: This proclamation recognizes the important role of the libraries in providing infinite possibilities through resources and services to help people pursue their passions. In addition, this proclamation encourages everyone to update or sign-up for their library cards.

ATTACHMENT:

Attachment A: Proclamation: Declaring Library Card Sign-Up Month

PROCLAMATION

Declaring Library Card Sign-Up Month

WHEREAS, signing up for a library card is the first step towards lifelong learning; and

WHEREAS, libraries play an important role in the education and development of adults and children; and

WHEREAS, library programs serve people of all ages; and

WHEREAS, librarians lead the way in creating inclusive spaces and developing diverse collections for people of all backgrounds to connect and learn together; and

WHEREAS, libraries bridge the digital divide by providing a full range of information and services to patrons; and

WHEREAS, the Kodiak Public Library is migrating to a new catalog and every patron needs an updated Library card; and

WHEREAS, libraries continue to transform and expand their services in ways that meet the needs of the communities they serve; and

WHEREAS, libraries open a world of infinite possibilities through resources and services to help people pursue their passions and give students the tools to succeed in school and beyond.

THEREFORE, be it resolved that I, Pat Branson, Mayor of the City of Kodiak, do hereby proclaim September to be

Library Card Sign-up Month

in Kodiak, Alaska and encourage everyone to update or sign up for their own library card.

Presented this 22nd day of August 2019.

City of Kodiak

Pat Branson, Mayor

MEMORANDUM TO COUNCIL

Date: August 22, 2019

Agenda Item: III. b. Public Hearing: Retail Marijuana Store License Renewal Application No. 20113 for High Rise, LLC

SUMMARY: The City received notice from the State of Alaska on July 29, 2019, of a renewal of application from High Rise, LLC for a retail marijuana store license at 104 Center Ave., Suite 102. As part of the license application review process established by Ordinance No. 1378, this hearing allows the public to comment before the Council considers the application later in the agenda.

UNFINISHED BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Nova Javier, City Clerk
Mike Tvenge, City Manager

Date: August 22, 2019

Agenda Item: **IV.a. Second Reading and Public Hearing, Ordinance No. 1389 Amending Chapter 2.04 With a New Section 2.04.025, Excusing the Mayor's or Councilmembers' Non-Attendance When Caused by City Business**

SUMMARY: The Mayor and Council wish to include a section in the City code that contains language that could be considered for excusing absences when the Mayor or Councilmember are absent from regular meetings, when caused by conducting or attending City business.

PREVIOUS COUNCIL ACTION:

- June 11, 2019, work session, the Council gave direction to Clerk to research on how absences could be excused when the Mayor or councilmembers are unavailable due to other official City business.
- A draft ordinance was presented to the Council on July 23, 2019, and direction was given to introduce an ordinance at the August 8, 2019, regular meeting.
- This ordinance was introduced and advanced to public hearing by the Council on August 8, 2019.

DISCUSSION: The purpose of this ordinance is to implement Charter Article II, Section 8 by providing rules for determining an absence. Legal Counsel advised that ordinances implementing charter provisions are appropriate and noted there is no conflict in excusing non-attendance caused by concurrent city business because the official is observing official duties, not neglecting them. This ordinance allows for approving an official's concurrent city-business activity through an open process of disclosure which ensures transparency.

ALTERNATIVES: Council may adopt Ordinance No. 1389 or Council may fail Ordinance No. 1389.

FINANCIAL IMPLICATIONS: None

LEGAL: The City Attorney drafted the ordinance.

STAFF RECOMMENDATION: Staff does not have a recommendation. This ordinance was presented at Council's direction

CITY MANAGER'S COMMENTS: This situation is easily remedied by implementing this ordinance.

ATTACHMENTS:

Attachment A: Ordinance No. 1389

PROPOSED MOTION:

Move to adopt Ordinance No. 1389.

AUGUST 22, 2019
Agenda Item IV.a. Memo Page 2 of 2

**CITY OF KODIAK
ORDINANCE NUMBER 1389**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING CHAPTER 2.04 WITH A NEW SECTION 2.04.025, EXCUSING THE MAYOR'S OR COUNCILMEMBERS' NON-ATTENDANCE WHEN CAUSED BY CITY BUSINESS

WHEREAS, Article II, Section 8 of the Charter of the City of Kodiak provides that persons holding the offices of mayor or councilmember may be removed from or forfeit office based on absence from regular meetings of the council;

WHEREAS, elected officials travel and conduct business on behalf of the City and such activities may preclude attendance at meetings; and

WHEREAS, the council has, by Resolution No. 2013-03, adopted the Mayor and Council Travel Policy, governing and defining official travel; and

WHEREAS, the mayor and council approve and adopt a travel budget and official travel calendar annually, and may amend the official travel calendar at a work session or regular or special meeting; and

WHEREAS, officials should not be penalized if unable to attend a council meeting as a result of approved city business;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

Section 1: **Amendment to Chapter 2.04.** Kodiak City Code Chapter 2.04 is hereby amended by inserting a new Section 2.04.025 to as follows:

2.04.025 – Attendance excused.

(a) For the purposes of removal from office under Charter Art. II, Sec. 8, the mayor's or councilmember's non-attendance of a regular meeting of the council shall be excused and not considered an absence if:

- (1) A councilmember's non-attendance is caused by official travel or the member's participation in a concurrent city-business activity, and the council previously approved the official travel or participation in the concurrent city-business activity by approval of the official travel calendar, resolution, or motion.
- (2) The mayor's non-attendance is caused by official travel or participation in a concurrent city-business activity, and: (i) the council previously approved the mayor's travel or participation, or (ii) in advance of the non-attended meeting, the mayor provided the city manager with written notice of the mayor's concurrent city-business activity.

(b) If non-attendance is excused under subsection (a), the official's non-attendance and concurrent city-business activity shall be noted by the presiding

officer during roll call at the non-attended meeting, and the same shall be recorded in the minutes.

Section 2: This ordinance shall go into effect one month after its passage and publication.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading: August 8, 2019
Second Reading: August 22, 2019
Effective Date:

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NEW BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Council members

From: Mike Tvenge, City Manager

Thru: Craig Walton, Public Works Director and Kelly Mayes, Finance Director

Date: August 22, 2019

Agenda Item: **V. a. Resolution No. 2019-15, Appropriating \$5,000 from the Sewer Utility Operating Unassigned Fund Balance and Authorizing the Purchase of the Sewer International Hv607 6x4 Chassis Flusher Truck to RWC Inter. Ltd.**

SUMMARY: The Public Works department included a replacement of the Sewer International HV607 6X4 Chassis flusher truck in the FY2020 budget to replace the 1996 International 3500 gallon Flusher truck. The FY2020 budget amount is approximately \$2,465 less than the lowest bid received for the equipment replacement; therefore, funds will need to be transferred from the sewer utility operating unassigned fund balance to the sewer utility collection machinery and equipment to purchase this Flusher truck.

PREVIOUS COUNCIL ACTION: Approved FY 2020 Budget.

BACKGROUND: The Public Works Department has been wanting to replace this truck for the last couple of years. The purchase has been postponed due to other needs of the department and budgetary restrictions. The last evaluation of the existing truck shows numerous mechanical and structural issues that need to be addressed in the near future at a great cost to repair.

ALTERNATIVES: The following is staff's recommendation:

- 1) Adopt the resolution to transfer funds, which will allow the purchase to the lowest responsible bidder in the amount \$202,465.18.
- 2) Do not adopt the resolution, which will impede the purchase of the Flusher truck. This is not recommended since the last evaluation identified numerous structural and mechanical deficiencies that could pose a safety risk in the future.

FINANCIAL IMPLICATIONS: The FY 2020 budget includes \$200,000 for the replacement of the 1996 International Flusher in the Sewer Capital Outlays. The quoted cost for a flusher equipped per City specifications is \$202,464.18 including shipping terms of FOB Kodiak. The additional \$5,000 requested will come from the Sewer Utility Operating Fund unassigned fund balance and will cover additional costs that include a radio and additional safety items.

LEGAL: Article V of the City of Kodiak Charter provides that an appropriation of funds separate from the budget document may be made by resolution.

Kodiak City Code 3.12.020 Limitation on city manager’s authority states the city manager may make an acquisition, sale, transfer, or contract authorized by KCC [3.12.010](#) without council approval, open market, or bidding procedures, if the value of the property, service, or contract does not exceed \$35,000.

STAFF RECOMMENDATION: Staff recommends Council approve Resolution No. 2019–15 authorizing the appropriation of \$5,000 from the Sewer Utility Operating Fund unassigned fund balance and authorize the purchase of the 2020 International HV607 6X4 Chassis.

CITY MANAGER’S COMMENTS: This resolution will provide the necessary funding to complete the vehicle purchase.

ATTACHMENTS:

Attachment A: Resolution No. 2019–15

Attachment B: RWC Group quote

Attachment C: Stepp MFG. quote

PROPOSED MOTION:

Move to adopt Resolution No. 2019–15.

