

City of Kodiak Regular Council Meeting Agenda for May 14, 2020, 7:30 p.m.

Elected Officials will be participating via Audio/Video Conferencing and/or a few in person. Public members are encouraged to tune in to KMXT 100.1 FM. For everyone’s protection, there will be no in-person attendance for this regular meeting in compliance with the Centers for Disease Control and Prevention’s guidance on social distancing. Regular meeting agendas and packets are available online at <https://www.city.kodiak.ak.us/meetings>

I. Call to Order/Roll Call	
Invocation/Pledge of Allegiance	
II. Previous Minutes	
Approval of Minutes of the April 23, 2020, Regular Council Meeting.....	1
III. Persons to Be Heard	
a. Proclamation: Municipal Clerks Week.....	6
b. Proclamation: Police Week and Peace Officers Memorial Day	8
c. Proclamation: Emergency Medical Services Week.....	10
d. Public Comments (limited to 3 minutes; call-in number: 486-7599)	
IV. Unfinished Business	
V. New Business	
a. Emergency Ordinance No. 1397, Extending the Effective Date of Ordinance No. 1395 An Emergency Ordinance of the Council of the City of Kodiak Temporarily Authorizing the Suspension and/or Modification of Various Sections of the City of Kodiak Code of Ordinances Regarding Public Meetings and Participation in Order to Ensure the Health, Safety, and Welfare of Our Community During a State–Declared Public Health Emergency and Declaring an Emergency.....	12
b. First Reading, Ordinance No. 1398, Establishing Supplemental Appropriation No. 1 to the Budget for the Fiscal Year Commencing on the First Day of July 2019 and Ending on the Thirtieth Day of June 2020.....	16
c. Emergency Ordinance No. 1399, Declaring an Emergency and Authorizing the Finance Director to Waive Certain Penalties and Interest on Delinquent Sales Tax Returns.....	28
d. Resolution No. 2020–12, Accepting a NOAA Tsunami Hazard Mitigation Program Award for Tsunami Sirens.....	32
e. Resolution No. 2020–13, Authorizing the Suspension and/or Modification of Section 14 (Utilities) of the Schedule of Fees, Charges, and Tariffs During a State-Declared Public Health Disaster.....	44
f. Authorization of Professional Services Agreement with Jacobs Engineering for Construction Phase Services for the Waste Water Treatment Plant UV Effluent Disinfection Facility Project	49
VI. Staff Reports	
a. City Manager	
b. City Clerk	
VII. Mayor’s Comments	
VIII. Council Comments	

IX. Audience Comments (limited to 3 minutes) (486-7599)

X. Adjournment

**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, APRIL 23, 2020**

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

Mayor Pat Branson called the meeting to order at 7:30 p.m. and stated for the record that some Elected Officials are participating via Audio/Video Conferencing and Councilmember Whiddon is attending in person. She announced the meeting is broadcasted over KMXT 100.1 FM and that for everyone's protection, there will be no public in-person attendance for the regular meeting in compliance with the Centers for Disease Control and Prevention's guidance on social distancing. She stated that meeting agendas and packets are available online on the City of Kodiak website.

Councilmembers Randall C. Bishop, Laura B. Arboleda, Charles E. Davidson, Terry J. Haines, and John B. Whiddon were present and constituted a quorum. Richard H. Walker was absent. Deputy City Manager Josephine Bahnke, City Clerk Nova Javier, and Deputy Clerk Michelle Shuravloff-Nelson were also present.

The Pledge of Allegiance was recited.

II. PREVIOUS MINUTES

Councilmember Whiddon MOVED to approve the minutes of the April 9, 2020, regular meeting as presented.

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

III. PERSONS TO BE HEARD

a. Public Comments

None.

IV. UNFINISHED BUSINESS

a. Second Reading and Public Hearing, Ordinance No. 1396, Authorizing a Five-Year Lease of Certain Real Property at Pier II to Matson Navigation of Alaska, LLC

Mayor Branson read Ordinance No. 1396 by title. On February 15, 2020, Matson Navigation of Alaska, LLC submitted an application for purchase, lease, or renewal of lease of real property to the City for U.S. Survey 2537B for Pier II warehouse, office space, and adjacent parking spaces. The request is for a five-year lease.

Matson Navigation occupies a portion of the Pier II warehouse including offices, a site for a vehicle off-loading ramp, van rows 8 and 9, and parking adjacent to the Warehouse, but excluding the following: (i) all other city-owned property in the vicinity of Pier II, (ii) 162 sq. ft. of office space on the second floor, (iii) a 320 sq. ft. area in the warm room, (iv) two 60-ft parking areas

on the north and south sides of the Warehouse, (v) one 120-ft parking area on the east end of the Warehouse, and (vi) a 60 ft. by 120 ft. (7,200 sq. ft.) section of the Warehouse for use as a port maintenance shop and other purposes as deemed appropriate by the City (the "Premises"), for storage, loading, and unloading of freight shipped or to be shipped across the City port facilities.

Councilmember Davidson MOVED to adopt Ordinance No. 1396.

Mayor Branson closed the regular meeting, opened and closed the public hearing after no testimony, and re-opened the regular meeting.

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

V. NEW BUSINESS

a. **Resolution No. 2020–11, Accepting a State of Alaska Code Blue Grant From the Southern Region EMS Council, Inc. for Acquisition of AeroClave RDS 3110 Decontamination System for Emergency Medical Services Vehicles**

Mayor Branson read Resolution No. 2020–11 by title. This Code Blue Phase 20 grant will purchase a new AeroClave RDS 3110 Decontamination System for Emergency Medical Services Vehicles for a total cost of \$17,342 of which the City of Kodiak is responsible for a local match of ten percent or \$1,734. This grant allows the Fire Department to purchase an RDS 3110 Room Decontamination System and all of its components to provide a comprehensive and cost-effective solution to decontaminate EMS vehicles. The Department staff has been working with Southern Region EMS as well as AeroClave, LLC to facilitate the purchase of said equipment.

Councilmember Bishop MOVED to adopt Resolution No. 2020–11.

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

b. **Authorization of Purchase for Emergency Shelter Bedding in the Amount of \$62,410.50 From W.W. Grainger Inc.**

On September 20, 2019, the City received notification from the State of Alaska of the grant award of \$62,500 toward the purchase of Emergency Shelter Bedding. This purchase includes 346 Emergency Shelter Cots, and it is anticipated that this project will take approximately four months to complete at the cost of \$62,410.50. Due to the current COVID-19 situation and its effect on nationwide stocks of emergency bedding, it will take time for the distributor and manufacturer to meet nationwide demand. The Fire Chief received procurement method approval from the State of Alaska on March 24, 2020. Staff requests the authorization of the shelter bedding purchase to W.W. Grainger Inc. in the amount of \$62,410.50.

Councilmember Haines MOVED to authorize the purchase for emergency shelter bedding in the amount of \$62,410.50 from W.W. Grainger Inc. with funds coming from the General Capital Projects Fund-Project No. 4061, Emergency Shelter Bedding, machinery and equipment greater than \$5,000 account and authorize the City Manager to execute documents on behalf of the City.

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

c. Authorization to Award the Kodiak Outdoor Warning Siren System Purchase, Replacement, and Installation to Federal Signal Corporation

The Request for Proposals (RFP) for the Kodiak Outdoor Warning Siren System Replacement Project was advertised on February 18, 2020, with a submission deadline from proposers on March 27, 2020. An addendum issued on March 23, 2020 extended the deadline to April 10, 2020. A mandatory pre-proposal meeting was held on March 12, 2020, in the City of Kodiak conference room which was attended by representatives from potential proposers and sub-contractors. The City of Kodiak received three proposals on April 10, 2020. On April 14, 2020, a review team consisting of City and Borough staff met to evaluate and score proposals. Federal Signal Corporation was identified with the highest score and best value at \$567,206.02. The Kodiak Island Borough Borough's nine (9) road system tsunami sirens were included in the RFP as an additive alternate and they may award separately if the Borough Assembly so wishes.

Councilmember Arboleda MOVED to authorize the award for the Kodiak Outdoor Warning Siren System Purchase, Replacement, and Installation to Federal Signal Corporation in the amount of \$186,332.90 with funds coming from the FY2020 General Fund and authorize the City Manager to execute the documents on behalf of the City.

Councilmember Whiddon MOVED to amend the main motion amount by substituting the amount of \$186,332.90 with \$567,206.02.

The roll call vote on the amendment was Councilmembers Arboleda, Bishop, Davidson, Haines, and Whiddon. Councilmember Walker was absent. The motion passed.

The roll call vote on the main motion as amended was Councilmembers Arboleda, Bishop, Davidson, Haines, and Whiddon in favor. Councilmember Walker was absent. The motion passed.

d. Approval of Settlement Agreement Regarding the Lease Termination Between the City of Kodiak and Ocean Beauty

The City of Kodiak entered into a lease agreement with Ocean Beauty on November 1, 2006, for a parcel of real property consisting of approximately 5 acres, which included a crab/fish processing plant, compressor equipment building, a dock with docking space, three hydraulic cranes, a second dock with docking space, and an ice house with two ice makers. The lease was terminated by the City effective March 1, 2018. When Ocean Beauty vacated the property, the City contended default of section 8 (care of property) of the lease. Since 2018, the Secretary and CFO of Ocean Beauty Seafoods and the City Manager and their respective attorneys have worked toward a Settlement and Release Agreement (Attachment A).

Councilmember Davidson MOVED to accept the Release Agreement between the City of Kodiak and Ocean Beauty Seafoods Inc. and accept the settlement payment of \$100,000 to be depos-

ited between the City Enhancement Fund (50%) and City General Fund (50%) per City Code 3.28.020(b) and authorize the City Manager to execute the necessary documents for the City.

Councilmember Whiddon thanked the Manager for working on the settlement with Ocean Beauty and he looks forward to the future plans of Gibson Cove.

Councilmember Haines concurred with Councilmember Whiddon and said he appreciated Ocean Beauty's contribution within the community.

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

VI. STAFF REPORTS

a. City Manager

Deputy City Manager Josie Bahnke stated Pillar Mountain remains closed. She said for the local businesses reopening, they can call the Public Information Officer at 486-8970 with questions.

b. City Clerk

City Clerk Javier summarized the upcoming May meetings.

VII. MAYOR'S COMMENTS

Mayor Branson wished Kelly Mayes the best in her future endeavors and said her financial expertise was invaluable. She said she was grateful for the City leadership; she thanked administration, clerk's office, and the staff for all the work, and the work at the Emergency Operation Center. She said she was pleased with the grant awards. She reminded the public of the state health mandates; she emphasized social distancing and wearing masks.

VIII. COUNCIL COMMENTS

Councilmember Haines encouraged citizens to reach out to friends and family by phone. He encouraged the public to tune in at 9 a.m. to KMXT on April 24 regarding new funding from COVID-19 as presented by Alaska Municipal League Director Nils Andresen.

Councilmember Arboleda stated she is pleased with some of the bans lifting and encouraged appropriate precautions. She said she was encouraged for those that cleaned during Earth Day.

Councilmember Whiddon said the businesses will be reopening and the Economic Task Force is adapting to the change. He said there is a mitigation plan that needs to be submitted to the EOC by businesses. He shared that the Borough, City, and Economic Task Force have posted information regarding the re-opening guidelines on their individual websites. He said there are different constraints for different types of businesses. He commended Director Sara Phillips, Chamber of Commerce and Director Aimee Williams Discover Kodiak for their work and said they can help answer questions. He said the task force looks forward to working through the next steps of reopening.

Councilmember Bishop commended the citizens of Kodiak that have contributed to the changes. He said he will miss Kelly Mayes and wished her well. He gave encouraging words to those businesses trying to work through the phase I process.

Councilmember Davidson stated he was pleased on the sirens and he thanked Kelly for her service and the work she has performed over the years. He commented on Near Island and the development of Women’s Bay. He encouraged the public to wear masks, care for family, friends and neighbors.

IX. AUDIENCE COMMENTS

None.

X. ADJOURNMENT

Councilmember Davidson MOVED to adjourn the meeting.

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

The meeting adjourned at 8:05 p.m.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Minutes Approved:

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PERSONS TO BE HEARD

MEMORANDUM TO COUNCIL

Date: May 14, 2020

Agenda Item: III. a. Proclamation: Municipal Clerks Week

SUMMARY: This proclamation recognizes our Municipal Clerks for the vital services they perform and their dedication to our community.

ATTACHMENTS:

Attachment A: Proclamation: Declaring Municipal Clerks Week

Proclamation

Declaring Municipal Clerks Week

May 3–May 9, 2020

WHEREAS, the Office of the Municipal Clerk, a time honored and vital part of local government, that exists throughout the world, and the office of Municipal Clerk is the oldest among public servants; and

WHEREAS, Municipal Clerks are public administrators who play intrinsic and essential roles in the communities in which they serve; and

WHEREAS, the Office of the Municipal Clerk provides the professional link between the citizens, the local governing body, and agencies of government at other levels; and

WHEREAS, Municipal Clerks have pledged to be ever mindful of neutrality and impartiality, rendering equal service to all; and

WHEREAS, the Municipal Clerk adapts to the ever changing elements of government and serves as the information center on functions of local government; and

WHEREAS, Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Municipal Clerk through participation in education programs, seminars, workshops, and annual meetings of their state and international professional organizations; and

WHEREAS, it is most appropriate that we recognize the accomplishments of the Office of the Municipal Clerk.

NOW, THEREFORE, I, Pat Branson, Mayor of the City of Kodiak, do hereby proclaim the week of May 3 through May 9, 2020, as

Municipal Clerks Week

in Kodiak and extend appreciation to our Municipal Clerks for the vital services they perform and for their dedication to our community.

Dated this 14th day of May 2020.

City of Kodiak

Pat Branson, Mayor

MEMORANDUM TO COUNCIL

Date: May 14, 2020

Agenda Item: III. b. Proclamation: Police Week and Peace Officers Memorial Day

SUMMARY: This proclamation urges all citizens including patriotic, civic, and educational organizations to recognize police officers, past and present, who by their faithful and loyal devotion to their responsibilities, have rendered a dedicated service to their community and, in doing so, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens. We encourage all citizens to honor those law enforcement officers who, through their courageous deeds, have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty, and let us recognize and pay respect to the survivors of our fallen heroes.

