

City of Kodiak Regular Council Meeting Agenda for August 23, 2012
7:30 p.m., at 710 Mill Bay Road, Assembly Chambers (Room 232)

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

- II. Previous Minutes**
Approval of Minutes of the August 9, 2012, Regular Council Meeting.....1

- III. Persons to Be Heard**
 - a. Proclamation: Recognizing Kodiak’s Seafood Processing Workers10
 - b. Public Comments (limited to 3 minutes) (486-3231)

- IV. Unfinished Business**
 - a. Second Reading and Public Hearing, Ordinance No. 1300, Amending Kodiak City Code 3.08.010(A), Levy of Sales Tax, to Increase the Rate of Bed Tax From Eleven Percent to Twelve Percent on All Rentals of Transient Rooms; Amending Kodiak City Code 3.08.025, Allocation of Sales Tax Proceeds, to Conform to the Increase in Bed Tax and the Increase in Sales Tax Under Ordinance Number 1297, and to Eliminate the Annual Public Hearing on Sales Tax Expenditure Priorities; Amending Kodiak City Code 3.08.090(F), Addition of Tax, to Conform to the Increase in Sales Tax Under Ordinance Number 1297; and Amending Kodiak City Code 3.08.110(A), Tax Schedule, to Reflect the Increase in the Bed Tax Rate14

- V. New Business**
 - a. Parks and Recreation Advisory Board Appointment22

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

- VII. Mayor’s Comments**

- VIII. Council Comments**

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

- X. Adjournment**

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**MINUTES OF THE REGULAR COUNCIL MEETING
OF THE CITY OF KODIAK
HELD THURSDAY, AUGUST 9, 2012
IN THE BOROUGH ASSEMBLY CHAMBERS**

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

Mayor Pat Branson called the meeting to order at 7:30 p.m. Councilmembers Charles E. Davidson, Terry J. Haines, Gabriel T. Saravia, Mark Anthony G. Vizcocho, and John B. Whiddon were present and constituted a quorum. Councilmember Randall C. Bishop was absent. City Manager Aimée Kniazowski, City Clerk Debra L. Marlar, and Deputy Clerk Matthew Gandel were also present.

After the Pledge of Allegiance, Salvation Army Sergeant Major Dave Blacketer gave the invocation.

II. PREVIOUS MINUTES

Councilmember Whiddon MOVED to approve the minutes of the July 12, 2012, regular meeting as presented.

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

III. PERSONS TO BE HEARD

a. Presentation of Government Finance Officers Association Awards

The Government Finance Officers Association of the United States and Canada has awarded Finance Director Mary Munk with a Distinguished Budget Presentation Award and a Certificate of Achievement for Excellence in Financial Reporting. These awards represent the highest form of recognition in governmental accounting and financial reporting.

Mayor Branson presented the awards to Finance Director Munk.

b. Public Comments

None.

IV. UNFINISHED BUSINESS

- a. Second Reading and Public Hearing, Ordinance No. 1299, Authorizing the City to Exchange Approximately 0.7 Acres of Lot 1A, Hospital Subdivision Owned by the City for Approximately 0.6 Acres of Lot 2A, Hospital Subdivision Owned by the Kodiak Island Borough, to Provide Additional Land for the City Cemetery and the Borough Long Term Care Facility**

Mayor Branson read Ordinance No. 1299 by title. The City of Kodiak and Kodiak Island Borough have been in discussions about land needed by the Borough to build a long-term care facility behind the Providence Kodiak Island Medical Center. City and Borough staff believe the best solution for both parties land needs is a land exchange of two parcels in the Hospital Subdivision. The Borough will receive land adjacent to the hospital needed to build a long-term care facility, and the City will receive land for the City cemetery that will improve access along Chichenof Street.

Councilmember Davidson MOVED to adopt Ordinance No. 1299.

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

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

V. NEW BUSINESS

- a. **First Reading, Ordinance No. 1300, Amending Kodiak City Code 3.08.010(A), Levy of Sales Tax, to Increase the Rate of Bed Tax From Eleven Percent to Twelve Percent on All Rentals of Transient Rooms; Amending Kodiak City Code 3.08.025, Allocation of Sales Tax Proceeds, to Conform to the Increase in Bed Tax and the Increase in Sales Tax Under Ordinance Number 1297, and to Eliminate the Annual Public Hearing on Sales Tax Expenditure Priorities; Amending Kodiak City Code 3.08.090(F), Addition of Tax, to Conform to the Increase in Sales Tax Under Ordinance Number 1297; and Amending Kodiak City Code 3.08.110(A), Tax Schedule, to Reflect the Increase in the Bed Tax Rate**