**CITY OF KODIAK
RESOLUTION NUMBER 2019–15**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK APPROPRIATING \$5,000 FROM THE SEWER UTILITY OPERATING UNASSIGNED FUND BALANCE AND AUTHORIZING THE PURCHASE OF THE SEWER INTERNATIONAL HV607 6X4 CHASSIS FLUSHER TRUCK TO RWC INTERNATIONAL, LTD

WHEREAS, the FY 2020 budget included the replacement of the Sewer International HV607 6X4 Chassis flusher truck; and

WHEREAS, the City obtained the lowest bid price per Sourcewell specifications from RWC International, Ltd in the amount of approximately \$202,465; and

WHEREAS, the FY 2020 budget amount is approximately \$2,465 lower than the lowest bid received for the equipment replacement; and

WHEREAS, RWC International, Ltd is a Sourcewell Member; and

WHEREAS, per the City of Kodiak municipal code 3.12.020, *Limitation on the City Manager's Authority*, purchases in excess of \$35,000 require approval from the City Council; and

WHEREAS, Article V of the City of Kodiak Charter provides that an appropriation of funds separate from the budget document may be made by resolution; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska:

Section 1. The Fiscal Year 2020 Operating Budget is amended by appropriating \$5,000 from the Sewer Utility Operating Unassigned Fund Balance to the following account to pay for the 2020 International HV607 6X4 Chassis flusher truck:

<u>Account Description</u>	<u>Amount</u>
Sewer Utility Operating Unassigned Fund Balance	\$5,000
<u>Account Description</u>	<u>Amount</u>
Sewer Utility Collection Machinery & Equipment > \$5,000	\$5,000

Section 2. The purchase of the 2020 International HV607 6X4 Chassis is hereby authorized in the amount of \$202,465 with funds from the Sewer Utility Collection Machinery & Equipment > \$5,000 to RWC International, Ltd.

BE IT FURTHER RESOLVED that the City Manager is authorized to sign the necessary documents on behalf of the City.

BE IT FURTHER RESOLVED this resolution shall become effective upon adoption.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:



RWC International, Ltd is pleased to provide you with this proposal compliant with all terms of the Sourcewell Vehicles and Chassis Contract #081716-NVS awarded to Navistar, Inc for new International Truck, effective 3/13/19. If you have any questions regarding enrollment in Sourcewell or detailed contract terms and conditions, please see your International Truck sales representative.

PROPOSAL PREPARED FOR:		PROPOSAL PREPARED BY:	
Sourcewell Member:	City of Kodiak	RWC International Ltd	
Contact:	Christopher Dolph	Mike Lash	
Address:	2410 Mill Bay Rd	7880 Sandlewood Pl	
City/State/Zip:	Kodiak, AK 99615	Anchorage, AK 99507	
Phone:	(907) 486-8067	(907) 265-0225	
Email:	cdolph@city.kodiak.ak.us	mlash@rwcgroup.com	

Proposal Number	5056-02
Date	7/22/2019
Quantity of this Specification	1
Single Sourcewell Transaction Total Volume	1

Chassis		
New 2020 International HV607 6X4 Chassis		\$ 145,310.00
Base Chassis List	\$ 92,154.00	
Options List	\$ 53,156.00	
Sourcewell Contract Discount	33.2%	\$ (48,242.92)
Volume Incentive		\$ -
Net Sourcewell Chassis Price		\$ 97,067.08
Sourcewell Partner Body		
		\$ -
		\$ -
		\$ -
		\$ -
Non-Sourcewell Dealer Supplied Body		
STREET FLUSHER, 3500 Gallon Stainless Steel Tank (Ref Ochoco Mfg Co Quote)		\$ 89,230.00
		\$ -
		\$ -
		\$ -
Handling Fee	5.00%	\$ 4,461.50
Additional Post Build Work		
GOVERNMENT SILVER PACKAGE, Includes 2-Year Access to OnCommand Parts Information and OnCommand Service		\$ -
OIL PAN HEATER, 300W Immersion Type		\$ 212.00
WINTERFRONT, Black Quilted Attached to Grille Bars with Center Zipper		\$ 220.00
		\$ -
		\$ -
		\$ -
Handling Fee	5.00%	\$ 21.60
Service Contracts		
EXT CMS ENG/AFTR(Cummins) To 60-Month/100,000 Miles (160,000 km), Extended Cummins L9 Engine Coverage, Protection Plan 1 and Aftertreatment		\$ 4,380.00
		\$ -
		\$ -
Additional Freight		
FREIGHT, Anchorage to Kodiak, AK via Alaska Marine Highway		\$ 1,352.00
		\$ -
Additional Floorplan		
FLOORING INTEREST, ADDITIONAL, 270, For Body Installation, Transportation and Net 30 Payment Terms		\$ 5,520.00
		\$ -
Additional Fees & Taxes		
		\$ -
		\$ -
Total Sourcewell Customer Price FOB Kodiak, AK		\$ 202,464.18

Terms: Price is valid for 30 days. Please allow approximately 300 days for delivery.



QUOTE SSF19-10

jason@steppmfg.com / VP Sales
 joan@steppmfg.com / Sales Coord
 charlie@steppmfg.com / East Coast Rep
 carl@steppmfg.com / Midwest Rep

Stepp Manufacturing Co., Inc. 12325 River Road North Branch MN 55056 Ph: 651-674-4491 Fx: 651-674-4221

TO	Chris Dolph	COMPANY	City of Kodiak
PHONE/FAX	907-486-8067	ADDRESS	
EMAIL	cdolph@city.kodiak.ak.us	CITY/STATE/ZIP	Kodiak, AL

DATE	EARLIEST SHIP	FOB	SALES REPRESENTATIVE	
4/25/2019	Feb-20	Destination	Jason Stepp	
ITEM #	DESCRIPTION	QTY	UNIT TOTAL	LINE TOTAL
SSF 3000	Stepp Truck Mounted Street Flusher 3000 Gallons	1	\$ 77,096.00	\$ 77,096.00
	Garden Hose Adapter- Pressurized	1	394.00	394.00
	Air Blast (per Nozzle)	6	289.00	1,734.00
	304L Stainless Tank	1	8,970.00	8,970.00
	Additional Plumbing Nozzles (4 Standard; 2 mid 2 rear)	2	1,178.00	2,356.00
	Duck Bill Nozzles	2	343.00	686.00
	Water Cannon w/Joy Stick	1	9,361.00	9,361.00
	Heated Cabinet- Stainless Steel	1	4,549.00	4,549.00
	Pro-Tech Tool Box Aluminum	1	756.00	756.00
	Rearview Camera System-Federal Signal	1	1,471.00	1,471.00
	Whelen Super LED Light Package	1	7,952.00	7,952.00
	Arrowboard	1	1,793.00	1,793.00
	Work Lights	2	224.00	448.00
	Whelen Scene Light LED	1	937.00	937.00
	Paint: White	1	0.00	0.00
Non Standard Options	Water Cannon Extension Cables for Sidewlk Washer	1	325.00	325.00
	SideWalk Boom Washing Boom	1	5,750.00	5,750.00
	Hotsy Pressyre Washer	1	14,400.00	14,400.00
	Hotsy Pressure Washer Mounting Brackets	1	3,450.00	3,450.00
2020 MV 6x4	Internation Truck - Chassis	1	97,451.32	97,451.32

We are pleased to submit the above quote for your consideration. Should you place an order, be assured it will receive our prompt attention. Price does not include local, state, or federal tax unless otherwise noted.

***Please note: This quote is valid for 60 days from the above date.**

There after it is subject to change.

Subtotal	\$ 239,879.32
Freight	8,000.00
Total Due	\$ 247,879.32

THANK YOU FOR YOUR BUSINESS!

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers
From: Mike Tvenge, City Manager
Thru: Josie Bahnke, Deputy City Manager
Date: August 22, 2019

Agenda Item: **V.b. Resolution No. 2019-16 Appropriating \$22,000 From the General Fund Unassigned Fund Balance, \$10,000 From the Trident Basin Unassigned Fund Balance, and \$12,000 From the Shipyard Unassigned Fund Balance and Authorizing the Purchase of Appraisal Services to MacSwain Associates, LLC**

SUMMARY: The FY2020 budget typically includes professional services within the General Fund, Trident Basin, and the Kodiak Shipyard. The City Administration is in the process of leasing and renewing leases for Pillar Mountain Communication Sites, Trident Basin Sea Plane Base, Municipal Airport. In addition to normal operations and capital infrastructure needs, the FY2020 Council goals included a Shipyard Rate Study & a Shipyard Marketing Plan.

PREVIOUS COUNCIL ACTION:

- The FY 2020 budget incorporates the City Council Budget Goals passed by Resolution Number 2019-05 on February 14, 2019. This also includes a review of all City contracts and leases to include Trident Basin, Municipal Airport, quarries, and communication sites.