ATTACHMENTS:

Attachment A: Proclamation: Declaring Police Week and Peace Officers Memorial Day

PROCLAMATION
Declaring May 10 through 16, 2020, Police Week and May 15,
2020, Peace Officers Memorial Day

WHEREAS, the Congress and President of the United States have designated May 15 as Peace Officers' Memorial Day, and the week in which May 15 falls as National Police Week; and

WHEREAS, the members of the Kodiak Police Department play an essential role in safeguarding the rights and freedoms of Kodiak citizens; and

WHEREAS, it is important that all citizens know and understand the duties, responsibilities, hazards, and sacrifices of the Kodiak Police Department, and that members of the Department recognize their duty to serve the people by safeguarding life and property, by protecting them against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

WHEREAS, the men and women of the Kodiak Police Department unceasingly provide a vital public service, and it is appropriate that we recognize their accomplishments and sacrifices.

NOW, THEREFORE, I, Pat Branson, Mayor of the City of Kodiak, do hereby proclaim the week of May 10 through 16, 2020, as

POLICE WEEK

in Kodiak and urge all citizens and patriotic, civic, and educational organizations to recognize police officers, past and present, who by their faithful and loyal devotion to their responsibilities, have rendered a dedicated service to their community and, in so doing, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens.

I further proclaim May 15, 2020, as

PEACE OFFICERS' MEMORIAL DAY

in Kodiak and encourage all citizens to honor those law enforcement officers who, through their courageous deeds, have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty, and let us recognize and pay respect to the survivors of our fallen heroes.

Dated this 14th day of May 2020.

City of Kodiak

Pat Branson, Mayor

MEMORANDUM TO COUNCIL

Date: May 14, 2020

Agenda Item: **III. c. Proclamation: Emergency Medical Services Week**

SUMMARY: This proclamation urges residents to recognize the value and the accomplishments of emergency medical services providers. Their day to day response saves lives especially during these times of a world wide pandemic.

ATTACHMENTS:

Attachment A: Proclamation: Declaring Emergency Medical Services Week

PROCLAMATION
Declaring Emergency Medical Services Week
May 17 – May 23, 2020

WHEREAS, emergency medical services are a vital public service; and

WHEREAS, the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, the emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, first responders, educators, administrators and others; and

WHEREAS, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week.

NOW, THEREFORE, I, Pat Branson, do hereby proclaim the week of May 17 through May 23, 2020, as

EMERGENCY MEDICAL SERVICES WEEK

in Kodiak and with the theme, “EMS STRONG: Ready Today, Preparing for Tomorrow,” I encourage the community to observe this week with appropriate programs, ceremonies, and activities.

Dated this 14th day of May 2020.

City of Kodiak

Pat Branson, Mayor

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NEW BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

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

Date: May 14, 2020

Agenda Item: V. a. **Emergency Ordinance No. 1397 Extending Ordinance No. 1395, An Emergency Ordinance of the Council of the City of Kodiak Temporarily Authorizing the Suspension and/or Modification of Various Sections of the Kodiak City Code or Ordinances Regarding Public Meetings and Participation in Order to Ensure the Health, Safety, and Welfare of our Community During a State-Declared Public Health Emergency and Declaring an Emergency**

SUMMARY: The Council adopted Ordinance No. 1395 on March 18, 2020, and the effective date of the ordinance expires on May 17, 2020. Kodiak had its first positive test results for COVID-19 on April 15, 2020, and the risks of COVID-19 will continue to exist. This proposed ordinance will allow an extension of suspension and/or modification of code and ordinances regarding public meeting and participation until suspended by August 15, 2020, or by the Kodiak City Council whichever is sooner.

PREVIOUS COUNCIL ACTION:

- On March 18, 2020, Council adopted Ordinance No. 1395, which temporarily authorized the suspension and/or modification of various sections of the Kodiak City Code or Ordinances regarding public meetings and participation in order to ensure the health, safety, and welfare of the Kodiak community during a state-declared public health emergency.

BACKGROUND/DISCUSSION: This authorization to extend is intended to be temporary until August 15, 2020, or until a date determined by the City Council to resume in-person meetings. This ordinance also provides time for the City to further assess its code and procedures if more permanent code changes are determined to be necessary.

ALTERNATIVES:

- 1) Staff recommends that Council adopt Ordinance No. 1397
- 2) Delay or elect not to adopt the Ordinance No. 1397

LEGAL: The City attorney reviewed the ordinance. Per KCC 2.04.050, this emergency ordinance will require affirmative votes of five voting members for adoption.

CITY MANAGER'S COMMENTS: By authorization of City Council to extend the emergency ordinance which allows Kodiak to determine the health of our community and respond accordingly.

NOTES/ATTACHMENTS:

Attachment A: Ordinance No. 1397

PROPOSED MOTION:

Move to adopt Ordinance No. 1397

**CITY OF KODIAK
ORDINANCE NUMBER 1397**

EMERGENCY ORDINANCE NO. 1397, EXTENDING THE EFFECTIVE DATE OF ORDINANCE NO. 1395, AN EMERGENCY ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK TEMPORARILY AUTHORIZING THE SUSPENSION AND/OR MODIFICATION OF VARIOUS SECTIONS OF THE KODIAK CITY CODE OF ORDINANCES REGARDING PUBLIC MEETINGS AND PARTICIPATION IN ORDER TO ENSURE THE HEALTH, SAFETY, AND WELFARE OF OUR COMMUNITY DURING A STATE-DECLARED PUBLIC HEALTH EMERGENCY AND DECLARING AN EMERGENCY

WHEREAS, the United States Center for Disease Control and Prevention (CDC) has identified COVID-19, also known as the “coronavirus,” as a significant public health risk; and

WHEREAS, on March 11, 2020, Governor Dunleavy issued a declaration of public health disaster emergency in response to the COVID-19 anticipated outbreak in the State of Alaska; and

WHEREAS, on March 18, 2020, the Kodiak Emergency Services Council authorized the Emergency Services Director to declare a public health emergency in Kodiak; and

WHEREAS, the World Health Organization designated the outbreak of COVID-19 as a pandemic on March 11, 2020; and

WHEREAS, on March 18, 2020, the Kodiak City Council adopted Ordinance No. 1395 which temporarily authorized the suspension and/or modification of various sections of the Kodiak City Code or Ordinances regarding public meetings and participation in order to ensure the health, safety, and welfare of the Kodiak community during a state-declared public health emergency and declaring an emergency; and

WHEREAS, Ordinance No. 1395’s effective date expires on May 17, 2020, and the progression and risks of COVID-19 still exists with Kodiak having its first positive test results for COVID-19 on April 15, 2020; and

WHEREAS, this authorization to extend is intended to be temporary until August 15, 2020, or until a date determined by the City Council to resume in-person meetings. This ordinance also provides time for the City to further assess its code and procedures if more permanent code changes are determined to be necessary; and

WHEREAS, Article II, Sec. 14 of the City Charter and City code authorize the City to adopt an emergency ordinance, effective on adoption, to meet a public emergency, and it may be adopted, amended and adopted, or rejected at the meeting at which it is introduced provided the affirmative vote of five voting members (per KCC 2.04.050) is met for adoption of the ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska that this ordinance is enacted as follows:

Section 1: This ordinance is not of a general and permanent nature and shall not be codified.

Section 2: Finding of Emergency. The City Council finds that the presence of COVID-19 in Alaska and in the City of Kodiak constitutes an emergency.

Section 3: Authorization to Waive and/or Modify the Kodiak City Code.

(a) Notwithstanding anything in the Kodiak City Code of Ordinances to the contrary, the Mayor has the authority to modify and/or waive provisions pertaining to scheduling, public participation, teleconferencing, and other related provisions of code or standing rules or orders of the council related to public meetings of the governing body if deemed necessary for public health and safety; provided that, any modification and/or waiver is in compliance with state law and the Charter of the City of Kodiak.

(b) Notwithstanding anything in the Kodiak City Code of Ordinances to the contrary, the Mayor has authority to modify and/or waive provisions pertaining to scheduling, public participation, teleconferencing, and other related provisions of code, or standing rules or orders of the council related to public meetings of committees and boards if deemed necessary for public health and safety; provided that, any modification and/or waiver is in compliance with state law and the Charter of the City of Kodiak.

Section 4: Effective Date. This ordinance is effective immediately upon its adoption and remains in effect until August 15, 2020, or until a date determined by the City Council to resume in-person meetings.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Effective Date:

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Mike Tvenge, City Manager *MT*

Thru: Kelly Mayes, Finance Director

Date: May 14, 2020

Agenda Item: V. b. **First Reading, Ordinance No. 1398 Establishing Supplemental Appropriation No. 1 to the Budget for the Fiscal Year Commencing on the First Day of July 2019 and Ending on the Thirtieth Day of June 2020**

SUMMARY: The Supplemental Appropriation No. 1 to the budget for the fiscal year commencing on the first day of July 2019 and ending on the thirtieth day of June 2020 is in the amount of \$8,040,649. It is customary for the City Council to approve at least one supplemental budget annually to authorize the adjustments of current revenues and expenses as detailed in the attachments provided. These adjustments are for the operating funds as well as additions to project funds for grant revenues received and additional expenditures needed that were not known at the time the original budget was adopted.

PREVIOUS COUNCIL ACTION:

- On June 13, 2019, Council adopted Ordinance No. 1386 for the FY 2020 budget in the amount of \$43,485,260 commencing on the first day of July 2019 and ending on the thirtieth day of June 2020.
- Council action thus far in FY 2020 includes the following:
 - Adopted Resolution No. 2019–15 appropriating \$5,000 from the Sewer Utility Operating Fund unassigned fund balance and authorizing the purchase of the Sewer International HV607 6X4 Flusher Truck
 - Adopted 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 for appraisal services of City owned property
 - Adopted Resolution 2019-20 authorizing the borrowing from the Alaska Clean Water Fund of an amount not to exceed \$5,435,000 for the WWTP UV Disinfection System. Supplemental No. 1 creates project number 7526 and amends the budget for this loan amount.
 - Adopted Resolution 2019-21 accepting the 2019 State of Alaska Homeland Security Program Grant to purchase Outdoor Warning Sirens, replacing Subscriber Radios, and purchasing Emergency Shelter Bedding for \$586,063.12. These projects and budgets were created and amended at the acceptance of the grants by Council. The line-item detail shows

MAY 14, 2020

Agenda Item V. b. Memo Page 1 of 4

the detail of these project budgets. The following projects were created at the acceptance of this grant: Project Number 4059 – Outdoor Warning Siren Replacements; Project Number 4060, Subscriber Radio Replacements; and Project Number 4061, Emergency Shelter Bedding.

- Adopted Resolution 2019-22 accepting the Edward Byrne Memorial Justice Assistance Grant for Kodiak Police Department equipment for \$39,349. The line-item detail shows the detail of this project budget. Project number 4062 was created and the budget amended upon acceptance of this grant.
- Adopted Resolution 2020-01 appropriating \$56,300 of unassigned fund balance of the Streets Improvement Fund for the purchase of above ground fuel dispensing tanks
- Adopted Resolution 2020-02 accepting the National Health Emergency Dislocated Worker Grant (NHE DWG) for the Hazelden Betty Ford Foundation training for the Kodiak Police Department for \$54,320. Supplemental Number 1 amends the budget and creates Project Number 4063, NHE DWG Training grant.
- Adopted Resolution 2020-11 accepting the Code Blue Grant for purchase of decontamination system equipment for the Kodiak Fire Department for \$17,342 of which \$15,608 is state grant funds and \$1,734 is City required match of 10%. Supplemental Number 1 amends the budget and creates Project Number 4065, Code Blue Decontamination Grant.

DISCUSSION: The adoption of the budget by the City Council puts the budget into effect for the budget year July 1 through June 30. Amendments to the budget can occur anytime during the fiscal year by resolution, ordinance, or through a supplemental budget ordinance, which is introduced at one Council meeting and typically adopted at the next Council meeting.

All new appropriations are authorized by resolution or ordinance that amends the annual budget ordinance. The Supplemental No. 1 is requesting the addition of \$8,040,649 to the adopted budget bringing the total amended budget to \$52,364,621 for FY 2020.

The Supplemental No. 1 Appropriation is requesting an increase in revenues due to increase in the State of Alaska Jail Contract, an increased amount received from the State of Alaska Fisheries Business tax, an increase in amount received in property taxes, discounts received due to a health insurance premium holiday for January and February 2020, and Federal and State grants received. Other budget adjustments include the following:

- (1) a net increase in Citywide legal fees due to increased citywide legal services related to updated contracts and agreements, past due sales tax, pending litigation, and other general legal consultations.
- (2) a net decrease in Emergency Preparedness of \$10,000 due to a transfer to KPD Administration for repairs to the Pillar Mountain antennas;

MAY 14, 2020

Agenda Item V. b. Memo Page 2 of 4

- (3) a net decrease of \$612,680 in KPD due to the transfer of budgeted salaries and wages and related benefits for dispatch personnel to the E911 emergency fund; other increases and decreases within individual line items within the Police department budgets include transfers of unused funds due to vacant positions to cover unanticipated expenses that occurred throughout fiscal year 2020.
- (4) a net decrease of \$223,980 to the Fire department due to the transfer of the light rescue vehicle that was budgeted for FY 2020. This vehicle was delayed in build and shipping to Kodiak due to COVID-19.
- (5) a net increase of \$48,912 for increased repairs and maintenance in Streets due to heavy use of equipment during the winter snow season
- (6) a net decrease of \$659 in Parks and Recreation due to the true-up of the vehicle replacement fund costs for FY 2020
- (7) a net increase of \$25,000 in non-departmental for additional appraisal services for the Kodiak Barn
- (8) transfers to capital projects of \$776,734, transfers to the vehicle replacement fund for FY 2020 budget true-ups for vehicle replacement fund costs for \$20,307; and \$771,718 in transfers to the Enhancement Fund by Code for 50 percent of the General Fund surplus determined at the completion of the FY2019 audit.
- (9) Enterprise fund budget adjustments include: (a) a net increase to the Shipyard fund for \$155,000 for increased professional services for the marine travel lift operator and the purchase of straps for the marine travel lift; and (b) a net increase of \$603,108 in the E911 Emergency Services fund for the transfer of a percentage of salaries and wages and related benefits for Dispatch personnel.

Other budget adjustments include an increase in capital project revenues and expenses for Federal grants received; a transfer of the Sewer Flusher Truck purchase from the Sewer Operating fund to the Sewer Capital Improvement fund; and setup of Project Number 7526, WWTP UV Disinfection Facility DEC loan for \$5,435,000. All other adjustments are reclassification of budget expenses within the same department and fund.

FINANCIAL IMPLICATIONS: All expense appropriations requested in Supplemental Appropriation No. 1 are funded by increased revenue sources, additional state and federal grant sources, and use of fund balances and transfers. The ordinance makes a number of changes in the FY2020 budget reflecting increased revenues and expenditures, new project and grant funding, and movement of funds to more accurately reflect current City operations. Details of funding sources and expenses have been submitted in the attachments.

LEGAL: The Kodiak City Charter and Kodiak City Code grant Council the authority to make appropriations and adopt and amend budgets as required.