Mayor Branson read Ordinance No. 1300 by title. Council adopted Ordinance No. 1297 on June 14, 2012, which increased the City's sales tax from six percent to seven percent. However, the ordinance did not include language to amend related sections of Kodiak City Code (KCC) Title 3 to increase the sales tax portion of the City's bed tax to reflect the new sales tax rate of seven percent. The existing language in KCC 3.08.010 (a) is confusing and references the collection of an eleven percent bed tax for transient room rentals, when in fact, the eleven percent reflects a transient room tax of five percent and sales tax of six percent, equaling eleven percent. Ordinance No. 1297 did not increase the six percent sales tax portion of the transient room rental to seven percent. This ordinance corrects that oversight. Staff recommends Council adopt Ordinance No. 1300 to reflect the new sales tax amount as applied to transient room rentals (five percent transient tax plus seven percent sales tax). The ordinance will also amend related language regarding the allocation of the sales tax portion of the transient rental tax and eliminate a redundant requirement for annual public hearings on some sales tax allocations. Ordinance No. 1300 will become effective on October 1, 2012, in order to stay on the same implementation timeline as Ordinance No. 1297.

Councilmember Haines MOVED to adopt Ordinance No. 1300 in the first reading and advance to second reading and public hearing at the next regular or special Council meeting.

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

b. Resolution No. 2012–22, Authorizing Payment of Fiscal Year 2013 Nonprofit Organization Grants

Mayor Branson read Resolution No. 2012–22 by title. Each year the City Council authorizes grant payments to local nonprofit organizations. The types and levels of funding are based on the City Council’s nonprofit funding policy guidelines adopted by Resolution No. 2011–10. The policy also stipulates the total amount available for nonprofit grants in a given fiscal year, which equals the maximum of one percent of budgeted general fund revenues, exclusive of any fund balance appropriations. The amount budgeted for FY2013 for nonprofit grant payments is \$155,300. The City received sixteen applications from nonprofit organizations that provide local services to Kodiak for a total requested amount of \$112,552. Council reviewed the applications at their July 10, 2012, work session and indicated support to set the total nonprofit grant amount for FY2013 at \$112,552.

Councilmember Davidson MOVED to adopt Resolution No. 2012–22.

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

c. Resolution No. 2012–23, Appointing a Member to the Kodiak Fisheries Development Association

Mayor Branson read Resolution No. 2012–23 by title. The term for the joint City-Borough seat on the Kodiak Fisheries Development Association (KFDA) held by Linda Freed expired in July 2011. She sent an email to the Borough Clerk indicating her willingness to be reappointed to the KFDA board. The Borough Assembly made the reappointment at their meeting on August 2, 2012.

Councilmember Vizcocho MOVED to adopt Resolution No. 2012–23.

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

d. Resolution No. 2012–24, Authorizing the Kodiak Football League to Collect Admission Fees and Sell Concessions for High School Football Games at Baranof Park

Mayor Branson read Resolution No. 2012–24 by title. Each year the City Council authorizes the non-profit Kodiak Football League to charge admission fees and sell concessions during the Kodiak High School football team’s home games at Baranof Park. This effort helps pay for most of the team’s expenses. Because the games are held on City property, the League must receive permission from the City Council to collect fees during home games.

Councilmember Vizcocho MOVED to adopt Resolution No. 2012–24.

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

e. Authorization of Bid Award for Annual Sidewalk, Curb, and Gutter Repairs, Project No. 5003/13-01

Annually, the City bids for repair and replacement of damaged sections of sidewalks, curbs, and gutters at various locations throughout the City. Actual quantities of each bid item vary in response to need and the approved FY2013 budget. Bids were opened on July 26, 2012, and two bids were received.

Councilmember Whiddon MOVED to authorize the bid award for the annual sidewalk, curb, and gutter project, Project No. 5003/13-01 to Belarde Custom Concrete in the amount of \$64,085, with funds coming from the Street Capital Improvement Fund, Sidewalk, Curb, and Gutter project.

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

f. Authorization of Vehicle Purchase for Kodiak Police Station

This action authorizes the replacement of two older, high mileage police patrol vehicles that have been recommended for replacement in FY2013 with two current model year all wheel drive sedans. The existing Kodiak Police Department vehicles have been in service well beyond their useful life and have been evaluated for replacement. The replacement is consistent with the Council's Vehicle Replacement Policy, and the need to replace the vehicles was discussed with Council during the FY2013 budget process.