BACKGROUND: Land Appraisals have been required under City Code at least since 1989. Because City property is a public asset, the Council has assured a fair return to Kodiak citizens. With few exceptions, “No city lands shall be leased or sold, or renewal lease issued unless the same has been appraised within six months prior to the date fixed for beginning of the term of the sale, lease, or renewal lease.” (KCC 18.20.090). The City of Kodiak has 10 leases on Pillar Mountain of which four are expired and 2 will expire at the end of 2019. The City has a total of 5 leases at Trident Basin and all are expired. We expect a new tenant at this location by the end of the year. In addition to the appraisal requirement, KCC 18.36.150 - Kodiak Municipal Airport – Fees – states that the City Council may, by resolution, establish fees for the utilization of the airport and any airport facilities. The City Manager may recommend fees for adoption by the Council that are reasonable and necessary for the proper maintenance, improvement, and operation of the airport. The last time the City Council amended municipal airport and system development fees was in 2005.

DISCUSSION: Per the proposal, MacSwain and Associates will provide formal written reports setting out their judgement about the most probable annual rent that a property will bring on the open market. They will be based on research and study of factors that affect the value including ownership rights and

legal restrictions; market conditions on the date of appraisal; a detailed description of the appraised property; and the actual sale prices or rental of similar properties. The written appraisals will help lead City Administration to a conclusion of value and proposed lease rates for the different properties. MacSwain and Associates has extensive experience appraising public, commercial, and marine industrial properties on Kodiak Island for many years. The firm is accepted and certified by the State of Alaska.

ALTERNATIVES: The Council may take one of the following actions:

- 1) Appropriate and authorize the appraisal services for Pillar Mountain, Trident Basin Sea Plane Base, Municipal Airport, and Kodiak Shipyard.
- 2) Reject the proposal and not fund the appraisals. This is not recommended since it is required by ordinance and assures a fair return to Kodiak citizens.

FINANCIAL IMPLICATIONS: The FY 2020 budget would be amended to appropriate additional professional services for appraisals to be performed for the properties noted herein. The current professional services line item did not include these appraisal services as these were unknown at the time of budget adoption for FY 2020. The appraisals of these properties will be essential for determining future charges for services and lease rates.

LEGAL: An appraisal is required under Chapter 18.20 Disposal of Real Property.

Article V of the City of Kodiak Charter provides that an appropriation of funds separate from the budget document may be made by resolution.

Kodiak City Code 3.12.020 Limitation on city manager's authority states the city manager may make an acquisition, sale, transfer, or contract authorized by KCC [3.12.010](#) without council approval, open market, or bidding procedures, if the value of the property, service, or contract does not exceed \$35,000.

STAFF RECOMMENDATION: Staff recommends Council approve Resolution No. 2019-16 authorizing the appropriation of \$22,000 from the General fund unassigned fund balance, \$10,000 from the Trident Basin unassigned fund balance, and \$12,000 from the Shipyard unassigned fund balance and authorize the purchase of appraisal services for City Property from MacSwain & Associates in the amount of \$44,000.

CITY MANAGER'S COMMENTS: The appraisal of city owned property will benefit the Administration and Council in determining current lease rates and provide the Lessor supportive comparables.

ATTACHMENTS:

- Attachment A: Resolution No. 2019-16
- Attachment B: MacSwain & Associates fee proposal

PROPOSED MOTION:

Move to adopt Resolution No. 2019-16.

**CITY OF KODIAK
RESOLUTION NUMBER 2019-16**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK APPROPRIATING \$22,000 FROM THE GENERAL FUND UNASSIGNED FUND BALANCE, \$10,000 FROM THE TRIDENT BASIN UNASSIGNED FUND BALANCE, AND \$12,000 FROM THE SHIPYARD UNASSIGNED FUND BALANCE AND AUTHORIZING THE PURCHASE OF APPRAISAL SERVICES TO MACSWAIN ASSOCIATES, LLC

WHEREAS, the FY 2020 budget included professional services within the General Fund-Executive Administration, General Fund-Public Works-Municipal Airport, Trident Basin Administration, and Shipyard Administration; and

WHEREAS, the City obtained a quote for appraisal services for Pillar Mountain, Trident Basin, Municipal Airport, and the Shipyard from MacSwain Associates, LLC in the amount of approximately \$44,000; and

WHEREAS, per the City of Kodiak municipal code 3.12.020, *Limitation on the City Manager's Authority*, purchases in excess of \$35,000 require approval from the City Council; and

WHEREAS, per the City of Kodiak municipal code 3.12.070, *Exceptions to bidding requirements*, shall apply to providers of professional services, which experience and qualifications and price shall not be a factor in the selection process; and

WHEREAS, Article V of the City of Kodiak Charter provides that an appropriation of funds separate from the budget document may be made by resolution; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska:

Section 1. The Fiscal Year 2020 Operating Budget is amended by appropriating \$22,000 from the General Fund Unassigned Fund Balance, \$10,000 from the Trident Basin Unassigned Fund Balance, and \$12,000 from the Shipyard Unassigned Fund Balance to the following account to pay for the appraisal services for Pillar Mountain, Municipal Airport, Trident Basin, and the Shipyard:

<u>Account Description</u>	<u>Amount</u>
General Fund Unassigned Fund Balance	\$22,000
<u>Account Description</u>	<u>Amount</u>
Executive Administration-Professional Services	\$10,000
Public Works Municipal Airport-Professional Services	\$12,000

<u>Account Description</u>	<u>Amount</u>
Trident Basin Unassigned Fund Balance	\$10,000

<u>Account Description</u>	<u>Amount</u>
Trident Basin Administration-Professional Services	\$10,000

<u>Account Description</u>	<u>Amount</u>
Shipyards Unassigned Fund Balance	\$12,000

<u>Account Description</u>	<u>Amount</u>
Shipyards Administration-Professional Services	\$12,000

Section 2. The purchase of the land appraisal services from MacSwain Associates, LLC for Pillar Mountain, Municipal Airport, Trident Basin, and the Shipyards is hereby authorized in the amount of \$44,000 with funds from the General Fund-Executive Administration Professional Services, Public Works Municipal Airport Professional Services, Trident Basin Administration Professional Services, and the Shipyards Administration Professional Services.

BE IT FURTHER RESOLVED that the City Manager is authorized to sign the necessary documents on behalf of the City.

BE IT FURTHER RESOLVED this resolution shall become effective upon adoption.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:

MacSwain Associates LLC

4401 Business Park Blvd., Suite 22
 Anchorage, Alaska 99503
 Telephone: 907-561-1965
 Facsimile: 907-561-1955
 E-mail: s.macswain@macswain.com

August 8, 2019

Mike Tvenge
 City Manager, City of Kodiak
 710 Mill Bay Road
 Kodiak, AK 99615

Re: Contract for Appraisal of City of Kodiak Properties

Dear Mr. Tvenge:

MacSwain Associates LLC will prepare *Appraisal Reports* that analyze the City of Kodiak properties, as outlined below. The properties are delineated into four separate reports, which will comply with the *Uniform Standards of Professional Appraisal Practice* (USPAP). The purpose of the report is to estimate annual market rent based on the unencumbered fee simple interest. Thus, each report will make a ***hypothetical condition*** that the appraised properties are unencumbered by their leases. Engagement terms and conditions applicable to all four reports are as follows. Terms and conditions applicable to only one report follow subsequently in respective order.

<u>Client:</u>	City of Kodiak
<u>Intended Users:</u>	Client, lessees
<u>Intended Use:</u>	Assist client with establishing annual market rent
<u>Type of Values:</u>	Market value and market rent
<u>Property Rights:</u>	Unencumbered fee simple interest
<u>Number of Copies:</u>	PDF of each report, hard copies upon request
<u>Property Inspections:</u>	Our intent is to inspect all properties at one time. Travel costs will be billed to the City of Kodiak.

Report 1: Pillar Mountain Communication Sites

<u>Report Description:</u>	Ten communication sites valued separately, presented in single, bound report.
<u>Appraisal Fee:</u>	\$10,000
<u>Payment Terms:</u>	\$5,000 retainer, balance due upon completion
<u>Completion Date:</u>	September 30, 2019

Report 2: Trident Sea Plane Basin – Near Island

<u>Report Description:</u>	Five leased properties valued separately, presented in single, bound report. Properties with same lessee will likely be combined. The report will exclude the quarry and lessee improvements.
<u>Appraisal Fee:</u>	\$10,000
<u>Payment Terms:</u>	\$5,000 retainer, balance due upon completion
<u>Completion Date:</u>	October 31, 2019

Report 3: Kodiak Lilly Lake Airport / Seaplane Base

<u>Report Description:</u>	30± properties valued separately, presented in single, bound report. The report will exclude lessee improvements.
<u>Appraisal Fee:</u>	\$12,000
<u>Payment Terms:</u>	\$6,000 retainer, balance due upon completion
<u>Completion Date:</u>	November 29, 2019

Report 4: Kodiak Shipyard

<u>Report Description:</u>	Shipyard property, which includes a Marine Travelift 660-ton lift and associated infrastructure, and other storage areas and structures. The report will exclude the quarry.
<u>Appraisal Fee:</u>	\$12,000
<u>Payment Terms:</u>	\$6,000 retainer, balance due upon completion
<u>Completion Date:</u>	December 30, 2019

Please forward a signed copy of engagement to our office if the terms and conditions meet your approval. We appreciate the opportunity to submit the proposal. We are available to answer questions or concerns regarding the engagement.