CITY MANAGER'S COMMENTS: The City traditionally adopts one major budget amendment each fiscal year to make necessary adjustments to cover changes or additions to projects, to account for the

receipt of additional revenues, and balanced operating expenses. This year is no different in this regard. What is different from previous years is the amount of appropriation to the FY budget. There are numerous grants received including the loan amount for the UV Disinfection Facility. All adjustments accounted for leave a current budget surplus of approximately \$226,000 for FY2020.

ATTACHMENTS:

Attachment A: Ordinance No. 1398

Attachment B: Backup descriptions containing details and summaries by each fund

PROPOSED MOTION:

Move to pass Ordinance No. 1398 in first reading to advance to second reading and public hearing at the next regular or special Council meeting.

**CITY OF KODIAK
ORDINANCE NUMBER 1398**

**AN ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK ESTABLISHING
SUPPLEMENTAL APPROPRIATION NO. 1 TO THE BUDGET FOR THE FISCAL YEAR
COMMENCING ON THE FIRST DAY OF JULY 2019 AND ENDING ON THE THIRTIETH
DAY OF JUNE 2020**

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

Section 1: The following estimated revenues and expenditures are hereby appropriated for the corporate purposes and object of the City of Kodiak for the fiscal year 2020.

GENERAL FUND

	Adopted Budget	FY 2020 Council Action	Supplemental #1	Amended Budget
Budgeted Revenues				
Property Tax	\$ 1,100,000	\$ -	72,062	\$ 1,172,062
Sales Tax	14,527,500	-	-	14,527,500
Licenses and Permits	80,300	-	-	80,300
Intergovernmental	1,520,000	-	211,495	1,731,495
Charges for Services	1,820,002	-	100,780	1,920,782
Fines and Forfeitures	3,000	-	-	3,000
Net Investment Income	50,000	-	-	50,000
Rents & Royalties	120,000	-	-	120,000
Miscellaneous	4,500	-	379,694	384,194
Interfund Charges	1,615,914	-	(20,307)	1,595,607
Appropriation (to) from Fund Balance	(321,450)	22,000	34,280	(265,170)
Transfers In	-	-	-	-
Total Budgeted Revenues	\$ 20,519,766	\$ 22,000	\$ 778,004	\$ 21,319,770
Budgeted Expenditures				
Legislative	\$ 222,069	\$ -	\$ -	\$ 222,069
Legal	75,000	-	25,000	100,000
Executive	816,042	10,000	-	826,042
Emergency Preparedness	45,500	-	(10,000)	35,500
City Clerk - Administration	366,359	-	-	366,359
City Clerk - Records Management	184,738	-	-	184,738
Finance	1,867,903	-	-	1,867,903

General Fund Expenditures continued

Police	7,159,042	-	(612,680)	6,546,362
Fire	2,702,691	-	(223,980)	2,478,711
Public Works	2,135,960	12,000	48,912	2,196,872
Engineering	286,068	-	-	286,068
Parks & Recreation	1,549,984	-	(659)	1,549,325
Library	908,573	-	-	908,573
Non-Departmental	654,301	-	25,000	679,301
Transfers	1,545,536	-	1,528,145	3,073,681

Total Budgeted Expenditures	<u>\$ 20,519,766</u>	<u>\$ 22,000</u>	<u>\$ 779,738</u>	<u>\$ 21,321,504</u>
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SPECIAL REVENUE FUNDS

	Adopted Budget	FY 2020 Council Action	Supplemental #1	Amended Budget
Budgeted Revenues				
Tourism Development	\$ 205,000	\$ -	\$ -	\$ 205,000
City Enhancement	-	-	-	-
Total Budgeted Revenues	<u>\$ 205,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 205,000</u>
Budgeted Expenditures				
Tourism Development	\$ 205,000	\$ -	\$ -	\$ 205,000
City Enhancement	-	-	-	-
Total Budgeted Expenditures	<u>\$ 205,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 205,000</u>

CAPITAL PROJECTS

	Adopted Budget	FY 2020 Council Action	Supplemental #1	Amended Budget
Budgeted Revenues				
General Capital Projects	65,000	733,412	612,803	1,411,215
Building Improvement Fund	720,374	-	-	720,374
Streets Improvement Fund	750,000	56,300	-	806,300
Parks & Recreation Fund	100,000	-	250,000	350,000
Sewer Improvement Fund	390,000	-	5,640,000	6,030,000
Water Improvement Fund	540,000	-	-	540,000
Harbor Development Fund	1,930,000	-	-	1,930,000
Cargo Improvement Fund	-	-	-	-
Vehicle Replacement Fund	330,536	-	-	330,536
Total Budgeted Revenues	<u>4,825,910</u>	<u>789,712</u>	<u>6,502,803</u>	<u>12,118,425</u>

Capital Projects continued

Budgeted Expenditures

General Capital Projects	65,000	733,412	612,803	1,411,215
Building Improvement Fund	720,374	-	-	720,374
Streets Improvement Fund	750,000	56,300	-	806,300
Parks & Recreation Fund	100,000	-	250,000	350,000
Sewer Improvement Fund	390,000	-	5,640,000	6,030,000
Water Improvement Fund	540,000	-	-	540,000
Harbor Development Fund	1,930,000	-	-	1,930,000
Cargo Improvement Fund	-	-	-	-
Vehicle Replacement Fund	330,536	-	-	330,536
Total Budgeted Expenditures	4,825,910	789,712	6,502,803	12,118,425

ENTERPRISE FUNDS

	Adopted Budget	FY 2020 Council Action	Supplemental #1	Amended Budget
Budgeted Revenues				
Cargo Fund	\$ 2,530,222	\$ -	\$ -	\$ 2,530,222
Harbor fund	3,895,267	-	-	3,895,267
Shipyards (Boat Yard Lift) Fund	1,150,505	12,000	155,000	1,317,505
Harbor Electric Fund	957,606	-	-	957,606
Water Utility Fund	3,220,438	-	-	3,220,438
Sewer Utility Fund	4,616,999	5,000	-	4,621,999
Trident Basin Fund	303,500	10,000	-	313,500
E-911 Services	506,917	-	603,108	1,110,025
Total Budgeted Revenues	\$ 17,181,454	\$ 27,000	\$ 758,108	\$ 17,966,562
Budgeted Expenditures				
Cargo Fund	\$ 2,530,222	\$ -	\$ -	\$ 2,530,222
Harbor fund	3,895,267	-	-	3,895,267
Shipyards (Boat Yard Lift) Fund	1,150,505	12,000	155,000	1,317,505
Harbor Electric Fund	957,606	-	-	957,606
Water Utility Fund	3,220,438	-	-	3,220,438
Sewer Utility Fund	4,616,999	5,000	-	4,621,999
Trident Basin Fund	303,500	10,000	-	313,500
E-911 Services	506,917	-	603,108	1,110,025
Total Budgeted Expenditures	\$ 17,181,454	\$ 27,000	\$ 758,108	\$ 17,966,562

	INTERNAL SERVICE FUND			
	Adopted Budget	FY 2020 Council Action	Supplemental #1	Amended Budget
Budgeted Revenues				
Insurance Internal Service Fund	\$ 753,130	\$ -	\$ -	\$ 753,130
Total Budgeted Revenues	<u>\$ 753,130</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 753,130</u>
Budgeted Expenditures				
Insurance Internal Service Fund	\$ 753,130		\$ -	\$ 753,130
Total Budgeted Expenditures	<u>\$ 753,130</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 753,130</u>
Total Revenues	\$ 43,485,260	\$ 838,712	\$ 8,040,649	\$ 52,364,621
Total Expenditures	\$ 43,485,260	\$ 838,712	\$ 8,040,649	\$ 52,364,621

Section 2: This ordinance shall be in full force and effect from and after its passage as required by law.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading:
Second Reading:
Effective Date:

Supplemental Budget FY 2020
Line Item Detail

	GL Acct	Project Number	Description	Increase	Decrease	Notes
(a)	300.001.375.600	4039.80	Revenue - Donations	5,500.00		To increase budget to reflect donations received through B Schactler for interpretative panels
(a)	300.300.439.430.110	4039.51	Professional Services	5,500.00		
(a)	300.001.330.310	4051.5	Revenues - Other Grants	10,640.55		In FY 2018 the City received a grant from WalMart for the Shop with a Cop program. Thought to be a one-time grant, this project was closed. This has been recurring each year and therefore the project is being adjusted to reflect the life-to-date project budget for financial reporting purposes.
(a)	300.300.451.450.310	4051.56	Supplies	10,640.55		
(a)	300.001.330.300	4065.2	State Grants	15,608.00		To amend budget for Code Blue Decontamination System Grant authorized under Resolution 2020-11
(a)	300.001.390.100	4065.6	Transfer to Gen Cap Projects	1,734.00		
(a)	300.300.465.470.126	4065.53	Machinery & Equipment	17,342.00		
(a)	100.001.385.100		GF Appropriations	1,734.00		
(a)	100.190.198.490.300		Transfer to Gen Cap Projects	1,734.00		
(a)	300.001.390.100	4059.6	Revenues - Xfer from General	300,000.00		To transfer funds needed for Outdoor Warning Siren Replacement Projects
(a)	300.300.459.470.126	4059.538	Machinery & Equipment	300,000.00		
(a)	100.001.385.100		GF Appropriations	300,000.00		
(a)	100.190.198.490.300		Transfer to Gen Cap Projects	300,000.00		
(b)	300.001.390.100	4059.4	Revenues - 2019 SHSP Grants	272,873.12		To reflect Outdoor Warning Siren Project for grant funds received under 2019 SHSP and 2019 NOAA grants awarded. The 2019 SHSP grant was accepted by Resolution Number 2019-21.
(b)	300.001.390.100	4059.4A	Revenues - 2019 NOAA Grants	108,000.00		
(b)	300.300.459.430.110	4059.51	SHSP - Professional Services	10,000.00		
(b)	300.300.459.430.110	4059.51A	NOAA - Professional Services	10,000.00		
(b)	300.300.459.470.126	4059.53	SHSP - M&E > \$5,000	262,873.12		
(b)	300.300.459.470.126	4059.53A	NOAA - M&E > \$5,000	98,000.00		
(b)	300.001.390.100	4060.4	Revenues - 2019 SHSP Grant	250,690.00		To reflect grant funds received for Subscriber Radio Replacements under the 2019 SHSP grant. The 2019 SHSP grant was accepted by Resolution Number 2019-21.
(b)	300.300.460.430.110	4060.51	Professional Services	10,000.00		
(b)	300.300.460.470.126	4060.53	Machinery & Equipment > \$5,000	240,690.00		
(b)	300.001.390.100	4061.4	Revenues - 2019 SHSP Grant	62,500.00		To reflect grant funds received for Emergency Shelter Bedding under the 2019 SHSP grant. The 2019 SHSP grant was accepted by Resolution Number 2019-21.
(b)	300.300.461.470.126	4061.53	Machinery & Equipment > \$5,000	62,500.00		
(b)	300.001.390.100	4062.4	Revenues - Edward Byrne Grant	39,349.00		To reflect grant funds received under the Edward Byrne DOJ Safety Equipment grant. The grant was accepted by Resolution Number 2019-22.
(b)	300.300.462.470.126	4062.53	Machinery & Equipment > \$5,000	39,349.00		
(a)	300.001.390.100	4063.2	Revenues - NHE DWG Grant	54,320.00		To reflect training grant funds received under the State of Alaska NHE DWG Training grant. This grant was accepted under Resolution 2020-02
(a)	300.300.463.450.135	4063.513	Training	54,320.00		
(a)	306.001.390.571	7526.131	Revenues - ACWF Loan	5,435,000.00		To reflect Alaska Clean Water Loan funds received for the WWTP UV Disinfection Facility construction. The ADEC loan agreement was accepted by Resolution 2019-20.
(a)	306.350.777.410.100	7526.50	Salaries & Benefits	25,000.00		
(a)	306.350.777.430.110	7526.51	Professional Services	25,000.00		
(a)	306.350.777.470.710	7526.54	Engineering & Design	250,000.00		
(a)	306.350.777.470.725	7526.55	Construction	5,135,000.00		
(a)	309.001.390.100	9018.6	Revenues - Xfer from General	250,000.00		To transfer funds to Baranof Park improvement project for the ice rink enclosures and indoor walking track
(a)	309.380.918.470.725	9018.55	Construction	250,000.00		
(a)	100.001.385.100		GF Appropriations	250,000.00		
(a)	100.190.198.490.300		Transfer to Gen Cap Projects	250,000.00		
(a)	100.140.141.470.130		Vehicle Repl - Uni Patrol	(8,331.00)		To true-up vehicle replacement fund budgets per department based on vehicles purchased during FY 2019 and placed in service after FY 2020 vehicle replacement budget preparations.
(a)	100.140.142.470.130		Vehicle Repl - Corrections	(5,464.00)		
(a)	100.140.146.470.130		Vehicle Repl - Drug Enforcement	(2,862.00)		