Councilmember Haines MOVED to authorize the City to attach to the State of Alaska Light Duty Contract to purchase two current model year Ford all wheel drive sedans in the amount of \$48,478, per Kodiak City Code 3.12.070(c), with funds coming from the FY2013 Kodiak Police Department Operational Budget, Uniform Patrol Sub-Department, Machinery and Equipment line item.

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

g. Authorization of Change Order No. 4 for the UV Treatment Plant Project, Project No. 7023/03-14

The City's UV water treatment project was near completion when a problem was discovered requiring the need for Council's approval on this change order. On June 18, 2012, the outside ambient temperature was 72 degrees, and as a result, the plant's electrical room overheated. Since that time CH2MHill has evaluated the situation and designed a solution to handle the excessive heat under certain circumstances.

Councilmember Davidson MOVED to approve Change Order No. 4 to the UV Water Treatment Plant project to Jay-Brant General Contractors in the amount of \$28,716, with funds coming

from the Water Capital Improvement Fund, UV Water Treatment Facility Construction, Project No. 7023/03-14.

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

h. Authorization of Change Order No. 4 to Baranof Park Improvement Project, Project No. 9001/12-05

Change Order No. 4 will provide improvements that will make the Baranof Park facilities more useable to a larger group of park patrons and will improve fencing and drainage at the baseball field. This change order includes four elements totaling \$53,700.

Councilmember Whiddon MOVED to authorize Change Order No. 4 to the Baranof Park Improvement Project to Ohno Construction in the amount of \$53,700, with funds coming from the Parks and Recreation Capital Improvement Fund, Baranof Park Improvements, Project No. 9001/12-05.

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

i. Parks and Recreation Advisory Board Appointment

One regular seat became vacant last month upon the resignation of Rich Walker, and one alternate seat remains open on the Parks and Recreation Advisory Board. Charlie Powers and Shanna Torgerson have submitted applications to serve on this board. Resolution No. 2011–23 stipulates membership shall reflect cultural and ethnic diversity and shall consist of four regular members from residents within the Kodiak City limits and three regular members from residents inside or outside the Kodiak City limits. The other six regular members of this board reside within the City limits. Mr. Powers resides outside the City limits; Ms. Torgerson resides inside the City limits. Appointments to the board are made by the Mayor and confirmed by the Council.

Mayor Branson appointed Charlie Powers to a regular seat with a term expiring December 31, 2013, and Shanna Torgerson to an alternate seat with a term expiring December 31, 2012.

Councilmember Haines MOVED to confirm the Mayoral advisory board appointments to the Parks and Recreation Advisory Board as stated.

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

VI. STAFF REPORTS

a. City Manager

City Manager Kniazowski congratulated Finance Director Munk and the Finance Department staff on their awards and thanked them for their hard work. She thanked City crews for their efforts cleaning up from the fire at the Baranof Park Ice Rink. She said the investigation into the

fire was ongoing and encouraged anyone who may have heard anything to provide information to the Kodiak Police Department. She said it was hopeful that the ice rink would be operational by mid-November.

She congratulated Deputy Harbormaster Lon White on 30 years of service to the City and Investigations Supervisor Milton Bohac on his upcoming retirement.

She updated the Council on the status of the contract for Biosolids/Composting and the Class and Compensation Study. She said contractors had been hard at work on the Baranof Park and new Library projects and were making good progress on both.

b. City Clerk

City Clerk Marlar reminded the public that the deadline to file nominating petitions for the 2012 election was August 15, 2012, at 4:30 p.m. She also informed the public of the upcoming scheduled work sessions and regular meetings.

VII. MAYOR'S COMMENTS

Mayor Branson congratulated Finance Director Munk and her staff. She congratulated Lon White on 30 years of service to the City. She said the recent fire at Baranof Park was an unfortunate incident, and said it was a reminder that it was important for City residents to talk to their neighbors and be aware of what was happening in their neighborhoods. She said the Council had discussed problems with people loitering downtown at a recent work session, and Chief of Police T.C. Kamai had encouraged business owners to call the Kodiak Police Department if they had a problem. She said discussion of downtown parking problems was scheduled for a work session on September 11, 2012.

VIII. COUNCIL COMMENTS

Councilmember Vizcocho congratulated Finance Director Munk and her staff and thanked the team from the Philippine Consulate who had recently been in Kodiak to assist members of the Filipino-American community with immigration related issues.