Sincerely,



Steve MacSwain, MAI
MacSwain Associates LLC

Mike Tvenge, City Manager Date
City of Kodiak

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Mike Tvenge, City Manager and Nova Javier, City Clerk

Date: August 22, 2019

Agenda Item: **V.c. Consideration of Retail Marijuana Store License Renewal Application No. 20113 for High Rise LLC**

SUMMARY: The City received notice from the State of Alaska on February 28, 2019, of a renewal application from High Rise, LLC for a marijuana retail store application license at 104 Center Ave., Suite 102.

The Council took action on March 28, 2019, and approved High Rise's initial application which effectuated (issued) in early June. However, all licenses must be renewed on July 1. The licensee had the choice to wait until after July 1 to be issued his earlier license but instead opted to operate, and; therefore, is required to renew.

Alaska voters approved Ballot Measure 2 on November 4, 2014, which provided for general legalization of marijuana. Alaska Administrative Code 306 stipulates the conditions under which licenses for marijuana establishments will be issued. AS 17.38.210 provides that a local government may designate a local regulatory authority that is responsible for processing applications submitted to operate a marijuana establishment within the boundaries of the local government. Ordinance No. 1365 established the Kodiak City Council as the City's Local Regulatory Authority on Marijuana.

Ordinance No. 1378 established the license application review process for the City Council in Section 4. (This ordinance is included as Attachment B for your reference.) As required by Section 4 of Ordinance No. 1378, the City Clerk sent inquires to the Chief of Police, Fire Chief, Finance Director, and Building Official asking if any had concerns about the proposed renewal. None expressed concerns that would require the Council to object to the issuance of the license. This section also stipulates, for the purpose of public hearing and Council action, that the clerk place the matter of the application upon the agenda for a regular or special meeting of the Council held not less than fifteen or more than 50 days from receipt of the notice from the Alcohol and Marijuana Control Office. A public hearing was held earlier in the meeting.

Section 5 of Ordinance No. 1378 prohibits a licensed premises within 500 feet of any school ground.

Section 6 of Ordinance No. 1378 prohibits the manufacture and sale of marijuana edible products.

PREVIOUS COUNCIL ACTION:

- March 28, 2019, approved the initial license for High Rise, LLC

ALTERNATIVES: Now that the Council has received this administrative report and held a public hearing, the Council may take one of the following actions:

- 1) Non-objection. Upon finding that the permit satisfies all legal requirements, the Council may authorize the Clerk to issue a letter of non-objection to the Marijuana Control board.
- 2) Non-objection with conditions. If any requirements or obligations are not satisfied, but could be satisfied through further action of the licensee(s), the council may authorize the Clerk to issue a letter of conditional non-objection setting forth the City’s conditions for non-objection.
- 3) Protest. Upon determining the existence of one or more of the grounds contained in subsection (d, which stipulates reasons for protest), the Council may direct the clerk to cause a protest to be filed.

FINANCIAL IMPLICATIONS:

AS 17.38.200(c) states Upon receiving an application or renewal application for a marijuana establishment, the board shall immediately forward a copy of each application and half of the registration application fee to the local regulatory authority for the local government in which the applicant desires to operate the marijuana establishment, unless the local government has not designated a local regulatory authority pursuant to AS 17.38.210 (c).

The City will collect 7% sales tax on marijuana products sold inside the City limit. The City also receives \$300 from the State, which is one half of the renewal application fee.

CITY MANAGER’S COMMENTS: Administration does not see any objectionable issues with this renewal application. As a condition of the license approval I would suggest the City remind the applicant, the City does not currently allow the manufacture and sale of edible marijuana products. Section 6 of Ordinance No. 1378 prohibits the manufacture and sale of marijuana edible products.

ATTACHMENTS:

- Attachment A: Local Government Notice
- Attachment B: Ordinance No. 1378

PROPOSED MOTION:

Move to direct the City Clerk to issue a letter of non-objection with conditions that prohibit the sale of edible marijuana products to the Marijuana Control Board for the Retail Marijuana Store License Renewal Application 20113 for High Rise LLC.



THE STATE
of **ALASKA**

GOVERNOR MICHAEL J. DUNLEAVY

Department of Commerce, Community,
and Economic Development

ALCOHOL & MARIJUANA CONTROL OFFICE

550 West 7th Avenue, Suite 1600

Anchorage, AK 99501

Main: 907.269.0350

July 25, 2019

City of Kodiak

Attn: City Clerk

VIA Email: Clerks@city.kodiak.ak.us
mtvenge@city.kodiak.ak.us
mshuravloff-nelson@city.kodiak.ak.us
njavier@city.kodiak.ak.us

Kodiak Island Borough

Attn: Borough Clerk

Via Email: twelinsky@kodiakak.us
clerks@kodiakak.us

License Number:	20113
License Type:	Retail Marijuana Store
Licensee:	High Rise, LLC
Doing Business As:	HIGH RISE, LLC
Physical Address:	104 Center Ave. Suite 102 Kodiak, AK 99615
Designated Licensee:	Jack Schactler
Phone Number:	541-961-2778
Email Address:	j.schactler@gmail.com

License Renewal Application **Endorsement Renewal Application**

AMCO has received a complete renewal application and/or endorsement renewal application for a marijuana establishment within your jurisdiction. This notice is required under 3 AAC 306.035(c)(2). Application documents will be sent to you separately via ZendTo.

To protest the approval of this application pursuant to 3 AAC 306.060, you must furnish the director **and** the applicant with a clear and concise written statement of reasons for the protest **within 60 days** of the date of this notice, and provide AMCO proof of service of the protest upon the applicant.

3 AAC 306.060 states that the board will uphold a local government protest and deny an application for a marijuana establishment license unless the board finds that a protest by a local government is arbitrary, capricious, and unreasonable. If the protest is a "conditional protest" as defined in 3 AAC 306.060(d)(2) and the application otherwise meets all the criteria set forth by the regulations, the Marijuana Control Board may approve the license renewal, but require the applicant to show to the board's satisfaction that the requirements of the local government have been met before the director issues the license.

At the May 15, 2017, Marijuana Control Board meeting, the board delegated to me the authority to approve renewal applications with no protests, objections, or notices of violation. However, if a timely protest or objection is filed for this application, or if any notices of violation have been issued for this license, the board will consider the application. In those situations, a temporary license will be issued pending board consideration.

If you have any questions, please email amco.localgovernmentonly@alaska.gov.

Sincerely,

Erika McConnell

Erika McConnell
Director



Alaska Marijuana Control Board

Form MJ-20: Renewal Application Certifications

What is this form?

This renewal application certifications form is required for all marijuana establishment license renewal applications. Each person signing an application for a marijuana establishment license must declare that he/she has read and is familiar with AS 17.38 and 3 AAC 306. A person other than a licensee may not have direct or indirect financial interest (as defined in 3 AAC 306.015(e)(1)) in the business for which a marijuana establishment license is issued, per 3 AAC 306.015(a).

This form must be completed and submitted to AMCO's main office by each licensee (as defined in 3 AAC 306.020(b)(2)) before any license renewal application will be considered complete.

Section 1 – Establishment Information

Enter information for the licensed establishment, as identified on the license application.

Licensee:	High Rise, LLC	License Number:	20113
License Type:	Retail Marijuana Store		
Doing Business As:	High Rise, LLC		
Premises Address:	104 center ave st. 102		
City:	Kodiak	State:	AK
		ZIP:	99615

Section 2 – Individual Information

Enter information for the individual licensee who is completing this form.

Name:	Jack Schactler
Title:	Owner

Section 3 – Violations & Charges

Read each line below, and then sign your initials in the box to the right of any applicable statements:

I certify that I have **not** been convicted of any criminal charge in the previous two calendar years.

Initials

I certify that I have **not** committed any civil violation of AS 04, AS 17.38, or 3 AAC 306 in the previous two calendar years.

I certify that a notice of violation has **not** been issued for this license.

Sign your initials to the following statement only if you are unable to certify one or more of the above statements:

Initials

I have attached a written explanation for why I cannot certify one or more of the above statements, which includes the type of violation or offense, as required under 3 AAC 306.035(b).



Form MJ-20: Renewal Application Certifications

Section 4 – Certifications

Read each line below, and then sign your initials in the box to the right of each statement:

Initials

I certify that no person other than a licensee listed on my marijuana establishment license renewal application has a direct or indirect financial interest, as defined in 3 AAC 306.015(e)(1), in the business for which the marijuana establishment license has been issued.

[Handwritten initials]

I certify that I meet the residency requirement under AS 43.23 or I have submitted a residency exception affidavit (MJ-20a) along with this application.

[Handwritten initials]

I certify that this establishment complies with any applicable health, fire, safety, or tax statute, ordinance, regulation, or other law in the state.

[Handwritten initials]

I certify that the license is operated in accordance with the operating plan currently approved by the Marijuana Control Board.

[Handwritten initials]

I certify that I am operating in compliance with the Alaska Department of Labor and Workforce Development's laws and requirements pertaining to employees.