(a)	100.140.147.470.130	Vehicle Repl - Comm Services			(2,915.00)		
(a)	100.150.100.470.130	Vehicl Repl - Fire	1,020.00				
(a)	100.160.162.470.130	Vehicle Repl - Streets			(1,088.00)		
(a)	100.170.100.470.130	Vehicle Repl - Parks & Rec			(659.00)		
(a)	100.001.380.400	Rev - Veh Repl General Fund			(20,307.00)		
(a)	100.190.198.490.315	Transfers to Veh Repl Fund			(20,307.00)		
(a)	100.001.385.100	Rev - Appropriations Gen Fund			(20,299.00)		
(a)	315.315.490.470.130	Veh Repl Fund			(19,572.00)		
(a)	315.001.390.100	Proj Rev - KPD Veh Repl Fund	1,020.00				
(a)	315.001.390.100	Proj Rev - Fire Veh Repl Fund					
(a)	315.001.390.100	Proj Rev - PW Veh Repl Fund					
(a)	315.001.390.100	Proj Rev - Parks Veh Repl Fund					
(a)	100.001.310.100	Property Taxes	72,062.00				To adjust the budget for property taxes based on actual received through April 2020.
(a)	100.001.385.100	GF Appropriations			72,062.00		
(a)	100.001.340.100	Boarding of Prisoners	100,780.00				To adjust the budget for the updated contract with the State of Alaska Boarding of Prisoners contract
(a)	100.001.385.100	GF Appropriations			100,780.00		
(a)	100.001.330.130	St of AK - Fisheries Business Tax	211,495.00				To adjust the budget for the amount of Fisheries Business Tax actually received from the State of AK
(a)	100.001.385.100	GF Appropriations			211,495.00		
(a)	100.001.375.605	Health Insurance Discounts Rec'd	379,694.00				To adjust the budget for health insurance premium holiday for 2 months that was received for January and February 2020
(a)	100.001.385.100	GF Appropriations			379,694.00		
(a)	100.100.105.450.120	Legislative - Advertising	4,900.00				To increase advertising budget for Council notifications, board notifications, etc. No increase / decrease to appropriations
(a)	100.100.105.450.132	Legislative - Mayor Travel			4,900.00		due to travel restrictions related to COVID-19.
(a)	100.100.105.470.125	Legislative - M&E < \$5,000	8,500.00				To purchase updated ipads for Council due to increase teleconferencing. No increase / decrease to appropriations due to
(a)	100.100.105.450.134	Legislative - Council Travel			8,500.00		travel restrictions related to COVID-19.
(a)	100.100.106.430.110	Legislative - Legal Prof Services	25,000.00				To increase legal budget based on current and pending City litigation, claims, and legal correspondence.
(a)	100.001.385.100	GF Appropriations			25,000.00		
(a)	100.110.110.450.510	Em Preparedness R&M	10,000.00				To adjust budget for Pillar Mountain emergency repairs required for KPD & KFD radio antennas. No increase / decrease to
(a)	100.140.100.450.510	KPD Admin R&M			10,000.00		appropriations as this was originally budgeted under Emergency Preparedness.
(a)	100.120.100.450.134	Clerks Admin Travel	4,400.00				To adjust budget for an increase in election supplies. No increase / decrease to appropriations as Clerks has unused travel
(a)	100.120.100.450.400	Clerks Election Supplies			4,400.00		due to COVID-19.
(a)	100.140.100.470.126	KPD Admin M&E > \$5,000	8,800.00				To purchase snow plow due to heavy snow during winter season. No increase / decrease to appropriations as KPD Admin has
(a)	100.140.100.420.110	KPD Admin Health Insurance			8,800.00		a vacant position.
(a)	100.140.141.410.140	KPD Uni Patrol Overtime	40,000.00				To increase KPD Uni Patrol overtime due to vacant positions. No increase / decrease to appropriations as KPD Uni Patrol has
(a)	100.140.141.420.110	KPD Uni Patrol Health Insurance			40,000.00		vacant positions.
(a)	100.140.141.430.111	KPD Uni Patrol Recruitment	7,500.00				To increase KPD Uni Patrol Recruitment budget due to vacant positions. No increase / decrease to appropriations as KPD Uni
(a)	100.140.141.420.110	KPD Uni Patrol Health Insurance			7,500.00		Patrol as vacant positions.
(a)	100.140.141.470.126	KPD Uni Patrol M&E > \$5k	5,000.00				To increase KPD Uni Patrol M&E > \$5k for additional radio and upfitting costs of new vehicle. No increase / decrease to
(a)	100.140.141.420.110	KPD Uni Patrol Health Insurance			5,000.00		appropriations as KPD Uni Patrol has vacant positions.
(a)	100.140.142.470.125	KPD Corrections M&E < \$5k	15,000.00				To adjust KPD Corrections Budget for inmate stackable bunks from machinery & equipment greater than \$5,000 to machinery
(a)	100.140.142.470.126	KPD Corrections M&E > \$5k			15,000.00		and equipment less than \$5,000. No increase / decrease to appropriations.
(a)	100.140.144.410.100	KPD Dispatch - Salaries & Wages	279,964.00				To adjust budget to show 70% of Dispatch salaries and wages and related benefits to E911 Emergency Services enterprise
(a)	100.140.144.410.140	KPD Dispatch - Overtime	43,000.00				fund based on information provided by City Attorney to KPD Police Chief and City Manager. This was originally budgeted at
(a)	100.140.144.410.170	KPD Dispatch - Annual Leave	26,085.00				20% and this adjustment reflects the budget at 30% Dispatch and 70% E911 Emergency Services.

(a)	100.140.144.420.110	KPD Dispatch - Health Insurance				140,571.00			
(a)	100.140.144.420.120	KPD Dispatch - Social Security				24,706.00			
(a)	100.140.144.420.130	KPD Dispatch - Retirement				71,052.00			
(a)	100.140.144.420.131	KPD Dispatch - PERS Obligation				16,148.00			
(a)	100.140.144.420.200	KPD Dispatch - Workmans Comp				1,582.00			
(a)	100.001.385.100	GF Appropriations				603,108.00			
(a)	585.595.100.410.100	E911 Dispatch - Salaries & Wages			279,964.00				
(a)	585.595.100.410.140	E911 Dispatch - Overtime			43,000.00				
(a)	585.595.100.410.170	E911 Dispatch - Annual Leave			26,085.00				
(a)	585.595.100.420.110	E911 Dispatch - Health Insurance			140,571.00				
(a)	585.595.100.420.120	E911 Dispatch - Social Security			24,706.00				
(a)	585.595.100.420.130	E911 Dispatch - Retirement			71,052.00				
(a)	585.595.100.420.132	E911 Dispatch - PERS Obligation			16,148.00				
(a)	585.595.100.420.200	E911 Dispatch - Workmans Comp			1,582.00				
(a)	585.001.385.100	E911 Appropriations			603,108.00				
(a)	100.140.146.430.110	KPD Drug Enforcement - Prof Svcs			1,000.00				Increase due to increase annual software license renewal for Cellebrite software. No increase / decrease in appropriations due to change in personnel within this subdepartment.
(a)	100.140.146.420.110	KPD Drug Enforcement - Health Ins				1,000.00			
(a)	100.140.147.470.126	KPD Comm Svcs - M&E > \$5,000			5,000.00				Increase due to additional costs for radio in CS vehicle. No increase / decrease in appropriations due to vacant positions in KPD Admin.
(a)	100.140.100.420.110	KPD Admin - Health Insurance				5,000.00			
(a)	100.140.147.450.550	KPD Comm Svcs - R&M Vehicles			7,500.00				Increase due to additional repairs & maintenance of entire KPD fleet. No increase / decrease in appropriations due to vacant positions in KPD Admin.
(a)	100.140.100.420.110	KPD Admin - Health Insurance				7,500.00			
(a)	100.150.100.460.115	Fire - Ambulance Supplies			10,000.00				To increase ambulance supplies based on need of increased supplies. No increases / decrease in appropriations due to budgeted increases in health insurance and rates remained flat for this budget year.
(a)	100.150.100.420.110	Fire - Health Insurance				10,000.00			
(a)	100.150.100.450.510	Fire - Repairs & Maintenance			5,000.00				To increase based on need of repairs to KFD Equipment. No increases / decrease in appropriations due to budgeted increases in health insurance and rates remained flat for this budget year.
(a)	100.150.100.420.110	Fire - Health Insurance				5,000.00			
(a)	100.150.100.450.550	Fire - R&M Vehicles			5,000.00				To increase based on need of repairs to KFD Vehicles. No increases / decrease in appropriations due to budgeted increases in health insurance and rates remained flat for this budget year.
(a)	100.150.100.420.110	Fire - Health Insurance				5,000.00			
(a)	100.150.100.450.550	Fire - Public Utilities			5,000.00				To increase based on increased actual public utilities. No increases / decrease in appropriations due to budgeted increases in health insurance and rates remained flat for this budget year.
(a)	100.150.100.420.110	Fire - Health Insurance				5,000.00			
(a)	300.001.390.100	Revenues - Xfer from General	4064.6		225,000.00				Due to timing of build and shipment of new Fire Department Light Rescue, this will not be in Kodiak before the end of the fiscal year. Therefore, this will be transferred to a new project, PN 4064, Capital Equipment Purchases, for purchase of the vehicle. No increase / decrease to appropriations as this was budgeted for FY 2020.
(a)	300.300.464.470.126	Machinery & Equipment	4064.53		225,000.00				
(a)	100.150.100.470.126	Fire - Machinery & Equip > \$5,000				225,000.00			
(a)	100.190.198.490.300	Transfer to Gen Cap Projects			225,000.00				
(a)	100.160.162.450.510	PW Streets - R&M			50,000.00				To increase Streets budget for repairs & maintenance equipment due to heavy use during winter snow season.
(a)	100.001.385.100	GF Appropriations			50,000.00				
(a)	100.160.164.430.110	PW Bldg Insp - Prof Services			1,000.00				To reallocate budget for additional one-time license fee for additional building inspector software. No increase / decrease in appropriations due to travel restrictions related to COVID-19.
(a)	100.160.164.450.134	PW Bldg Insp - Travel				1,000.00			
(a)	100.170.173.430.110	Parks & Rec Pool - Prof Svcs			500.00				To reallocate budget for Aquatics for water testing labs off island. No increase / decrease in appropriations due to less temporary staffing related to COVID-19.
(a)	100.170.173.410.101	Parks & Rec Pool - Temp Staffing				500.00			
(a)	100.170.174.430.110	P&R Ice Rink - Prof Services			500.00				To reallocate for Ice Rink due to DJ services that were previously provided by internal staffing and for repairs and maintenance due to required overhaul and maintenance of both ice rink compressors which required replacement of microprocessors within both compressors. No increase / decrease in appropriations due to less temporary staffing and less public utilities related to COVID-19.
(a)	100.170.174.450.530	P&R Ice Rink - R&M			15,000.00				
(a)	100.170.174.455.100	P&R Ice Rink - Public Utilities			10,000.00				
(a)	100.170.174.410.101	P&R Ice Rink - Temp Salaries			5,500.00				
(a)	100.190.100.430.110	NonDept - Professional Services			25,000.00				To increase NonDepartmental Professional Services for Barn Site Survey to determine repairs for Barn Stabilization
(a)	100.001.385.100	GF Appropriations			25,000.00				

(a)	510.520.100.470.125	Harbor Admin - M&E < \$5k	9,500.00			To reallocate unspent funds on new Harbor vehicle for small tools, chairs, and snow plow. No increase / decrease to
(a)	510.520.100.470.126	Harbor Admin - M&E > \$5k	9,500.00			appropriations as these were reallocated from another line item.
(a)	512.530.100.430.110	Ship Yard Admin - Prof Services	48,000.00			To increase Ship Yard Administration Professional Services for outsourced boat lift operator. These services were previously
(a)	512.001.385.100	Ship Yard Appropriations	48,000.00			performed by internal Ship Yard staff.
(a)	512.530.100.470.125	Ship Yard Admin - M&E < \$5000	107,000.00			To increase Ship Yard Administration M&E-\$5,000 for Boat Lift Straps purchase authorized by the City Council at the April 9,
(a)	512.001.385.100	Ship Yard Appropriations	107,000.00			2020 Regular Council Meeting.
(a)	500.001.375.605	Cargo Revenue - Discounts Rec'd	17,343.00			To adjust the budget for health insurance premium holiday for 2 months that was received for January and February 2020.
(a)	500.001.385.100	Cargo Appropriations	17,343.00			
(a)	510.001.375.605	Harbor Revenue - Discounts Rec'd	42,576.00			To adjust the budget for health insurance premium holiday for 2 months that was received for January and February 2020.
(a)	510.001.385.100	Harbor Appropriations	42,576.00			
(a)	512.001.375.605	Ship Yard Revenue - Discounts Rec'd	11,943.00			To adjust the budget for health insurance premium holiday for 2 months that was received for January and February 2020.
(a)	512.001.385.100	Ship Yard Appropriations	11,943.00			
(a)	550.001.375.605	Water Revenue - Discounts Rec'd	40,542.00			To adjust the budget for health insurance premium holiday for 2 months that was received for January and February 2020.
(a)	550.001.385.100	Water Appropriations	40,542.00			
(a)	570.001.375.605	Sewer Revenue - Discounts Rec'd	64,710.00			To adjust the budget for health insurance premium holiday for 2 months that was received for January and February 2020.
(a)	570.001.385.100	Sewer Appropriations	64,710.00			
(a)	570.580.198.490.306	Sewer Transfers to Sewer Cap	205,000.00			To transfer the purchase of the Sewer Flusher Truck budgeted for FY 2020 into a capital project. Due to COVID-19 the build
(a)	570.580.380.470.126	Sewer M&E > \$5,000	205,000.00			and shipment times have been delayed until after the end of the fiscal year.
(a)	306.350.778.470.126	Sewer Equipment Pchs M&E > \$5k	205,000.00			
(a)	306.001.390.570	Transfers from Sewer Op Fund	205,000.00			
(a)	570.580.380.450.510	Sewer Repairs and Maintenance	10,000.00			To reallocate repairs and maintenance vehicles to repairs and maintenance for Sewer equipment. No increases / decrease to
(a)	570.580.380.450.550	Sewer Rep & Maint - Vehicles	10,000.00			appropriations as this is a reallocation between line items.
(a)	570.580.385.450.310	Sewer WWTP Supplies	20,000.00			To increase Supplies for the WWTP due to lab temporary closure in Fall 2019 and increased purchases in testing supplies in
(a)	570.001.385.100	Sewer Appropriations	20,000.00			Spring 2020 due to COVID-19.
(a)	585.001.375.605	E911 Discounts Rec'd	26,008.00			To adjust the budget for health insurance premium holiday for 2 months that was received for January and February 2020.
(a)	585.001.385.100	E911 Appropriations	26,008.00			
(a)	100.190.198.490.299	Transfers to Enhancement Fund	771,718.00			To Transfer 1/2 General Fund surplus from the FY 2019 audited CAFR to the Enhancement fund based on City Code.
(a)	100.001.385.100	GF Appropriations	771,718.00			
(a)	299.001.390.100	Transfers from General Fund	771,718.00			
(a)	299.001.385.100	Enhancement Appropriations	771,718.00			

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Mike Tvenge, City Manager *MT*

Thru: Josephine Bahnke, Deputy City Manager

Date: May 14, 2020

Agenda Item: **V. c. Emergency Ordinance No. 1399, Declaring an Emergency and Authorizing the Finance Director to Waive Certain Penalties and Interest on Delinquent Sales Tax Returns**

SUMMARY: Kodiak City Code Chapter 3.08 authorizes the Finance Director to waive certain fees for good cause. This non-code ordinance is presented to give the Finance Director the administrative discretion to waive late filing penalties and interest. This ordinance is a short term change to the sales tax penalties and interest section of code, which will allow for filings to be waived that are due on April 30. The waived fees will only be for the first quarter reporting period January 1 through March 31. Customers who will be requesting assistance under payment plans will be handled on a case by case basis upon approval from the finance director. Staff recommends Council consider adopting Ordinance No. 1399.

PREVIOUS COUNCIL ACTION:

- Council adopted Ordinance No. 1395, which temporarily authorizing the suspension and/or modification of various sections of the Kodiak City Code or Ordinances regarding public meetings and participation in order to ensure the health, safety, and welfare of the Kodiak community during a state-declared public health emergency and declaring an emergency
- Council discussed local business sales tax issues and impacts during the April 7, 2020, work session.
- Council discussed waiving specific sales tax fees during the April 21, 2020, work session.