Councilmember Haines said he was disappointed to hear about the fire at the Baranof Park Ice Rink and said it might be helpful to place security cameras at the rink. He thanked CH2MHill for designing a fix to the electrical room problem at the UV Water Treatment Plant. He thanked the Kodiak Police Department for choosing vehicles with a reasonable cost to replace two older vehicles. He said he hoped the Kodiak Football League would be able to generate enough capital to sustain itself by collecting admission fees at Baranof Park.

Councilmember Davidson congratulated Finance Director Munk and her staff. He said he was sorry to hear about the damage at the Baranof Park Ice Rink. He wished everyone a pleasant rest of the summer.

Councilmember Whiddon congratulated Finance Director Munk and her staff and thanked Lon White and Milton Bohac for their dedicated service to the City. He commented on the 222nd birthday of the United States Coast Guard and thanked all the Coast Guard members and their

families for their service. He said he was looking forward to discussing downtown parking issues.

Councilmember Saravia thanked Finance Director Munk and her staff. He said he hoped someone would come forward and provide information on the Baranof Park Ice Rink fire. He said the new track and field at Baranof Park would be great for the kids in the community.

IX. AUDIENCE COMMENTS

None.

X. ADJOURNMENT

Councilmember Davidson MOVED to adjourn the meeting.

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

The meeting adjourned at 8:22 p.m.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

Minutes Approved:

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PERSONS TO BE HEARD

MEMORANDUM TO COUNCIL

Date: August 23, 2012

Agenda Item: III. a. Proclamation: Recognizing Kodiak's Seafood Processing Workers

SUMMARY: This proclamation recognizes the hard work of seafood processing workers and the positive contribution they make to the community.

ATTACHMENTS:

Attachment A: Proclamation: Recognizing Kodiak's Seafood Processing Workers

**PROCLAMATION
RECOGNIZING KODIAK'S
SEAFOOD PROCESSING WORKERS**

WHEREAS, the commercial fishing industry is the backbone of the Kodiak economy; and

WHEREAS, Kodiak is among the top fishing ports in the nation; and

WHEREAS, approximately 350 million pounds of seafood crossed Kodiak's docks in 2011, with an ex-vessel dollar value of \$178 million; and

WHEREAS, approximately one fourth of Kodiak's workforce is employed in the seafood processing sector; and

WHEREAS, Kodiak Island seafood processing workers handled the 350 million pounds of the seafood harvested, as well as a significant amount of sport/recreational-caught seafood; and

WHEREAS, the City of Kodiak acknowledges the monumental contribution of its seafood processing workers.

NOW, THEREFORE, I, Pat Branson, Mayor of the City of Kodiak, do hereby proclaim August 23, 2012, as

Seafood Processing Workers Day

in Kodiak and urge all citizens to acknowledge the extraordinary efforts and dedication of Kodiak's seafood workers.

Dated this 23rd day of August 2012.

CITY OF KODIAK



MAYOR

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UNFINISHED BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Aimée Kniazowski, City Manager

Thru: Mary Munk, Finance Director

Date: August 23, 2012

Agenda Item: IV.a. **Second Reading and Public Hearing, Ordinance No. 1300, Amending Kodiak City Code 3.08.010(A), Levy of Sales Tax, to Increase the Rate of Bed Tax From Eleven Percent to Twelve Percent on All Rentals of Transient Rooms; Amending Kodiak City Code 3.08.025, Allocation of Sales Tax Proceeds, to Conform to the Increase in Bed Tax and the Increase in Sales Tax Under Ordinance Number 1297, and to Eliminate the Annual Public Hearing on Sales Tax Expenditure Priorities; Amending Kodiak City Code 3.08.090(F), Addition of Tax, to Conform to the Increase in Sales Tax Under Ordinance Number 1297; and Amending Kodiak City Code 3.08.110(A), Tax Schedule, to Reflect the Increase in the Bed Tax Rate**

SUMMARY: Council adopted Ordinance No. 1297 on June 14, 2012, which increased the City's sales tax from six percent to seven percent. However, the ordinance did not include language to amend related sections of Kodiak City Code (KCC) Title 3 to increase the sales tax portion of the City's bed tax to reflect the new sales tax rate of seven percent. The existing language in KCC 3.08.010 (a) is confusing and references the collection of an eleven percent bed tax for transient room rentals, when in fact, the eleven percent reflects a transient room tax of five percent and sales tax of six percent, equaling eleven percent. Ordinance No. 1297 did not increase the six percent sales tax portion of the transient room rental to seven percent. This ordinance corrects that oversight. Staff recommends Council adopt Ordinance No. 1300 to reflect the new sales tax amount as applied to transient room rentals (five percent transient tax plus seven percent sales tax). The ordinance will also amend related language regarding the allocation of the sales tax portion of the transient rental tax and eliminate a redundant requirement for annual public hearings on some sales tax allocations. Once adopted by Council, Ordinance No. 1300 will become effective on October 1, 2012, the same effective date as Ordinance No. 1297.