[Handwritten initials]

I certify that I have not violated any restrictions pertaining to this particular license type, and that this license has not been operated in violation of a condition or restriction imposed by the Marijuana Control Board.

[Handwritten initials]

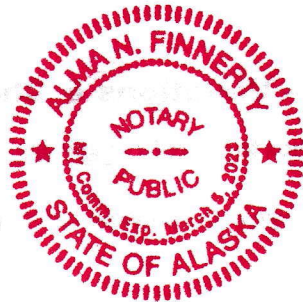
I certify that I understand that providing a false statement on this form, the online application, or any other form provided by or to AMCO is grounds for rejection or denial of this application or revocation of any license issued.

[Handwritten initials]

As an applicant for a marijuana establishment license renewal, I declare under penalty of unsworn falsification that I have read and am familiar with AS 17.38 and 3 AAC 306, and that this application, including all accompanying schedules and statements, is true, correct, and complete. I agree to provide all information required by the Marijuana Control Board in support of this application and understand that failure to do so by any deadline given to me by AMCO staff may result in additional fees or expiration of this license.

[Handwritten signature]
Signature of licensee

Jack Schachter
Printed name of licensee



[Handwritten signature]
Notary Public in and for the State of Alaska

My commission expires: 03-09-2023

Subscribed and sworn to before me this 24th day of July, 2019.

Notice of Violation

(3AAC 306.805)

This form, all information provided and responses are public documents per Alaska Public Records ACT AS 40.25

#20113

Date: Thursday, June 20th, 2019

License #/Type: Marijuana Retail Stores

Licensee: Jack Schactler

Address: 104 Center Ave #102, Kodiak, AK 996

DBA: High Rise, LLC #20113

AMCO Case #: AM191013

This is a notice to you as licensee that an alleged violation has occurred. If the Marijuana Control Board decides to act against your license, under the provisions of AS 44.62.330 - AS 44.62.630 (Administrative Procedures Act) you will receive an Accusation and Notice of your right to an Administrative Hearing.

Note: This is not an accusation or a criminal complaint.

On 6/20/2019, Cold Creek Extracts made an error in marijuana product weight on manifest #0000794609 and product was accepted by High Rise LLC in Kodiak, AK

On 6/19/2019 Manifest 0000794609, Cold Creek Extracts transferred 22.5g of AK Jack-N-Snap AK-47 X Jack Here (Flower Run) shatter on package tag 3907. The actual amount transferred was 45g. Cold Creek extracts converted the marijuana product weight into half grams and the product and manifest was accepted by High Rise LLC. Creating an inaccurate amount of marijuana product in High Rise, LLC's tracking records.

This action is in violation of:

3 AAC 306.540. Marijuana inventory tracking system (a) A marijuana product manufacturing facility shall use a marijuana inventory tracking system as provided in 3 AAC 306.730 to ensure that the marijuana product manufacturing facility identifies and tracks any marijuana or marijuana product from the time the marijuana or marijuana product is received, through (2) sale or transfer of the marijuana or marijuana product originally received, or any marijuana product manufactured at that marijuana product manufacturing facility to another licensed marijuana establishment

3 AAC 306.730. Marijuana inventory tracking system (a) A marijuana establishment shall use a marijuana inventory tracking system capable of sharing information with the system the board implements to ensure all marijuana cultivated and sold in the state, and each marijuana product processed and sold in the state, is identified and tracked from the time the marijuana is propagated from seed or cutting, through transfer to another licensed marijuana establishment, or use in manufacturing a marijuana product, to a completed sale of marijuana or a marijuana product, or disposal of the harvest batch of marijuana or production lot of marijuana product.

3 AAC 306.805 provides that upon receipt of a Notice of Violation, a licensee may request to appear before the board and be heard regarding the Notice of Violation. The request must be made within ten days after receipt of the Notice of Violation. A licensee may respond, either orally or in writing to the Notice. 3 AAC 306.810 (2)(A)(B)(C) failed, within a reasonable time after receiving a notice of violation, to correct any defect that is the subject of the notice of violation of AS 17.8 or this chapter.

IT IS RECOMMENDED THAT YOU RESPOND IN WRITING TO DOCUMENT YOUR RESPONSE FOR THE MARIJUANA CONTROL BOARD.

***Please send your response to the address below and include your marijuana license number in your response.**

Alcohol & Marijuana Control Office

ATTN: Enforcement

550 W. 7th Ave, Suite 1600

Anchorage, Alaska 99501

amco.enforcement@alaska.gov

Issuing Investigator: K. Whiteman

Received by:

SIGNATURE:

SIGNATURE:

Delivered VIA: Email

Date:

High Rise, LLC

104 Center Avenue. ST 102

Kodiak, AK 99615

Licensee: Jack Schactler

Date: 7/24/2019

AMCO Case # AM191013

Notice of Violation Explanation

On 6/19/2019 High Rise LLC Received a transport manifest from Cold Creek Extracts. On this manifest Cold Creek Manifested 45 Half gram portions (22.5g) of the AK Jack pull-n-snap AK-47 x Jack Herrer (Flower Run), instead of the actual 45 FULL grams (45.0g) that were transported. Due to a mistake, & lack of attention to detail on my part, I did not see the mistake until after I accepted the manifest in METRC and went to input it into my point of sale (Greenbits). I have learned from my mistake and will do my best to not let this happen again. It has made a headache for me but I worked through it. On 6/21/2019 Cold Creek Extracts did a virtual transfer for the additional 22.5g & my inventory is now correct.

Thank you for your time in addressing this matter.

Jack Schactler

Owner - High Rise LLC

**CITY OF KODIAK
ORDINANCE NUMBER 1378**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK AMENDING TITLE 5 WITH THE RENUMBERING OF KCC CHAPTER 7.40 TO CHAPTER 5.24 AND THE ADDITION OF NEW SECTIONS FOR MARIJUANA BUSINESSES, AND AMENDING CHAPTER 8.48 TO REFLECT ALASKA MARIJUANA LAW

WHEREAS, the Kodiak city council has been designated as the city’s local regulatory authority on marijuana;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska, as follows:

Section 1: This ordinance is of a permanent and general nature and shall be included in the Kodiak City Code.

Section 2: Chapter 7.40 Marijuana Regulation, of the Kodiak City Code, is hereby renumbered to Chapter 5.24, with Section 7.40.010 renumbered to 5.24.010 accordingly.

Section 3: Chapter 5.24 Marijuana Regulation, of the Kodiak City Code, is hereby amended with the addition of a new Section 5.24.005 to read as follows:

5.24.005. Definitions.

As used in this chapter the following definitions shall apply:

“Edible marijuana product” means a marijuana product that is intended to be consumed orally, whether as food or drink.

“Licensed premises” means any or all designated portions of a building or structure, or rooms or enclosures in the building or structure, at the specific address for which a marijuana establishment license is issued, and used, controlled, or operated by the marijuana establishment to carry out the business for which it is licensed.

“School ground” means any facility operated by a school board or private school, as defined by AS 14.45.200, to provide educational, athletic, or recreational activities for persons under 18 years of age and shall include facilities providing post-secondary education and child care facilities licensed under AS 47.32.010.

Section 4: Chapter 5.24 Marijuana Regulation, of the Kodiak City Code, is hereby amended with the addition of a new Section 5.24.020 to read as follows:

5.24.020. License Application Review.

(a) Upon receipt of notice from the Alcohol and Marijuana Control Office that a new, renewal, or transfer application for a marijuana business license has been deemed complete, the clerk shall forward the application to appropriate department heads to make investigations within their respective areas of responsibility. The city manager or designee shall compile the responses, and provide the council with the administration's recommended action.

(b) For the purpose of public hearing and council action, the clerk shall place the matter of the application upon the agenda for a regular or special meeting of the council held not less than fifteen or more than 50 days from receipt of the notice from the Alcohol and Marijuana Control Office.

(c) After receiving the administration report and public comment, the council, by motion, may take one of the following actions on the matter of the license:

(1) Non-objection. Upon finding that the permit satisfies all legal requirements, the council may authorize the clerk to issue a letter of non-objection to the Marijuana Control Board.

(2) Non-objection with conditions. If any requirements or obligations are not satisfied, but could be satisfied through further action of the licensee(s), the council may authorize the clerk to issue a letter of conditional non-objection to the Marijuana Control Board for the issuance, transfer, or renewal of the license setting forth the city's conditions for non-objection.

(3) Protest. Upon determining the existence of one or more of the grounds contained in subsection (d) of this section, the council may direct the clerk to cause a protest to be filed with the Marijuana Control Board.