BACKGROUND/DISCUSSION: On March 18, 2020, the Kodiak Emergency Services Council authorized the Emergency Services Director to declare a public health emergency in Kodiak. The City Council discussed sales tax impacts for local businesses during several work sessions and gave staff direction regarding waiving of certain penalties and interests. This ordinance is presented to give the interim Finance Director discretion when dealing with businesses that have difficulty remitting timely sales tax returns during COVID-19 pandemic.

ALTERNATIVES:

- 1) Adopt Ordinance No. 1399.
- 2) Delay or elect not to adopt the Ordinance No. 1399.

FINANCIAL IMPLICATIONS:

LEGAL: The City attorney drafted the non-code ordinance. Per KCC 2.04.050, this emergency ordinance will require affirmative votes of five voting members for adoption.

STAFF RECOMMENDATION: This non-code ordinance provides direction for the Finance Director and staff to process untimely sales tax returns.

CITY MANAGER'S COMMENTS: This ordinance allows the City Finance Director to work directly with businesses struggling with COVID -19 mandated closures; affecting scheduled sales tax remittance.

NOTES/ATTACHMENTS:

Attachment A: Ordinance No. 1399

PROPOSED MOTION:

Move to adopt Ordinance 1399.

**CITY OF KODIAK
ORDINANCE NUMBER 1399**

**AN EMERGENCY ORDINANCE OF THE COUNCIL OF THE CITY OF KODIAK
DECLARING AN EMERGENCY AND AUTHORIZING THE FINANCE DIRECTOR TO
WAIVE CERTAIN PENALTIES AND INTEREST ON DELINQUENT SALES TAX
RETURNS**

WHEREAS, the United States Center for Disease Control and Prevention (CDC) has identified COVID-19, also known as the “coronavirus,” as a significant public health risk; and

WHEREAS, on March 11, 2020, Governor Dunleavy issued a declaration of public health disaster emergency in response to the COVID-19 anticipated outbreak in the State of Alaska; and

WHEREAS, the World Health Organization designated the outbreak of COVID-19 as a pandemic on March 11, 2020; and

WHEREAS, on March 18, 2020, the Kodiak City Council adopted Ordinance No. 1395 which temporarily authorized the suspension and/or modification of various sections of the Kodiak City Code or Ordinances regarding public meetings and participation in order to ensure the health, safety, and welfare of the Kodiak community during a state-declared public health emergency and declaring an emergency; and

WHEREAS, compliance with health mandates intended to protect the public health through social distancing and other measures may make it more difficult for businesses in the City of Kodiak to timely remit sales tax returns; and

WHEREAS, Article II, Sec. 14 of the City Charter and City code authorize the City to adopt an emergency ordinance, effective on adoption, to meet a public emergency, and it may be adopted, amended and adopted, or rejected at the meeting at which it is introduced provided the affirmative vote of five voting members (per KCC 2.04.050) is met for adoption of the ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kodiak, Alaska that this ordinance is enacted as follows:

Section 1: Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2: Finding of Emergency. Based on the Whereas clauses above, the City Council finds that the presence of COVID-19 in Alaska and in the City of Kodiak constitutes an emergency.

Section 3: Sales Tax Penalty & Interest Relief. For good cause shown, the finance director may waive any or all penalty and interest imposed by KCC 3.08.170 for first quarter 2020 sales tax returns and remittances due on April 30, 2020.

Section 4: Effective Date. This ordinance is effective immediately upon its adoption by an affirmative vote of at least five members of the council.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Effective Date:

MEMORANDUM TO COUNCIL

To: Mayor and City Councilmembers
From: City Manager, Mike Tvenge *MT*
Thru: Timothy Putney, Chief of Police
Date: May 14, 2020

Agenda Item: V. d. Resolution No. 2020-12, Accepting a NOAA Tsunami Hazard Mitigation Program Award for Tsunami Sirens

SUMMARY: The City has been awarded \$108,000 through the 2019 U.S Department of Commerce National Oceanic and Atmospheric Administration (NOAA) Tsunami Hazard Mitigation Program for the purchase and installation of outdoor warning sirens. The award performance period is from September 1, 2019, to August 31, 2020. Staff recommends Council adopt Resolution No. 2020-12, which will assist with the funding of the tsunami siren project.

PREVIOUS COUNCIL ACTION: City staff has applied for and Council has accepted other grants related to the assessment and replacement of the tsunami sirens.

BACKGROUND: The City of Kodiak is responsible for the early warning system in case of tsunami or other hazards. The current warning siren system includes 12 sirens within City limits and nine sirens owned by the Borough that are located along the road system. All sirens are part of the same system activated through the KPD Public Safety Answering Point (PSAP). The maintenance of these sirens is the responsibility of each respective municipal body. Recently, the City and Borough released an RFP to fully replace the current outdoor warning siren system. These grant funds will be used towards the project.

DISCUSSION: The City's current sirens are beyond their recognized lifespan of 20 years and are beginning to fail. A new outdoor warning siren system that reaches the majority of Kodiak residents will provide capabilities to immediately notify residents of potential hazards and also the ability to broadcast voice messages in numerous languages, if necessary. Updating the system will ensure the community has a reliable warning system for years to come.

ALTERNATIVES:

- 1) Approve the resolution, which is the recommendation of staff.
- 2) Do not adopt the resolution, which staff does not recommend.

FINANCIAL IMPLICATIONS: This resolution formally accepts a \$108,000 grant from the NOAA Tsunami Mitigation Program, which will be incorporated into the FY 2020 supplemental budget, and added to General Capital projects, project number 4059, Outdoor Warning Siren Replacements.

LEGAL: City Administration has adhered to municipal code during procurement.

STAFF RECOMMENDATION: Staff recommends adopting Resolution No. 2020--12 to accept the 2019 NOAA Tsunami Mitigation Grant No. 20NOAA-GY19.

CITY MANAGER'S COMMENTS: We announced this grant award previously but have not formally accepted the funding. The City Council requested the siren replacement, staff applied for grant opportunities and the project is scheduled to begin and complete this summer. The KIB siren replacement is anticipated to be awarded and will operate as a completed system.

ATTACHMENTS:

Attachment A: Resolution No. 2020--12.

Attachment B: Letter to City Manager re: State Grant No. 20NOAA-GY19

PROPOSED MOTION:

Move to adopt Resolution No. 2020--12.

**CITY OF KODIAK
RESOLUTION NUMBER 2020-12**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK ACCEPTING
A NOAA TSUNAMI HAZARD MITIGATION PROGRAM AWARD FOR TSUNAMI
SIRENS**

WHEREAS, the City of Kodiak has been awarded funds through the U.S Department of Commerce National Oceanic and Atmospheric Administration (NOAA) Tsunami Hazard Mitigation Program for purchase and installation of all-hazards/tsunami warning sirens; and

WHEREAS, the City of Kodiak was awarded \$108,000 through the NOAA program; and

WHEREAS, the City intends to use these funds towards the outdoor warning siren system replacement project; and

WHEREAS, emergency management activities have been incorporated into the ongoing operations of the City of Kodiak; and

WHEREAS, these funds do not require any local match.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that an FFY2020 2019 NOAA Tsunami Hazard Mitigation Program Grant in the amount of \$108,000 is hereby accepted.

BE IT FURTHER RESOLVED by the Council of the City of Kodiak that the City Manager is hereby authorized to execute and administer any and all documents required for the acceptance and management of this grant award.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:

**Department of Military and
Veterans Affairs**

Division of Homeland Security and
Emergency Management

P.O. Box 5750
JBER, AK 99505-0800
Main: 907.428.7000
Fax: 907.428.7009
ready.alaska.gov



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY



November 21, 2019

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

RE: 2019 NOAA Tsunami Hazard Mitigation Program, NA19NWS4670008
State Grant No.: 20NOAA-GY19

Certified Mail: 9171 9690 0935 0145 1868 26

Dear Mr. Tvenge:

We received funds from the U.S. Department of Commerce under the 2019 NOAA Tsunami Hazard Mitigation Program. We are pleased to award the City of Kodiak the amount of \$108,000.00 under this grant. Funding from this program is provided to communities for purchase and installation of all-hazards/tsunami warning systems in Alaska.

Please review Project Budget Details for approved project specifics. As a reminder, all procurement transactions must be conducted in a manner providing full and open competition. To ensure this, we require a Procurement Method Report with every expense (with the exception of local advertising, legal notices, and travel arrangements) submitted for reimbursement under this grant and pre-approvals may be required at multiple steps in the procurement process. Please see the Procurement Method Report for additional details.

Enclosed are two pre-signed Obligating Award Documents (OADs). Please review the information for accuracy and review any Special Conditions. Sign both OADs, keep one original for your records, and return the other original within 30 days of jurisdiction receipt to:

State Administrative Agency Point of Contact
PO Box 5750
JBER, AK 99505

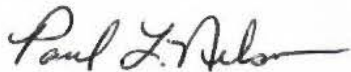
Mr. Tvenge
November 21, 2019
Page 2 of 2

If the OAD cannot be returned within 30 days, a Notice of Intent to Accept Grant Award form must be submitted. The form and instructions are available for download on our Grants website, <http://ready.alaska.gov/grants.htm>.

If signatory points of contacts have changed since submittal of the application, please complete and return a Signatory Authority Form with the signed OAD. The Signatory Authority Form is available for download on our Grants website. If needed, Electronic Payment enrollment forms are also available upon request.

If you have any questions, please contact the Division Project Manager for this grant, Dan Belanger, at (907) 428-7034 or by email at mva.grants@alaska.gov.

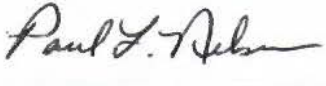

Sincerely,



Paul L. Nelson
Deputy Director

Enclosure(s): (2 originals) Obligating Award Document
Project Budget Details Report

cc: James Mullican, Jurisdiction Project Manager
Karl Swanson, Jurisdiction Chief Financial Officer

State of Alaska						Page 1 of 9	
Division of Homeland Security and Emergency Management						FEDERAL AWARD DATE	
Under US Department of Commerce National Oceanic and Atmospheric Administration Grant Programs Directorate						August 30, 2019	
OBLIGATING AWARD DOCUMENT						FEDERAL GRANT PROGRAM	
						2019 NOAA Tsunami Hazard Mitigation Program	
						FEDERAL GRANT NUMBER	
						NA19NWS4670008	
RECIPIENT NAME AND ADDRESS		PERFORMANCE PERIOD		AMENDMENT		CFDA: 11.467	
City of Kodiak 710 Lower Mill Bay Road Kodiak, AK 99615		FROM:	September 01, 2019	AMENDMENT #:		AWARD AMOUNT	
		TO:	August 31, 2020	EFFECTIVE DATE:		\$108,000.00	
		STATE PROGRAM NUMBER				20NOAA-GY19	
DUNS NUMBER		078191970		FUNDING ALLOCATION			
EIN		92-6000083		PLANNING		EXERCISE	
METHOD OF PAYMENT		Electronic		TRAINING		EQUIPMENT \$108,000.00	
PURPOSE OF AWARD							
The attached Project Budget Details is the funding allocation. Grant program guidelines and federal, state, and local contracting and procurement compliance requirements apply.							
GRANT REQUIREMENTS AND PROGRAM TERMS AND CONDITIONS							
The acceptance of a grant from the United States government creates a legal duty on the part of the recipient to use the funds or property made available in accordance with the conditions of the grant. [GAO Accounting Principles and Standards for Federal Agencies, Chapter 2, Section 16.8(c)] See attached for continued Grant Requirements and Program Terms and Conditions							
SPECIAL CONDITIONS (Grant funds cannot be expended until these conditions have been met. See Obligating Award for details)							
See Attached							
AGENCY INFORMATION							
ADDRESS Division of Homeland Security and Emergency Management PO Box 5750 JBER, AK 99505-5750		WEBSITE		http://ready.alaska.gov			
		EMAIL		mva.grants@alaska.gov			
		PHONE		907-428-7000			
		FAX		907-428-7009			
STATE PROJECT MANAGER		PHONE		FAX		EMAIL	
Dan Belanger		(907) 428-7034		(907) 428-7009		dan.belanger@alaska.gov	
AGENCY APPROVAL				RECIPIENT ACCEPTANCE			
NAME AND TITLE OF APPROVING AGENCY OFFICIAL				NAME AND TITLE OF AUTHORIZED RECIPIENT OFFICIAL			
Paul L. Nelson, Deputy Director				Mike Tvenge, City Manager			
SIGNATURE OF APPROVING AGENCY OFFICIAL				SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL			
		DATE				DATE	
		11/20/19				11-29-19	
FOR STATE USE ONLY							
Division File Number:				Date Returned			
Fund	Unit	AR Unit	Object	Activity	Function	Program	PPC
1004	2001	090000200	7001	2018	19 NOAA KODK	2NOAA2019	GYNOAA