(d) A marijuana license may be protested for one or more of the following reasons:

(1) Failure of the applicant to secure any required city permit, or if the applicant is in violation of any applicable city permit;

(2) That the applicant has violated a provision of AS 17.38 or regulations adopted by the state, or a condition imposed by the Alcohol and Marijuana Control Office on the license, or if issuance of the license would violate a provision of state law or regulations;

(3) The marijuana business operated under the license or any other business owned in whole or in part by any person named in the application as an applicant or on the permit is, on the date the council considers the matter, delinquent in the payment of any sales tax or penalty or interest on sales tax arising out of the operation of any business within the city;

(4) There are delinquent property taxes or local improvement district assessments or penalty or interest thereon arising out of real or personal property

owned in whole or in part by any person named in the application as an applicant or such property as is to be used in the conduct of business under the license;

(5) There is a delinquent charge or assessment owing to the city or borough by the licensee for a municipal service provided for the benefit of the business conducted under the license or for a service or an activity provided or conducted by the city or borough at the request of or arising out of an activity of the business conducted under the license;

(6) The business operated or to be operated under the license is violating or would violate the Kodiak City Code;

(7) The business operated under the license is, on the date the council considers the matter, in violation of a state or municipal fire, health, or safety code, or for any concern identified by the building official, or police chief or fire chief (A conviction for a violation is not a prerequisite for a protest under this section);

(8) The concentration of other marijuana business or alcohol licenses in the area;

(9) Any factor identified by state statute or regulation as appropriate grounds for a protest; or

(10) Any other factor the council determines is generally relevant or is relevant to a particular application.

Section 5: Chapter 5.24 Marijuana Regulation, of the Kodiak City Code, is hereby amended with the addition of a new Section 5.24.030 to read as follows:

5.24.030. Licensed premises not less than 500 feet from schools.

(a) Licensed premises shall not be located within 500 feet of any school ground.

(b) The distance specified in this section shall be measured by a straight line from the public entrance of the building in which the licensed premises would be located to the lot line or real property boundary for the any lot or parcel containing a school ground.

(c) This section does not prohibit the renewal of an existing marijuana establishment license or the transfer of an existing marijuana establishment license to another person if the licensed premises were in use before the school ground began use of a site within 500 feet.

Section 6: Chapter 5.24 Marijuana Regulation, of the Kodiak City Code, is hereby amended with the addition of a new Section 5.24.040 to read as follows:

5.24.040. Manufacture and Sale of Marijuana Edibles Prohibited.

Manufacture of edible marijuana products on any licensed premises and all sale of edible marijuana products is unlawful.

Section 7: Section 8.48.010 of the Kodiak City Code is hereby amended to read as follows: [deleted text is ~~struck through~~; added text is underlined]

8.48.010 Use restrictions.

No person shall have possession of ~~or be addicted to the use of~~ a narcotic drug, or be under the influence of a narcotic drug in the city, except when such narcotic drugs are or have been prescribed or administered by or under the direction of a person licensed by the state of Alaska to prescribe and administer narcotics.

Section 8: Section 8.48.020 of the Kodiak City Code is hereby amended to read as follows: [deleted text is ~~struck through~~; added text is underlined]

8.48.020 Sale or possession of drug paraphernalia.

(a) No person may knowingly sell or possess drug paraphernalia.

(b) Any drug paraphernalia involved in any violation of subsection (a) of this section shall be subject to seizure and forfeiture by the city of Kodiak.

(c) The term “drug paraphernalia” means any device, equipment, product, or material of any kind which is primarily intended or designed for use in processing, preparing, injecting, ingesting, inhaling, or otherwise introducing into the human body ~~marijuana, cocaine, hashish, hashish oil,~~ PCP, or amphetamines, or any other substance possession of which is unlawful under AS 11.71 except as provided by AS 17.38. It includes, but is not limited to, small metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, ~~hashish heads,~~ or punctured metal bowls which are commonly used for the ingestion of ~~marijuana, cocaine, or hashish.~~ substances described above.

(d) This section shall not apply to:

(1) Any person authorized by local, state, or federal law to manufacture, possess, or distribute such items; or

(2) Any item that is traditionally intended for use with tobacco products, including any pipe, paper, or accessory, unless residue or other evidence indicates that the item in question has in fact been used to process, prepare, inject, ingest, or inhale ~~marijuana, cocaine, hashish, hashish oil,~~ PCP, or amphetamines or otherwise in connection with a substance possession of which is unlawful under AS 11.71 except as provided by AS 17.38.

(e) A person charged with violating this section can dispose of the charge, by mail or in person, by paying a fine of \$75.00 plus any surcharge required to be imposed by AS 29.25.07 and checking the “no contest plea” box on the back of

the citation. Alternatively, the person may choose to appear in court and contest the citation. If found guilty, the maximum sentence which may be imposed is the fine amount plus any surcharge required to be imposed by AS 29.25.072. A person charged with a violation of this section does not have a right to a jury or to a court-appointed lawyer.

Section 9: This ordinance shall be effective one month after final passage and publication.

CITY OF KODIAK



MAYOR

ATTEST:


CITY CLERK

First Reading: May 24, 2018
Second Reading: June 14, 2018
Effective Date: July 20, 2018



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MEMORANDUM TO COUNCIL

To: Mayor and City Councilmembers
From: Mike Tvenge, City Manager
Thru: Craig Walton, Public Works Director
Date: August 22, 2019

Agenda Item: **V.d Authorization of Bid Award No. 2020-001 for Purchase of Vehicles From Kodiak Motors for Public Works-Building Inspector Department, Parks & Recreation Department, Harbor Department, and Sewer Wastewater Treatment Plant Department**

SUMMARY: The City of Kodiak accepted sealed bids for the purchase of three 2019-2020 ½ Ton Regular Cab 4X4 Pickup Trucks (Harbor, Parks and Recreation, Sewer Utility Wastewater Treatment Plant), one 2020 1 ½ Ton Regular Chassis Cab 4X4 DRW Truck (Public Works-Streets), and one 2020 small SUV (Public Works-Building Inspectors). The date of invitation began on July 10, 2019 and closed at 3 p.m. on August 9, 2019. City staff reviewed all bid proposals and scored based on the required criteria as set forth by the bid documents. City staff recommends accepting the proposal from Kodiak Motors for three 2019-2020 ½ Ton Regular Cab 4X4 Pickup Trucks for Harbor Administration, Parks and Recreation Administration, and the Sewer Utility Wastewater Treatment Plant and one 2020 small SUV for Public Works-Building Inspectors. The City did not receive any bids for the 2020 1 ½ Ton Regular Chassis Cab 4X4 DRW Truck for Public Works-Streets. The total amount of the bid award is \$108,446 for four vehicle replacements.

PREVIOUS COUNCIL ACTION: On February 11, 2010, a special City Council work session was held to discuss vehicle replacement processes. It was determined that a committee including Councilmember Walters, Councilmember Whiddon and several City Staff members would meet to discuss and formulate a vehicle replacement policy for the City departments.

BACKGROUND: Approximately 10 to 15 years ago, the City created a process for vehicle and equipment replacement. The vehicle and equipment replacement process is intended to alleviate costly repairs to keep vehicle(s) or equipment operational while alleviating the need to replace the entire fleet of vehicles and equipment at the same time. This process includes research that determines an estimated life of service before replacement of a vehicle or piece of heavy equipment. When vehicle(s) or equipment approach the scheduled replacement date, Public Works will evaluate the item. Public Works will then make a determination for recommendation to the City Manager for replacing the item or extending its time in service.

Public Works does mechanical evaluations on all City vehicles and equipment approaching their scheduled replacement date. These evaluations include: (1) using a mechanical and structural evaluation process, each piece is evaluated first for safety issues and second for significant mechanical issues either of which would involve a major investment in repairs to maintain the item operationally; then (2) weigh the estimated repair or component replacement cost against the potential additional years of service. In the Kodiak climate, structural deterioration of the frames on smaller vehicles typically determine the remaining time in service. As each vehicle or piece of heavy equipment is evaluated, Public Works also weighs the risk of extending the time in service. These evaluations are done in conjunction with the budget process for the upcoming fiscal year. Most vehicles or equipment would be evaluated by April for the upcoming fiscal year. If a piece of equipment or vehicle is extended one year, that item typically remains in service for 18 months to two years before it is actually replaced.

DISCUSSION: The five vehicles scheduled for replacement in the FY 2020 budget include the following:

- Three 2019-2020 ½ Ton Regular Cab 4X4 Pickup Trucks
 - Harbor \$27,500
 - Parks and Recreation Administration Capital Outlays Budget \$32,000
 - Sewer Utility Wastewater Treatment Plant Capital Outlays Budget \$32,000
- One 2020 1 ½ Ton Regular Chassis Cab 4X4 DRW Truck
 - Public Works-Streets Capital Outlays Budget \$45,000
- One 2020 small SUV
 - Public Works-Building Inspectors Capital Outlays Budget \$28,000

These vehicles were evaluated by Public Works based on the criteria noted herein. Public Works recommended the replacement of these vehicles to the City Manager during the FY 2020 budget preparations.

The City's bid specifications are modified to accept current year models in an effort to save cost and improve delivery times. There was one bid for the vehicles requested that was submitted to the City by the deadline. The proposal received was from Kodiak Motors. City staff reviewed the proposal based on the required criteria as set forth by the bid documents and recommends accepting the proposal from Kodiak Motors for a total amount of \$108,446. Each of the 2019-2020 ½ Ton 4X4 Pickups are quoted at \$28,392 each, the small SUV is quoted at \$23,270. The 2020 1 ½ Ton Regular Chassis Cab 4X4 DRW Truck pricing was not available to the market at the time of the bid award.