Program Requirements

- (A) Monies may not be obligated outside of the time period as stated on the grant document. An obligation occurs when funds are encumbered, as with a purchase order and/or commitment of salaries and benefits. All obligated and encumbered funds must be liquidated within 45 days of the end of the performance period (unless otherwise specified in the Program Terms and Conditions) when the *Final Performance Progress Reports* are due.
- (B) The signature of the signatory officials on this award certifies that all financial expenditures, including all supporting documentation submitted for reimbursement, have been incurred by the jurisdiction, and are eligible and allowable expenditures consistent with the grant guidelines for this project. The jurisdiction shall follow the financial management requirements imposed on them by the Division of Homeland Security and Emergency Management (DHS&EM).
- (C) The signature of the signatory officials on this award attests to the jurisdiction's understanding, acceptance, and compliance with Acknowledgement of Federal Funding; Lobbying; Debarment, Suspension and other responsibility matters; Drug-free Workplace; Conflict of Interest, and Non-Supplanting certifications. Federal funds will not be used to supplant state or local funds. Federal funds may be used to supplement existing funds to augment program activities, and not replace those funds which have been appropriated in the budget for the same purpose. Potential supplanting may be the subject of application and pre-award, post-award monitoring, and audit. Any cost allocable to a particular Federal award or cost objectives under the principles provided for in 2 CFR Part 200, subpart E, may not be charged to other Federal awards to overcome fund deficiencies.
- (D) The jurisdiction shall ensure the accounting system used allows for separation of fund sources. These grant funds cannot be commingled with funds from other federal, state or local agencies, and each award is accounted for separately.
- (E) The jurisdiction shall comply with the requirements under 2 CFR 25.110, to maintain and keep jurisdiction information current within the System of Award Management (SAM). Also the jurisdiction has the requirement to be non-delinquent to the Federal government as required in OMB Circular A-129. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments
- (F) The jurisdiction shall comply with Federal Laws and Regulations: *Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, Section 504 of the Rehabilitation Act of 1973, Title IX of the Education Amendments of 1972, Age Discrimination Act of 1975, Americans with Disabilities Act of 1990. Per Executive Order 13166*, the jurisdiction will take reasonable steps to ensure Limited English Proficient (LEP) persons have meaningful access to its programs and activities. The jurisdiction is required to comply with any applicable provisions of the Buy American Act (41 U.S.C. Sections 8301 – 8305). *Executive Order 13347 Individuals with Disabilities in Emergency Preparedness* requires government to support safety and security for individuals with disabilities in situations involving disasters, including earthquakes, tornadoes, fires, floods, hurricanes, and acts of terrorism. *Executive Order 13224* prohibits transactions with and support to organizations associated with terrorism. Energy Policy and Conservation Act, National Environmental Policy Act (NEPA) of 1969 and the Coastal Wetlands Planning, Protection, and Restoration Act of 1990 (as applicable.) The USA PATRIOT Act of 2001, Trafficking Victims Protection Act of 2000, Hotel and Motel Fire Safety Act of 1990, and the Fly America Act of 1974. Subrecipients who collect Personally Identifiable Information (PII) are required to have a publicly available privacy policy that describes what PII they collect, how they use the PII, whether they share PII with third parties, and how individuals may have their PII corrected where appropriate. All recipients must comply with statutory requirement for whistleblower protections (if applicable) at 10 U.S.C 2409, 41 U.S.C 4712, and 10 U.S.C 2324, 41 U.S.S 4304 and 4310. All recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R Part 19 and other applicable statutes, regulations, and guidance governing the participants of faith-based organizations in individual programs.
- (G) The jurisdiction certifies that it has an *Affirmative Action Plan/Equal Employment Opportunity Plan*. An *EEOP* is not required for subrecipients of less than \$25,000.00 or fewer than 50 employees.
- (H) The jurisdiction certifies that its employees are eligible to work in the U.S. as verified by Form I-9, Immigration & Naturalization Service Employment Eligibility.
- (I) It is the responsibility of the jurisdiction as the subrecipient of these federal funds to fully understand and comply with the requirements of:
- a. Administrative requirements
2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*
http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
 - b. Cost Principles
2 CFR Part 200 Subpart E *Cost Principles*
<http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=a470d16f3403a225479f2a8a6c7c4058&n=pt2.1.200&r=PART&ty=HTML#sp2.1.200.e>
 - c. Audit Requirements
2 CFR Part 200 Subpart F *Audit Requirements*
<http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=a470d16f3403a225479f2a8a6c7c4058&n=pt2.1.200&r=PART&ty=HTML#sp2.1.200.f>
 - i. Federal: The applicant agrees that, as a condition of receiving any federal financial assistance, a Single audit of those federal funds will be performed, if required by law, and further agrees it will comply with all applicable audit requirements.
 - ii. State: If the applicant is an entity that received state financial assistance the applicant shall submit to the State coordinating agency, within one year after the end of the audit period, an annual audit report covering the audit period as required by 2 AAC 45.010.

- iii. Subrecipients identified as "non-compliant" by the Alaska Dept. of Administration, Division of Finance, Single Audit Coordinator shall be subject to the following grant payment restrictions:
 - 1. The Division of Homeland Security & Emergency Management (DHS&EM) will not process grant payments of any nature directly to the subrecipient.
 - 2. Subrecipients will be required to fully comply with the Single Audit requirements as specified by the Alaska Dept. of Administration, Division of Finance, Single Audit Coordinator.
 - 3. Subrecipients will provide compliance evidence to DHS&EM from the state audit coordinator before any payment will be processed.
 - 4. DHS&EM may process On-Behalf-Of (OBO) payments to vendors for costs directly associated to the scope of work on approved awards.
 - 5. Performance periods will not be extended due to a subrecipient's failure to comply with Single Audit requirement.
 - 6. Payments made in error to subrecipients that are "non-compliant" must be repaid to the State of Alaska within 90 days of receipt of notice from DHS&EM.

- d. Procurement and Contracts. Contracts must be of a reasonable cost, generally be competitively bid, and must comply with Federal, State, and local procurement standards. Detailed requirements for eligible procurement methods and contract types can be found in 2 CFR Part 200 Subpart D. The applicant agrees to review and follow procurement and contract requirements necessary for compliance with the grant program. Further, the applicant understands that failure to comply with these requirements may result of loss of funding for the entire project.
 - i. Debarred/Suspended Vendors. As required by Executive Orders 12549 and 12689, Debarment and Suspension, and implemented at 2 CFR Part 180, the applicant certifies that it and its principals:
 - 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 2. Have not within a three-year period preceding this award been convicted of a or had a civilian judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or perform a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 3. Are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
 - 4. Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause of default. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

- e. Conflict of Interest
2 CFR Part 200.112 – the jurisdiction must disclose in writing to DHS&EM any potential conflict of interest per the applicable Federal awarding agency policy in the award's performance period.

- f. False Claims Act, Program Fraud Civil Remedies, and Mandatory Disclosures
 - i. 31 U.S.C. §3729, no recipient of federal payments shall submit a false claim for payment.
 - ii. 38 U.S.C. §3801-3812, details the administrative remedies for false claims and statements made.
 - iii. 2 CFR Part 200.113 – the jurisdiction must disclose, in a timely manner and in writing to DHS&EM, all violations of Federal criminal law involving fraud, bribery, or gratuity potentially affecting the award.

- g. Technology Requirements
28 CFR Part 23, Criminal Intelligence System Operating Policies

- h. Research and Development (R&D) Requirements
Grants awarded to DHS&EM are not R&D

- i. Duplication of Benefits
2 CFR Part 200, Subpart E, Cost Principles

- j. Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended, 42 U.S.C. §5121-5206, and Related Authorities, where applicable.

- k. Reducing Text Messaging while Driving
All recipients are encouraged to adopt and enforce policies that ban text messaging while driving as described in E.O. 13513, including conducting initiatives described in Section 3(a) of the Order when on official government business or when performing any work for or on behalf of the federal government.

- l. Reporting of Matters Related to Recipient Integrity and Performance
If the total value recipient's currently active grants, cooperative agreements, and procurement contracts from all federal assistance offices exceeds \$10,000,000 for any period of time during the period of performance of this federal financial assistance award, you must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R Part 200, Appendix XII.

- m. Reporting Subawards and Executive Compensation
All recipients are required to comply with the requirements set forth in the government-wide Award Term on Reporting Subawards and Executive Compensation located at 2 C.F.R Part 170, Appendix A.

n. SAFECOM

All recipients receiving federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

- o. All recipients must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

p. State Requirements

Alaska State Procurement Code AS 36.30, AS36.30.005–.030 www.state.ak.us/local/akpages/ADMIN/dgs/docs/as3630.doc

Alaska Administrative Code Title 2 Chapter 12, 2 AAC 12.74. <http://www.legis.state.ak.us/cgi-bin/folioisa.dll/aac>

Alaska Administrative Manual <http://doa.alaska.gov/dof/manuals/aam/index.htm>

NOAA Program Terms and Conditions

The total allocation of the 2019 NOAA Tsunami Activities Grant awarded to the Division of Homeland Security and Emergency Management (DHS&EM) is \$686,373.00, under *Federal Grant NA19NWS4670008, CFDA# 11.467*. City of Kodiak has been awarded 108000 which shall be used to support activities essential to improve tsunami preparedness of at-risk areas. The performance period of this grant award is 9/1/2019 through 8/31/2020. Project conditions must be completed by this date. City of Kodiak cannot sub-grant all or any part of this award to any other entity or organization. All awards require confirmation within the first reporting quarter that activities toward projects will be made, or DHS&EM may execute de-obligation of the funds.

(A) Changes to Award: All change requests must be submitted in writing, or electronically to the DHS&EM project manager, accompanied by a justification narrative and budget/spending plan, for review and approval. Changes must be consistent with the scope of the project and grant guidelines. Requests for changes will be considered only if the reporting requirements are current, and if terms and conditions have been met at the time of the request. Changes in the programmatic activities, or purpose of the project, changes in key persons specified on the grant award, contractual services for activities central to the purposes of the award, requests for additional funding, change in project site, or release of special conditions may result in an amendment to this award. No transfers of funds between budget categories will be authorized, only de-obligation of funds, except on a case-by-case basis.

(B) Reporting Requirements: The City of Kodiak shall submit timely quarterly *Performance Progress Reports* and *Financial Progress Reports* to the project manager at DHS&EM. Instructions and blank forms are located electronically at <http://ready.alaska.gov/grants>, and may be reproduced. Jurisdictions must check the web site quarterly for the most current forms. Use of outdated forms will not be accepted. Quarterly reports are due:

Number of Scheduled Report Due	Jurisdiction Performance Period	Performance Progress and Financial Progress Report Due Dates
1	09/01/2019–09/30/2019	Waived
2	10/01/2019–12/31/2019	01/20/2020
3	01/01/2020–03/31/2020	04/20/2020
4	04/01/2020–06/30/2020	07/20/2020
5	07/01/2020–08/31/2020	09/20/2020
6	Final Report	10/15/2020

Invoices with progress reports will be submitted to DHS&EM by the due date as specified in the above schedule. Should the grant period be extended for any reason, a modified report schedule will accompany the award amendment.

The *Performance Progress Report* (PPR) contains an AK-PPR-A cover page form and an AK-PPR-B Program Indicators form. Both forms must be completed and submitted by the report due date. Requests for grant extensions, budget adjustments, project realignments, and significant problems or delays are reported on the AK-PPR-A. An AK-PPR-A must be submitted even if no additional information is required. The AK-PPR-B shall describe the progress and percent completed of projects and detail any related expenditures submitted on the *Financial Progress Report*. *Financial Progress Reports* shall describe the status of the funds, show encumbrances, and receipts of program income, cash or in-kind contributions to the project, whether or not a local match is required. A final PPR is a summary report, showing project completion, evaluating project activities and measuring performance against project goals for the entire performance period, and is required in addition to the last quarterly PPR. An *After-Action Report/Improvement Plan* (AAR/IP) is required within 30 days of the conduct of an exercise.

(C) Signatory Requirements: The primary signatory official, project manager and financial officer as listed on the *Signatory Authority Form* must sign the original obligating award document and any amendments. Delegates may sign quarterly and final reports, however, the signatures of the project manager, signatory official and the financial officer must be three different signatures.

(D) Reimbursements: Submit on the *Financial Progress Report* form. Reimbursement shall be based upon authorized and allowable expenditures consistent with project narrative and budget detail and grant guidelines, and submission of timely quarterly *Performance Progress* and *Financial Progress Reports*. Payments may be withheld pending correction of deficiencies or for use of outdated forms. Reimbursement of expenditures may be requested at any time within the performance period. Expenditures must be supported with source documentation (e.g. copies of invoices, receipts, timesheets with name/wage/hours, cost allocation, warrants, etc.), method of solicitation must be documented with a *Procurement Method Report* and documentation of payment must be included.

- Contracts: All sole-source procurements, single vendor response to a competitive bid, service contracts of any value, and contracts require DHS&EM pre-approval prior to implementation. Final signed copies of all contracts are required for submission to DHS&EM with the request for reimbursement.

(E) Non-reimbursable Expenses:

- Contracts, service contracts of any value, single vendor response to a competitive bid, and/or procurements over \$25,000 not pre-approved by DHS&EM
- Sole source contracts and procurements not pre-approved by DHS&EM
- Reimbursable training and related travel costs not pre-approved by DHS&EM
- Construction and renovation
- Indirect costs
- Management and Administration (M&A) costs to manage sub-contracts
- Supplanting
- Maintenance and/or wear and tear costs of general use vehicles (e.g., construction vehicles), medical supplies, and emergency response apparatus (e.g., fire trucks, ambulances) Maintenance and/or wear and tear costs of general use vehicles and emergency response apparatus during exercises.
- Equipment purchased for an exercise cannot be used for permanent installation and/or beyond the scope of the conclusion of the exercise.
- Hiring of sworn public safety officers to fill traditional public safety duties or to supplant traditional public safety positions and responsibilities

administrative policies and procedures such as, accounting for receipts and expenditures, cash management, maintaining adequate financial records, means of allocating and tracking costs, contracting and procurement policies and records, payroll records and means of allocating staff costs, property/equipment management system(s), progress of project activities, etc. This may include desk and field audits. Technical assistance is available from DHS&EM staff. The Monitoring Policy is available in the Grants Management Handbook at <http://ready.alaska.gov/grants>.

(Q) **Penalty for Non-Compliance:** For the reasons listed below, special conditions may be imposed, reimbursements may be partially or wholly withheld, the award may be wholly or partly suspended or terminated, or future awards, reimbursements and award modifications may be withheld. DHS&EM may institute the following, but is not limited to, withholding authority to proceed to the next phase of a project, requiring additional or more detailed financial reports, additional project monitoring, and/or establish additional prior approvals. DHS&EM shall notify City of Kodiak of its decision in writing stating the nature and the reason for imposing the conditions/restrictions, the corrective action required and timeline to remove them, and the method of requesting reconsideration of the imposed conditions/restrictions. City of Kodiak must respond within five (5) days of receipt of notification.

1. Unwillingness or inability to attain project goals
2. Unwillingness or inability to adhere to Special Conditions or Grant Assurances.
3. Failure or inability to adhere to grant guidelines and federal compliance requirements
4. Improper procedures regarding contracts and procurements
5. Inability to submit reliable and/or timely reports
6. Management systems which do not meet federal required management standards

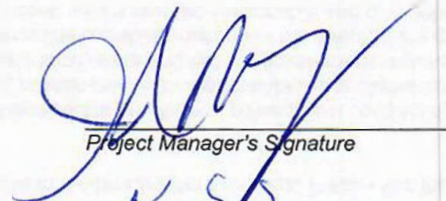
(R) **Termination for Cause:** If performance is not occurring as agreed, the award may be reduced or terminated without compensation for reduction or termination costs. DHS&EM will provide five (5) days notice to City of Kodiak stating the reasons for the action, steps taken to correct the problems, and the commencement date of the reduction or termination. DHS&EM will reimburse City of Kodiak only for acceptable work or deliverables, necessary and allowable costs incurred through the date of reduction or termination. Final payment may be withheld at the discretion of DHS&EM until completion of a final DHS&EM review. Any equipment purchased under a terminated grant may revert to DHS&EM at the option of DHS&EM.

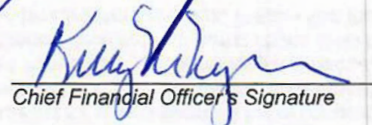
(S) **Termination for Convenience:** Any project may be terminated upon convenience, in whole or in part, for the convenience of the Government. The U.S. Department of Commerce and the DHS&EM, by written notice, may terminate this grant, in whole or in part, when it is in the Government's interest. Allowable costs obligated and/or incurred through the date of termination shall be reimbursed. Any equipment purchased under a terminated grant may revert to DHS&EM at the option of DHS&EM.

Special Conditions

None

We certify we have read, understood, and accept the Grant Terms and Conditions, the Grant Requirements, and Assurances and Agreements, and Special Conditions in accordance with this Award.


Project Manager's Signature


Chief Financial Officer's Signature


Signatory Official's Signature

- Weapons, weapons accessories, ammunition
- Entertainment and sporting events
- Personal items such as laundry, personal hygiene items, magazines, in-room movies, personal travel
- Travel insurance, visa, and passport charges
- Lodging costs in excess of federal per diem, as appropriate
- Lodging fees associated with violation of the lodging facility's policies, such as smoking in a non-smoking room
- Lunch when travel is wholly within a single day
- Stand-alone working meals
- Bar charges, alcoholic beverages
- Tips
- Finance, late fees, or interest charges
- Lobbying, political contributions, legislative liaison activities
- Organized fund-raising, including salaries of persons while engaged in these activities
- Land acquisition
- Organizational Costs
- Expenditures not supported with appropriate documentation when submitted for reimbursement. Only properly documented expenditures will be processed for payment. Unsupported expenditures will be returned to the jurisdiction for resubmission.

(F) **Property and Equipment Management:** City of Kodiak shall maintain an effective property management system; safeguards to prevent loss, damage or theft; maintenance procedures to keep equipment in good condition; and disposition procedures. A *Property Inventory Report* is available at <http://ready.alaska.gov/grants> shall be submitted to DHS&EM annually each June 20 with the *Financial Progress Report*, and continued submission is required annually until final disposition of the equipment. No equipment purchased with these grant funds may be assigned to other entities or organizations without the expressed approval in writing from DHS&EM, prior to the jurisdiction's encumbrance or expenditure for that equipment. Management of property and equipment shall be in accordance with state laws and procedures as outlined, and 2 CFR Subpart D (200.210-200.316). For items over \$5,000.00, a Single Equipment Reporting Form must be submitted at the time of reimbursement at the time of reimbursement request

(G) **Procurement:** A *Procurement Method Report* documenting method of solicitation is required for reimbursement for every procurement (with the exception of local advertising, legal notices and travel arrangements). Contractors that develop or draft specifications, requirements, *Statements of Work* (SOW), and/or *Requests for Proposals* (RFP) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement. Local bidder's preference is not allowed for federally funded procurements. Procurement transactions shall be conducted to provide maximum open and free competition. Pre-approvals may be required at multiple steps in the procurement process. Please see the *Procurement Method Report* for additional details.

(H) **Contracts:** Any contract entered into during this grant period shall comply with local, state and federal government contracting regulations. To the extent that subrecipients of a grant use contractors, subrecipients shall use small, minority, women-owned or disadvantaged business concerns and contractors to the extent practicable. Contracts for professional and consultant services must include local, state and federal government required contract language, a project budget, and require pre-approval by DHS&EM prior to implementation. Contract deliverables must meet the intent of the grant application and grant requirements. Justification is required for compensation for individual consultant services, which must be reasonable and consistent with the amount paid for similar services in the market place. Detailed invoices and time and effort reports are required for consultants. A *Procurement Method Report* documenting method of solicitation is required for reimbursement for every procurement.

(I) **Environmental Requirements:** The jurisdiction shall comply with Federal Laws and Regulations, these include, but may not be limited to: Flood Disaster Protection Act; The Endangered Species Act; The Coastal Zone Management Act; The Coastal Barriers Resources Act; The Wild and Scenic Rivers Act; The Safe Drinking Water Act of 1974 (as amended); The Resources and Conservation and Recovery Act; The Comprehensive Environmental Response Compensation, and Liability Act; The Community Environmental Response Facilitation Act; and Executive Order 12898.

(J) **Publications and Copyright:** All recipients must affix the applicable copyright notices of 17 U.S.C. § 401 or 402 and an acknowledgement of Government sponsorship (including award number) to any work first produced under Federal financial assistance awards, unless the work includes any information that is otherwise controlled by the Government (e.g., classified information or other information subject to national security or export control laws or regulations) Publications created with funding under this grant should prominently contain the following statement: *This Document was prepared under a grant from the Office of State and Local Government Coordination and Preparedness (SLGCP), United States Department of Commerce, and the Alaska Division of Homeland Security and Emergency Management. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of SLGCP, the US Department of Commerce, or the State of Alaska.*

(K) **Acknowledgement of Federal Funding:** All subrecipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds.

(L) **Federal Debt Status:** All subrecipients are required to be non-delinquent in their repayment of any Federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129 and form SF-424, item number 17 for additional information and guidance.

(M) **False Claims Act and Program Fraud Civil Remedies:** All subrecipients must comply with the requirements of 31 U.S.C. § 3729 which set forth that no subrecipient of federal payments shall submit a false claim for payment. See also 38 U.S.C. § 3801-3812 which details the administrative remedies for false claims and statements made.


(N) **Recordkeeping Requirements:** Grant financial and administrative records shall be maintained for a period of three (3) years following the date of the closure of the grant award, or audit if required. Time and effort, personnel and payroll records for all individuals reimbursed under the award must be maintained. Property and equipment records shall be maintained for a period of three (3) years following the final disposition, replacement or transfer of the property and equipment.

(O) **Performance Measures:** Quarterly Progress Reports shall demonstrate performance and progress relative to:

1. Acceptable performance on applicable critical tasks
2. Progress in achieving project timelines and milestones
3. Percent measurable progress toward completion of project
4. How funds have been expended during reporting period, and explains expenditures related to the project

(P) **Subrecipient Monitoring Policy:** Periodic monitoring is required to ensure that program goals, objectives, timelines, budgets and other related program criteria are being met. DHS&EM reserves the right to periodically monitor, review and conduct analysis of City of Kodiak's financial, programmatic and

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers
From: Mike Tvenge, City Manager 
Thru: Josephine Bahnke, Deputy City Manager
Date: May 14, 2020

Agenda Item: V. e. Resolution No. 2020–13, Authorizing the Suspension and/or Modification of Section 14 (Utilities) of the Schedule of Fees, Charges, and Tariffs During a State-Declared Public Health Disaster

SUMMARY: On April 9, 2020, SB241 was signed into law. The Council discussed the additional local changes to utility billing, the process for residents and commercial establishments to access the declaration of financial hardship, and how restricting late fees and disconnects during COVID-19 and public health emergency would administratively occur. This resolution outlines the temporary billing modifications for a clear and concise process.

PREVIOUS COUNCIL ACTION:

- Council adopted Ordinance No. 1395, which temporarily authorized the suspension and/or modification of various sections of the Kodiak City Code or Ordinances regarding public meetings and participation in order to ensure the health, safety, and welfare of the Kodiak community during a state-declared public health emergency and declaring an emergency
- Council discussed utility billing during the April 7, 2020, work session.
- Council discussed utility billing financial hardship during the April 21, 2020, work session.

BACKGROUND/DISCUSSION: On March 18, 2020, the Kodiak Emergency Services Council authorized the Emergency Services Director to declare a public health emergency in Kodiak. Council discussed local impacts of utility billing and gave staff direction in dealing with residential and commercial billing. As a result of the direction, Resolution No. 2020–13 was drafted for review and adoption.

ALTERNATIVES:

- 1) Staff recommends that Council adopt Resolution No. 2020–13.
- 2) Delay or elect not to adopt Resolution No. 2020–13

LEGAL: The City attorney reviewed and edited the resolution.

CITY MANAGER'S COMMENTS: This Resolution follows the direction of City Council to provide financial relief to utility customers.

NOTES/ATTACHMENTS:

Attachment A: Resolution No. 2020-13.

PROPOSED MOTION:

Move to adopt Resolution No. 2020-13.

**CITY OF KODIAK
RESOLUTION NUMBER 2020-13**

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AUTHORIZING THE SUSPENSION AND/OR MODIFICATION OF SECTION 14 (UTILITIES) OF THE SCHEDULE OF FEES, CHARGES, AND TARIFFS DURING A STATE-DECLARED PUBLIC HEALTH DISASTER AND EMERGENCY

WHEREAS, the United States Center for Disease Control and Prevention (CDC) has identified COVID-19, also known as the “coronavirus,” as a significant public health risk; and

WHEREAS, on March 11, 2020, Governor Dunleavy issued a declaration of public health disaster emergency in response to the COVID-19 outbreak in the State of Alaska; and

WHEREAS, SB 241, signed into law as Chapter 10 SLA 2020, extends the Governor’s declaration in response to COVID-19 and includes provisions to temporarily suspend imposition of late fees and disconnection fees on residential customer’s utility accounts; and

WHEREAS, during the April 21, 2020, work session, the Council affirmed that the Finance Director has the administrative authority to waive, inside and outside the City limit, late fees for the February, March, and April billings; and

WHEREAS, the Council gave additional direction to staff to include a form for declaring a financial hardship in the utility bills that are being mailed out at the end of April; and

WHEREAS, the Council adopted Resolution No. 2016-17, which amended section 14 utilities (water) of the Schedule of Fees, Charges, and Tariffs and implemented a five-year rate structure on June 9, 2016; and

WHEREAS, the Council adopted Resolution No. 2019-13, which amended section 14 utilities (sewer) of the Schedule of Fees, Charges, and Tariffs and implemented a five-year rate structure on June 25, 2019; and

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

Section 1. Residential Customer Relief - §19 Chapter 10 SLA 2020.

In accordance with Chapter 10 SLA 2020 (SB 241), a residential utility customer who furnishes to the finance director a signed statement, sworn under penalty of perjury, that the person is experiencing financial hardship

related to the COVID-19 public health disaster emergency shall be entitled to the relief described in §19 ch 10 SLA 2020.

Section 2. Relief from § 14.2 Late Charges.

For all accounts, delinquency fees of \$35 on utility payments, as established by § 14.2 of the Schedule of Fees, Charges, and Tariffs, shall not be assessed for untimely payment of charges due on or after February 29, 2020 and through the earlier of November 15, 2020 or a proclamation that the public health disaster emergency identified in the declaration issued by the governor on March 11, 2020, no longer exists as of a date determined by the governor.

Section 3. Business Closure Relief, § 14.4-14.5.

Business customers may, on a form provided by the city, declare a COVID-19 financial hardship, seeking the relief described below. The declaration shall be submitted to the finance director, who may grant or deny the relief sought, or seek additional information, as determined in the finance director's reasonable discretion.

1. *Complete Closure Waiver of Utility Fees in Section 14.4 - 14.5:* Businesses with complete closures may seek relief from those charges set forth in 14.4 - 14.5 Schedule of Fees, Charges, and Tariffs for charges incurred beginning on March 24, 2020, when businesses were legally mandated to be closed and for which the business proves to the reasonable satisfaction of the finance director that it was unable to operate due to the health emergency.
2. *Partial Closure Reduction in Fees in 14.4.1.26 and 14.5.3.25:* Businesses with partial closures may seek a reduction, on the basis described in §14.4.1.26 and §14.5.3.25 Schedule of Fees, Charges, and Tariffs, for charges incurred beginning on March 24, 2020, when businesses were legally mandated to be closed and for which the business proves to the reasonable satisfaction of the finance director that it was unable to operate due to the health emergency.

Section 4. Implementation.

It is the intent of the council that the provisions of this resolution supersede any conflicting provisions of the Schedule of Fees, Charges, and Tariffs. The city finance director is directed to implement this resolution and is authorized to undertake reasonable actions to do so.

Section 5. This resolution is effective upon adoption.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Adopted:

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MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers
From: Mike Tvenge, City Manager *MT*
Thru: Josephine Bahnke, Deputy City Manager and Glenn Melvin, P.E. City Engineer
Date: May 14, 2020

Agenda Item: V. f. **Authorization of Professional Services Agreement with Jacobs/CH2M for Construction Phase Services for the Waste Water Treatment Plant UV Effluent Disinfection Facility, Project No. 20-04/7526.**

SUMMARY: Jacobs/CH2M, the project “Engineer of Record”, will provide construction phase services for the City of Kodiak’s (City’s) WWTP UV Disinfection facility construction project. Jacobs will provide the project’s non-resident construction services. Staff recommends Council award the professional services contract to Jacobs Engineering for the not to exceed amount of \$340,000 for Construction Phase Services for WWTP UV Disinfection Facility Project No. 20-04/7526.

PREVIOUS COUNCIL ACTION:

- In June 2017, Council approved the FY2018 budget of \$600,000 for the WWTP Upgrade. The budget is contingent on using the Alaska Clean Water Fund (ACWF) loan.
- On November 9, 2017, Council approved Resolution No. 2017–26, which authorized the application for a \$600,000 loan from the ACWF loan program.
- On April 12, 2018, Council amended Section 4 of previously adopted Resolution No. 2017–26 to provide that the interest on the loan shall not exceed the rate calculated pursuant to 18 AAC 76.080(b)(1).(Repayment; finance charges)
- On June 14, 2018, Council authorized a Professional Services Contract for WWTP Upgrade, Phase I Condition and Assessment, Project No. 7522/18-04.
- On February 28, 2019, Council authorized Contract Amendment No. 2 to the Professional Services Contract with Jacobs for WWTP Upgrade, Phase I Condition and Process Assessment, Project No. 7522/18-04 in the amount of \$468,000 with funds from Project No. 7522.
- On October 24, 2019, Council adopted Resolution No. 2019–20, Authorizing the Borrowing From the Alaska Clean Water Fund of an Aggregate Amount Not to Exceed Five Million Four Hundred Thirty Five Thousand (\$5,435,000) to Pay For the Cost of an Upgrade to the City of Kodiak Wastewater Treatment Plant Ultraviolet Effluent Disinfection Facility
- On April 10, 2020, Council awarded the construction contract for the WWTP UV Disinfection Facility to Jay-Brant General Contractors, L.L.C.

BACKGROUND/DISCUSSION: WWTP Upgrade, Phase I Condition and Process Assessment was completed by Jacobs/CH2M during 2018. UV Equipment Preselection and final design for the UV Disinfection Facility was completed by Jacobs/CH2M in January 2020. The project progress to-date is maintaining the ADEC mandated schedule as defined by the current APDES Discharge Permit.

Invitation to Bid for the project was issued on February 18, 2020 and bids were received on February 27, 2020. The Jacobs/CH2M final design contract services covered engineering services for the project up to and including bidding. The attached Jacobs proposal provides for engineering services moving forward with construction and continue thru Final Completion and project closeout which is estimated to be 10 months.