ALTERNATIVES:

- 1) Award the bid to Kodiak Motors as sole bidder in the amount of \$108,446 for three 2019-2020 ½ Ton 4X4 Pickups and one small SUV.

- 2) Reject the bids and not purchase the new vehicles. This is not recommended since Public Works evaluations have identified numerous mechanical and structural issues.

FINANCIAL IMPLICATIONS: The FY 2020 budget includes funding for capital outlays for vehicle replacement purchases within the General Fund-Public Works-Building Inspectors Machinery & Equipment > \$5,000; General Fund-Parks & Recreation-Administration-Machinery & Equipment > \$5,000; Harbor Administration Machinery & Equipment > \$5,000; Sewer Utility-Wastewater Treatment Plant-Machinery & Equipment > \$5,000.

LEGAL: Advertising and procurement was done in accordance with the City of Kodiak municipal code.

STAFF RECOMMENDATION: Staff recommends Council authorize the award and purchase to Kodiak Motors for \$108,446.

CITY MANAGER COMMENTS: I support staff's recommendation.

ATTACHMENTS:

Attachment A: Kodiak Motors Inc. Bid Forms

PROPOSED MOTION:

Move to award the following vehicle purchases to Kodiak Motors Inc:

- Three 2019-2020 ½ Ton Regular Cab 4X4 Pickup Trucks
 - Harbor Administration-Machinery & Equipment > \$5,000 in the amount of \$28,392
 - Parks and Recreation Administration Machinery & Equipment > \$5,000 in the amount of \$28,392
 - Sewer Utility Wastewater Treatment Plant Machinery & Equipment > \$5,000 in the amount of \$28,392
- One 2020 small SUV
 - Public Works-Building Inspectors Machinery & Equipment > \$5,000 in the amount of \$23,270

And authorize the City Manager to execute the documents on behalf of the City.

BID FORM

TO: Mike Tvenge, City Manager
 City of Kodiak
 710 Mill Bay Road, Room #114
 Kodiak AK 99615

Any exceptions to the published bid specifications must be listed by item.

In compliance with your Invitation to bid for Bid No. 2020-001 dated July 10, 2019, the undersigned hereby proposes to provide the following:

- Three (3), 2019-2020, 1/2 Ton, Regular Cab 4x4, Pickup Trucks.

Bid amount

(28,392 each) 85,176-

- One (1), 2020, 1 ½ Ton Regular Chassis Cab 4x4 DRW Truck.

Bid amount

Not available

- One (1), 2020 Small SUV.

Bid amount

23,270.00

The City requires that all shall be standard factory equipped with the bid specifications.

Grand Total 108,446.00

Invitation to Bid No. 2020-001

July 10, 2019

BID FORM

(Turn in pages 2-4 and pages 7-8 in as part of your bid)

Bid price valid for 30 days.

Submitted by:

Dated: 8-7-19

[Signature]
Signature

Kodiak Motors, Inc
Business Name

President
Title

201 Center Ave
Address

907-486-3204
Telephone

Kodiak, AK 99615
City, State, Zip

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers
From: Mike Tvenge, City Manager
Thru: Timothy Putney, Chief of Police
Date: August 22, 2019

Agenda Item: **V.e. Authorization to Purchase Police Vehicles From Alaska Sales and Service With Up-Fitting to be Completed by Alaska Safety, Inc.**

SUMMARY: The FY 2020 budget authorizes the purchase and up fitting of two (2) new police department vehicles not-to-exceed \$102,650. One vehicle is budgeted for the uniform patrol division and one is budgeted for community services. These new vehicles are scheduled to replace a 2010 Dodge Charger and a 2005 Chevrolet Express van. The replacements are included in the City's Long-Term Capital Improvement Plan; staff recommends Council authorize the purchase of two (2) new police vehicles from Alaska Sales and Service with up fitting to be completed by Alaska Safety Inc. for a total of \$101,429 FOB Kodiak.

PREVIOUS COUNCIL ACTION:

- The purchase of two (2) new police department vehicles was included in the FY 2020 Budget Summary and subsequent budget presentation
- Council adopted the FY 2020 budget

BACKGROUND/DISCUSSION: The police department is seeking to purchase and up fit (equip) two (2) new police department vehicles this fiscal year. Between FY 2019 and FY 2020, the City's Long-Term Capital Improvement Plan recommends four (4) additional vehicles be replaced; however, the department is trying to maximize the useful life of each vehicle in the fleet. The vehicles we are recommending for replacement this year have been prioritized based on a combination of the existing vehicles' reliability and age.

The Police Department purchases special duty police vehicles from dealerships who participate in the State of Alaska's light duty/police vehicle bid process. This allows us to get the best possible pricing on purpose built vehicles manufactured specifically for public safety use. These vehicles are equipped with safety features that aren't included in consumer models, and they are designed to be up-fitted (or equipped) with emergency lights and sirens, prisoner partitions, police radios, locking gun racks, in-car video cameras, and computer docking stations. This year Alaska Sales and Service entered a bid and are offering a purpose built Chevrolet Tahoe SSV for \$38,738 and a Chevrolet Silverado 2500 for \$ 34,097. The department has opted to replace the Community Services' van with a four wheel drive pickup truck

because it was substantially cheaper than buying another four wheel drive van. In comparison, the base prices from the FY 2020 bid submitted by Kendall Ford in Anchorage is \$39,196 for an Expedition and \$36,255 for an F150.

Alaska Safety Inc. specializes in up-fitting emergency vehicles throughout the State of Alaska. They are master distributors, which mean they have factory-trained technicians. Alaska Safety Inc. is the only full service emergency vehicle installation shop in the Anchorage area. Ordering vehicles through an Anchorage area dealership and having them delivered to Alaska Safety, Inc. will limit downtime and delivery costs. The cost to up-fit the Tahoe is \$14,302 and the cost to up-fit the Silverado is \$11,680.

The two new vehicles and the individualized up fitting were selected so each vehicle can fulfill more than one purpose. Both vehicles will have additional exterior lighting to aid in outdoor crime scene response and aftermarket inverters to power additional computers and radio equipment. The Tahoe will function as a mobile command post, and the Silverado will be equipped with a winch and other tools for disaster response.

The police department tries to keep up-fitting costs to a minimum by reusing some of the equipment installed in earlier vehicles; however, both of the vehicles being replaced will have been in service for more than 10 years and the equipment is old or obsolete. The VHF police radios in each vehicle are more than 15 years old and are no longer supported by Motorola. New Motorola radios will cost approximately \$5,000 each which we should be able to replace with SHSP grant money this year. The total cost of the Tahoe is \$54,025 and the total cost of the Silverado 2500 is \$47,404 which includes \$642 for decals and \$1,970 delivery to Kodiak.

ALTERNATIVES:

1. The police department could solicit quotes from dealerships offering regular consumer model vehicles. Vehicles manufactured for regular consumers are not manufactured with any special modifications for use in public safety, and are not ready for the installation of police radio, emergency lights, sirens, in-car cameras, locking gun racks, computers, and prisoner partitions. Purchasing consumer model vehicles would change the up-fitting cost because the available equipment and mounting options are different.
2. The police department could continue using the vehicles in the fleet without adding or replacing any of the current vehicles. According to the Long-Term Capital Improvement Plan, by next fiscal year this would put the police department nine (9) vehicles behind their scheduled replacement date. Police department vehicles can operate 24 hours a day, and they need to be mechanically sound and reliable for emergency responses.

FINANCIAL IMPLICATIONS: The funding for replacing the vehicles was approved in the FY 2020 budget. The vehicles and equipment are funded through the uniform patrol and community services machinery and equipment greater than \$5,000 accounts.

STAFF RECOMMENDATION: Staff recommends Council authorize the purchase of two (2) new police department vehicles from Alaska Sales and Service with up-fitting to be completed by Alaska Safety, Inc. in the amount of \$101, 429 FOB Kodiak.

CITY MANAGER'S COMMENTS: These vehicles will assist officers as they carry out the mission of the police department.

NOTES/ATTACHMENTS: Attachments to the proposal, if any, should be referenced in the body of the proposal and listed here.

Attachment A: Alaska Sales and Service quote 2020 Tahoe

Attachment B: Alaska Sales and Service quote 2020 Silverado 2500

PROPOSED MOTION:

Move to authorize the purchase of the Uniform Patrol Police Vehicle and Community Services Vehicle from Alaska Sales and Service in the amount of \$75,447 with Up-Fitting in the amount of \$25,982 to be completed by Alaska Safety, Inc. with funds coming from the Uniform Patrol machinery and equipment account and Community Services machinery and equipment account, and authorize the city Manager to execute documents on behalf of the City.



Alaska Sales & Service

Daniel Bacon | 907 265 7535 | danielb@aksales.com

City of Kodiak

Prepared For: Francis de la Fuente

[Fleet] 2020 Chevrolet Tahoe (CK15706) 4WD 4dr Commercial

City of Kodiak
Francis de la Fuente
2020 Tahoe Special Service Vehicle--Kelly Palmer specs
907 486 8000
fdelafuente@city.kodiak.us

\$ 38 738

FOB Anchorage

As Shown



Alaska Sales & Service

Daniel Bacon | 907 265 7535 | danielb@aksales.com

[Fleet] 2020 Chevrolet Tahoe (CK15706) 4WD 4dr Commercial

Window Sticker

SUMMARY

[Fleet] 2020 Chevrolet Tahoe (CK15706) 4WD 4dr Commercial

MSRP:\$49,800.00

Interior:Jet Black, Premium Cloth seat trim

Exterior 1:Black

Exterior 2:No color has been selected.

Engine, 5.3L EcoTec3 V8 with Active Fuel Management, Direct Injection and Variable Valve Timing

Transmission, 6-speed automatic, electronically controlled

OPTIONS

CODE	MODEL	MSRP
CK15706	[Fleet] 2020 Chevrolet Tahoe (CK15706) 4WD 4dr Commercial	\$49,800.00
	OPTIONS	
1FL	Commercial Preferred Equipment Group	\$0.00
5HP	Key, 6 additional keys	\$41.00
5W4	Identifier for Special Service vehicle	(\$4,400.00)
6C7	Lighting, red and white front auxiliary dome	\$170.00
6J3	Wiring, grille lamps and siren speakers	\$92.00
6J4	Wiring, horn and siren circuit	\$41.00
6J7	Flasher system, headlamp and taillamp, DRL compatible	\$495.00
9G8	Headlamps, Daytime Running Lamps and automatic headlamp control delete	\$50.00
AMF	Remote Keyless Entry Package	\$75.00
ATD	Seat delete, third row passenger	Inc.
AZ3	Seats, front 40/20/40 split-bench	\$0.00
BTV	Remote vehicle start	\$300.00
C6A	GVWR, 7300 lbs. (3311 kg)	\$0.00
FE9	Emissions, Federal requirements	\$0.00
GBA	Black	\$0.00
GU6	Rear axle, 3.42 ratio	Inc.
H0U	Jet Black, Premium Cloth seat trim	\$0.00

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Data Version: 8806. Data Updated: Jul 15, 2019 9:43:00 PM PDT.



Alaska Sales & Service

Daniel Bacon | 907 265 7535 | danielb@aksales.com

[Fleet] 2020 Chevrolet Tahoe (CK15706) 4WD 4dr Commercial

IO5	Audio system, 8" diagonal color touch-screen with Chevrolet Infotainment		\$0.00
JF4	Pedals, power-adjustable for accelerator and brake	Inc.	
JL1	Trailer brake controller, integrated	Inc.	
K4B	Battery, auxiliary, isolated, 730 CCA	Inc.	
KW7	Alternator, 170 amps	Inc.	
L83	Engine, 5.3L EcoTec3 V8 with Active Fuel Management, Direct Injection and Variable Valve Timing		\$0.00
MYC	Transmission, 6-speed automatic, electronically controlled		\$0.00
NHT	Max Trailering Package		\$580.00
NQH	Transfer case, active, 2-speed electronic Autotrac	Inc.	
NZZ	Skid Plate Package	Inc.	
PCW	Enhanced Driver Alert Package		\$695.00
PZX	Wheels, 18" x 8.5" (45.7 cm x 21.6 cm) aluminum with high-polished finish		\$600.00
R9Y	Fleet Free Maintenance Credit.		(\$33.75)
RKX	Tires, P265/65R18 all-season, blackwall		\$0.00
TQ5	IntelliBeam, automatic high beam on/off	Inc.	
UEU	Forward Collision Alert	Inc.	
UHX	Lane Keep Assist with Lane Departure Warning	Inc.	
UHY	Automatic Emergency Braking	Inc.	
VK3	License plate front mounting package		\$0.00
VPV	Ship Thru, Produced in Arlington Assembly	Inc.	
VQ2	Fleet processing option		\$0.00
XCQ	Tire, spare P265/70R17 all-season, blackwall		\$0.00
Y86	Enhanced Driver Alert Package	Inc.	
Z85	Suspension Package, Standard, increased capacity, Premium Smooth Ride	Inc.	
ZY1	Paint scheme, solid application		\$0.00
—	Safety belts, 3-point, driver and front passenger in all seating positions	Inc.	
—	Capless fuel fill	Inc.	
—	Door handles, body-color	Inc.	

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 Data Version: 8806. Data Updated: Jul 15, 2019 9:43:00 PM PDT.



Alaska Sales & Service

Daniel Bacon | 907 265 7535 | danielb@aksales.com

[Fleet] 2020 Chevrolet Tahoe (CK15706) 4WD 4dr Commercial

—	Instrumentation, analog	Inc.
—	Key, 2-sided	Inc.
—	Luggage rack, delete	Inc.
—	Exterior ornamentation delete	Inc.
—	Power outlets, 4 auxiliary, 12-volt	Inc.
—	Power supply, 100-amp, auxiliary battery, rear electrical center	Inc.
—	Power supply, 50-amp, power supply, auxiliary battery	Inc.
—	Power supply, 120-amp, (4) 30-amp circuit, Primary battery	Inc.
—	Safety Alert Seat	Inc.
—	Theft-deterrent system, vehicle, PASS-Key III	Inc.
SUBTOTAL		\$48,505.25
	Adjustments Total	\$0.00
	Destination Charge	\$1,295.00
	TOTAL PRICE	\$49,800.25

FUEL ECONOMY

Est City:15 (2019) MPG

Est Highway:21 (2019) MPG

Est Highway Cruising Range:546.00 mi

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Data Version: 8808. Data Updated: Jul 15, 2019 9:43:00 PM PDT.



Alaska Sales & Service

Daniel Bacon | 907 265 7535 | danielb@aksales.com

[Fleet] 2020 Chevrolet Silverado 2500HD (CK20743) 4WD Crew Cab 159" Work Truck

City of Kodiak
Francis de la Fuente
2020 3/4 ton Chev Silverado
907 486 8000
fdelafuente@city.kodiak.us

As Shown

\$

\$ 34097

FOB Anderson



Alaska Sales & Service

Daniel Bacon | 907 265 7535 | danielb@aksales.com

[Fleet] 2020 Chevrolet Silverado 2500HD (CK20743) 4WD Crew Cab 159" Work Truck

Window Sticker

SUMMARY

[Fleet] 2020 Chevrolet Silverado 2500HD (CK20743) 4WD Crew Cab 159" Work Truck

MSRP:\$41,100.00

Interior:Jet Black, Cloth seat trim

Exterior 1:Summit White

Exterior 2:No color has been selected.

Engine, 6.6L V8

Transmission, 6-speed automatic, heavy-duty

OPTIONS

CODE	MODEL	MSRP
CK20743	[Fleet] 2020 Chevrolet Silverado 2500HD (CK20743) 4WD Crew Cab 159" Work Truck	\$41,100.00
OPTIONS		
1WT	Work Truck Preferred Equipment Group	\$0.00
5H1	Key equipment, two additional keys for single key system	\$50.00
A52	Seats, front 40/20/40 split-bench (no storage)	\$0.00
AKO	Glass, deep-tinted	\$200.00
AQQ	Remote Keyless Entry	Inc.
DBG	Mirrors, outside power-adjustable vertical trailing	Inc.
FE9	Emissions, Federal requirements	\$0.00
GAZ	Summit White	\$0.00
GT4	Rear axle, 3.73 ratio	\$0.00
H1T	Jet Black, Cloth seat trim	\$0.00
IOR	Audio system, Chevrolet Infotainment 3 system	\$0.00
JGD	GVWR, 10,450 lbs. (5012 kg)	\$0.00
JL1	Trailer brake controller, integrated	\$275.00
K05	Engine block heater	\$100.00
K34	Cruise control, electronic	Inc.
L8T	Engine, 6.6L V8	\$0.00
MYD	Transmission, 6-speed automatic, heavy-duty	\$0.00
NZZ	Skid Plates	\$150.00

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Data Version: 8926. Data Updated: Aug 1, 2018 10:01:00 PM PDT.



Alaska Sales & Service

Daniel Bacon | 907 265 7535 | danielb@aksales.com

[Fleet] 2020 Chevrolet Silverado 2500HD (CK20743) 4WD Crew Cab 159" Work Truck

PYN	Wheels, 17" (43.2 cm) painted steel, Silver		\$0.00
QHQ	Tires, LT245/75R17E all-season, blackwall		\$0.00
QT5	Tailgate, gate function manual with EZ Lift	Inc.	
R9Y	Fleet Free Maintenance Credit.		(\$45.00)
RVS	LPO, Assist steps - 4" Black - round		\$750.00
VK3	License plate kit, front		\$0.00
VQ2	Fleet Processing Option		\$0.00
ZHQ	Tire, spare LT245/75R17E all-season, blackwall	Inc.	
ZLQ	WT Fleet Convenience Package		\$760.00
SUBTOTAL			\$43,340.00
Adjustments Total			\$0.00
Destination Charge			\$1,595.00
TOTAL PRICE			\$44,935.00

FUEL ECONOMY

Est City:N/A

Est Highway:N/A

Est Highway Cruising Range:N/A

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