Jacobs/CH2M as the “Engineer of Record” for this project is required to perform engineering tasks during construction as defined in Attachment A, Scope of Work. Some of the required engineering tasks include attending project meetings, reviewing and approving submittals, responding to contractor questions, SCADA programming, system testing, system startup, milestone inspections, prepare operator control manual, and submit required documents to ADEC to obtain the “Approval to Operate” certificate.

ALTERNATIVES:

- 1) Staff recommends that Council approve the Professional Services Contract with Jacobs Engineering for Construction Phase Services for the Waste Water Treatment Plant UV Effluent Disinfection Facility Project in the amount of \$340,000.
- 2) Delay or elect not to approve the proposal; this is not recommended. Delay would prohibit the construction on the WWTP UV Effluent Disinfection facility project. This project is a requirement of the State of Alaska Department of Environmental Conservation.

FINANCIAL IMPLICATIONS: Funding for this project is provided for by Council adoption of Resolution No. 2019–20, Authorizing the Borrowing From the Alaska Clean Water Fund of an Aggregate Amount Not to Exceed Five Million Four Hundred Thirty Five Thousand (\$5,435,000) to Pay For the Cost of an Upgrade to the City of Kodiak Wastewater Treatment Plant Ultraviolet Effluent Disinfection Facility

LEGAL:

STAFF RECOMMENDATION: Staff recommends Council award the professional services contract to Jacobs Engineering in the amount is \$340,000 for Construction Phase Services for WWTP UV Disinfection Facility Project No. 20-04/7526.

CITY MANAGER'S COMMENTS: Staff negotiated with Jacobs Engineering representatives to achieve best value for the city and it's utility customers.

NOTES/ATTACHMENTS:

Attachment A: Jacobs Scope of Work for City of Kodiak WWTP UV Disinfection Project

PROPOSED MOTION:

Move to authorize the Professional Services Agreement with Jacobs Engineering for Construction Phase Services for the Waste Water Treatment Plant UV Effluent Disinfection Facility Project in the amount of \$340,000 with funds from Project No. 20-04/7526 and authorize the City Manager to execute documents on behalf of the City.



ATTACHMENT A

Scope of Work

For

City of Kodiak WWTP UV Disinfection Project - Construction Phase
Engineering Services by CH2M HILL Engineers, Inc. (CH2M)

Introduction

CH2M HILL Engineers, Inc (CH2M), the project designer, will provide limited construction phase services for the City of Kodiak's (City's) WWTP UV Disinfection construction project. CH2M will provide the project's office and non-resident construction services. Our scope of work excludes a part-time Resident Project Representative (RPR), as defined in the Bidding Requirements and Contract Documents. The City will be providing all RPR services.

The key assumption is all construction work will be completed in 2020. Any engineering phase services that extend past January 31, 2021 will be considered extra services. No pandemic impact has been included in this scope of services because such impact, if any, is unknown at this time. The City considers this project to be an essential project and as such construction workers will be exempt from certain "Shelter-in-Place" restrictions, if allowed by law.

The task descriptions and lump sum budgets are provided in this scope of work.

The Total Lump Sum Contract Amount for Services During Construction (SDC) is \$340,000.

If additional services are required by City, or if construction duration extends past January 31, 2021, CH2M's construction phase budget will most likely need to be modified by contract amendment. There is no contingency amount include in the lump sum amount. Until a contract amendment is in place for 2021 services, no additional engineering services are expected to be performed.

Assumptions

This scope of work is based on a set of assumptions used to define the scope of work and is the basis for CH2M's construction phase SDC lump sum fee amount. Major assumptions are listed below; additional assumptions are noted in individual activity descriptions. City will provide manpower for some activities necessary to achieve the Project's construction phase objectives. These activities and services are identified in section titled City Furnished Services below.

1. CH2M's role will be to serve as a technical resource to provide assistance to the City as scoped and budgeted herein.
2. The budget for this Work is based on all construction activities being completed by January 31, 2021.
3. Conformed Documents will not be provided.
4. A Sustainability Plan development required by the funding agency is excluded from this scope of services and will be prepared by the City.

5. Warranty and Post Construction services are excluded from this scope of services and will be provided by the City, as needed.
6. The City will provide 100% of the required onsite Resident Project Representative (RPR) services. The City accepts full responsibility for those services and any resulting actions by Contractor or Third Parties as a result of the RPR services. The City will assure that qualified RPRs are on site during key phases of construction, especially work that will be buried or covered up and not visible during milestone and final inspections. The City will assure that all required specialty inspection and laboratory and field tests are performed.
7. Any assistance the City may require from CH2M for RPR services, when they are not available from the City, can be provided as additional scope of work.
8. The presence or duties of CH2M's personnel at a construction site, whether as onsite representatives or otherwise, do not make CH2M or CH2M's personnel in any way responsible for those duties that belong to the City and/or the Construction Contractor(s) or other entities, and do not relieve the Construction Contractor(s) or any other entity of their obligations, duties, and responsibilities, including, but not limited to, all construction methods, means, techniques, sequences, and procedures necessary for coordinating and completing all portions of the construction work in accordance with the construction Contract Documents and any health or safety precautions required by such construction work. CH2M and CH2M's personnel have no authority to exercise any control over any Construction Contractor or other entity or their employees in connection with their work or any health or safety precautions and have no duty for inspecting, noting, observing, correcting, or reporting on health or safety deficiencies of the Construction Contractor(s) or other entity or any other persons at the site except CH2M's own personnel. The presence of CH2M's personnel at a construction site is for the purpose of providing to the City a greater degree of confidence that the completed construction work will conform generally to the construction documents and that the integrity of the design concept as reflected in the construction documents has been implemented and preserved by the Construction Contractor(s). CH2M neither guarantees the performance of the Construction Contractor(s) nor assumes responsibility for construction contractor's failure to perform work in accordance with the construction documents.

City Furnished Services

The following services and activities will be provided or performed by City.

1. City will manage all aspects of Contract award, grant and loan applications, processing, and administration, and coordination with all governing bodies for the construction project. City shall manage, coordinate, and undertake all aspects of Owner defined activities as presented in Division 1 and elsewhere in the Bidding Requirements and Contract Documents for the construction project, except as indicated otherwise elsewhere in this scope of work. City will be responsible for preparing, negotiating, and approving of all change orders, claims, and dispute resolution. (CH2M has no scope of work related to change orders and no scope of work under Bidding Requirements and Contract Documents Article 15 and 16 items related to Construction Contractor Suspension of Work and Termination and Dispute Resolution.)
2. City will pay all permit, printing, inspection, testing, and other construction related fees, fines, or assessments.

3. The City will review and approve Contractor’s administrative (non-technical) submittals and monthly and final contractor payment requests. The City will solely determine if the percent complete and stored material requests by Contractor in his monthly payment requests fairly represents the amount of payment due Contractor. In the case of Contractor default, if the bonding company deems overpayment has been made to Contractor, that shall solely be the City’s responsibility.
4. City will provide the RPR and will attend all construction progress meetings. City will prepare and distribute progress meeting minutes. RPR will prepare daily progress reports, along with photo documentation, and will provide that information to CH2M. The RPR will inform CH2M in writing of any City or Contractor special safety procedures that must be followed.

Task 1. Preconstruction Meeting Preparation and Participation

CH2M will attend the Preconstruction Meeting via speaker phone (not attend in person) at City’s office. City shall schedule the meeting. The City will facilitate the meeting and produce and distribute the meeting minutes. The purpose of the meeting is to establish and discuss administrative procedures related to the construction contract, the Contractor’s project schedule, lines of communication and authority, and related procedures. CH2M will prepare the draft agenda for the meeting for City review.

Task 2. Control System Programming, SCADA and Ops Manual Development, and Plant Startup Services

1.1 Perform Control System Programming

CH2M will program the PLC systems associated with this work. CH2M will also configure the operator interface and the SCADA computer system to be located at the UV facility. The control system will be programmed to provide the control system functionality illustrated on the design drawings and described in the Specifications.

During the software development process, CH2M will provide City with review submittals of PLC program and operator interface graphic displays at various stages of completion, for a maximum of two review stages.

The plant Operators’ Manual will address the SCADA system controls, computer screens, facility operating philosophies, and coordination between the various facility systems. The manual will be available electronically and in hard copy.

1.2 System Testing

A control system software test will be conducted at the office of CH2M to verify proper operation of the control system programming prior to field installation and startup. The PLC, operator interface and SCADA computer will be staged in the CH2M’s programming lab during the testing.

1.3 System Startup

CH2M will provide field testing, startup and training services for the PLC and operator interface units after installation. All process control functions will be tested and demonstrated to City for certification of proper operation. The testing will be documented on testing forms that will be signed by CH2M and City staff.

1.4 Documentation

An Operator control manual will be prepared to document the programs and the new UV facility functions. The manual will include the following information:

- All programs in hard copy and electronic format (All programs will be fully annotated with descriptive comments as allowed by the programming software)
- Written narratives of control system functionality
- Operator interface screen printouts with description of control functions available per screen
- Completed and signed off control system testing forms

1.5 Plant Startup Services

CH2M will assist City during UV facility startup. The budget for this assistance is based on the involvement of two (2) CH2M staff for two (2) pre-startup meetings and two (2) continuous, 12-hour days of performance testing. These staff will include CH2M's Instrumentation and Control Engineer and process engineer.

Task 3. Prepare Alaska Department of Environmental Conservation (ADEC) Submittals for Approval and Record Drawing

This task is to provide support to City in submitting and receiving the Temporary Approval to Operate and the Final Approval to Operate from ADEC. Support from CH2M may include preparation of the applications and additional supporting material and response to ADEC questions and comments.

CH2M will modify construction drawings based on the marked-up full-size drawing set provided by the Contractor to prepare the project Record Drawings. Construction drawings are to be regularly updated by the Contractor and reviewed monthly for completeness by the City's Resident Project Representative. Since Record Drawings are prepared, in part, based on information provided by others, they may not always represent the exact location, type of various components, or exact manner in which the project is finally constructed. CH2M is not responsible for any errors or omissions in the information from others that is incorporated into the Record Drawings.

CH2M will furnish electronic files of final Record Drawings and two (2) half-size (11" x 17") paper hardcopies. Electronic files furnished by CH2M are for City's convenience only.

CH2M will submit Record Drawings to ADEC for review and approval.

Task 4. Project Management

CH2M will coordinate the activities of its project team and oversee activities and methodologies to maintain consistency and execute the project in accordance with the internal Work Plan.

CH2M will include updates on deliverables, budget, and schedule as part of the monthly status reports that accompany each monthly invoice.

CH2M will attend up to three (3) supplemental or special meetings held in City's office. Attendance may be telephonic or in person. The Project Manager will attend meetings to discuss project status, project issues, facilitate decisions, obtain information, or address other project-related needs. Presentations to the City Council are not budgeted.

Project initial set-up and closeout and final project archiving and documentation will be provided. Project records will be archived and stored for future retrieval if needed.

CH2M internal project specific safety plan will be developed to use as a guide for any field activities by our staff.

Task 5. Technical Site Visits, Milestone & Final Inspections

Task 5 provides the scope and budget that allows important and necessary field time for each CH2M key design team member to review and report on the progress of construction. CH2M's technical design team members (design engineers including civil, structural, process and electrical disciplines) will visit the construction site for milestone inspections. Eight (8) two-day site visits will be made.

The CH2M Project Manager and team members, as necessary, will telephonically attend construction progress meetings, on an average of no more than twice-per month, as requested by City, and to provide technical support and assistance when deemed necessary by the RPR, Project Manager, or the City. The team members will only attend the meetings if needed for a discussion of the appropriate discipline. For the estimated seven-month active construction period, it is assumed that on average two people will attend each of the 14 progress meetings. The City will be responsible for progress meeting minutes and distribution of those minutes.

The CH2M Project Manager and project engineer will attend inspections for Substantial Completion and for the Final Inspection (total of 4 one-day trips). CH2M will prepare the punchlist based on the facility walk-through and assist with Contractor coordination to complete the outstanding tasks. The City's Project Representative will provide follow up inspections to confirm that the punchlist items have been completed.

Task 6. Respond to Contractor Requests for Information

CH2M will respond to requests for information by the Contractor and clarify contract requirements, as necessary and as directed by City. These requests for information (RFIs) and contract clarifications (CIs) will be assigned a number and recorded by CH2M. CH2M will transmit the RFIs and CIs to City and the Contractor for dissemination to applicable parties. Up to thirty-six (36) RFIs/CIs are budgeted. Routine or minor RFIs may be addressed by the City, with copies of the City's responses provided to CH2M. The City will number each of their responses. Additional RFI reviews, if needed, can be provided as an additional scope of work.

Task 7. Review Contractor Submittals

CH2M will have the primary review responsibility for Contractor technical shop drawing and equipment submittals. CH2M will review technical shop drawings on behalf of City. Up to 100 submittals and resubmittals are expected. Additional submittal reviews, if needed, can be provided as an additional scope of work.

The Contractor shall electronically submit some or all technical shop drawings and equipment submittals directly to CH2M. A memo summarizing comments will be transmitted electronically back to City and the Contractor. Both City and the Contractor will be responsible for printing the appropriate number of copies for their records.

Engineering Fee Amount for Construction Phase Services

The engineering fee for the described scopes of work are presented in the table below. Lump Sum Budgets can be adjusted between tasks without specific City approval, provided the total budget is not exceeded. Any adjustments will be reported to the City monthly.

ENGINEERING SERVICES DURING CONSTRUCTION (SDC): TASKS TO BE PROVIDED DURING WWTP UV PROJECT'S CONSTRUCTION AND STARTUP

Task	Description	Lump Sum Amount
1	Preconstruction Meeting Prep and Attendance	\$5,000
2	Control System Program & SCADA Develop & Ops Manual	\$77,000
3	Prepare ADEC Submittals for Approval and Record Dwgs.	\$14,000
4	Project Management/Accounting/Contracts/Set-Up & Closeout	\$57,000
5	Technical Site Visits and Milestone/Final Inspections	\$93,000
6	Respond to Contractor RFI's	\$23,000
7	Review Contractor Submittals	\$71,000
LUMP SUM TOTAL CONTRACT AMOUNT		\$340,000

Proposed Project Team

CH2M's team is proposed to consist of the following key staff:

Floyd Damron, P.E. – Project Manager

Ian VanBlankenstein, P.E. – Design Manager & Project Engineer

Jared Tatro– Control Programming/SCADA/Operator's Manual

Design Discipline Leads for construction phase support for submittals, RFIs, and technical site visits

Megan Wilson – Project Assistant

Kimberly Van Laere – Project Controls