PREVIOUS COUNCIL ACTION:

- 1956, Council initiated a 2% sales tax.
- The sales tax rate was increased to 3% in 1961, to 5% in 1969, and 6% in 1993.
- 2004, Council raised the sales tax cap from \$500 to \$750 on eligible purchases.
- Council discussed possible options to raise revenues at the January 2011 annual planning meeting and again on July 26, 2011.

- January 14, 2012, Council held a special planning meeting to discuss financial preconditions necessary to develop a five-year capital improvement plan/asset management plan to care for the existing infrastructure and resources and to plan for the future. Council reviewed multiple scenarios, which led to the establishment of policy to increase revenues.
- April 24, 2012, Council reviewed the outcome of the January planning meeting and introduced the plan to increase revenues with the review of Ordinance No. 1297.
- April 26, 2012, Council passed Ordinance No. 1297, which would increase sales tax and the sales tax cap, in the first reading and advanced to second reading.
- May 29, 2012, Council discussed possible amendments to Ordinance No. 1297 and other sections of the City Code.
- June 14, 2012, Council adopted Ordinance No. 1297, which increased the sales tax rate from six percent to seven percent, but did not include a change to the sales tax cap or the sales tax rate collected on transient room rentals.
- August 8, 2012, Council passed Ordinance No. 1300 in the first reading and advanced to second reading.

DISCUSSION: The City initiated a transient room rental tax of five percent on July 1, 1983. The City Code also requires the collection of sales tax on transient room rentals. These requirements are set out in the current code language, which says the City levies a tax of eleven percent on transient room rentals within the City. The existing language in KCC 3.08.010(a) is confusing and references the collection of an eleven percent bed tax for transient room rentals, when in fact, the eleven percent reflects a transient room tax of five percent and sales tax of six percent, equaling eleven percent.

In order to meet Council's intent and to keep the new sales tax rate of seven percent consistent with all other sales tax transactions, the language in City Code 3.08.010(a) must be changed to reflect a total tax collected of twelve percent. Without this ordinance, the City would have three tax rates effective on October 1, 2012. The taxes would be a seven percent sales tax rate on all sales and services except transient room rentals, a five percent transient room rate on transient room rentals, and a six percent sales tax rate on transient room rentals. This would be cumbersome for the businesses involved, and three separate reports would have to be submitted.

The need to make this correction was not caught in time to include it in Ordinance No. 1297, but is necessary to ensure the code sections reflect the new sales tax rate in the appropriate sections of Title 3. Ordinance No. 1300 also removes a provision requiring annual hearings on some sales tax allocations. This provision is redundant as the City already has multiple public meetings and hearings during the annual budget process and when proposing funding for individual road and harbor projects.

Staff worked with the City Attorney to draft the proposed amendments to sections of KCC 3.08 as follows:

- Amend Section 3.08.010(a) to increase the sales tax to twelve percent for all transient room rentals within the City (five percent transient tax and the new rate of seven percent for sales tax).
- Amend Section 3.08.025(c), allocation of sales tax to conform to the new sales tax of seven percent and 3.08.025(e) to eliminate language requiring annual hearings to discuss expenditure priorities for road and harbor dedicated sales tax (duplicative because this is done as part of the annual budget development, presentation sessions, and budget ordinance adoption process).
- Amend the tax table in Section 3.08.110(a) to reflect the new sales tax rate.

ALTERNATIVES:

1. Adopt Ordinance No. 1300 in the second reading, which is staff's recommendation. This is consistent with the Council's FY2013 budget direction to staff and reflects the intent of Ordinance No. 1297. It also maintains consistency in the collection of the new sales tax rate.
2. Do not adopt this ordinance, which is not recommended because it is not consistent with the Council's intent to raise the sales tax as outlined in Ordinance No. 1297 and would result in three separate tax rates of seven percent on sales and services, five percent on transient room rentals, and six percent on transient room rentals sales tax.

FINANCIAL IMPLICATIONS: When the seven percent sales tax ordinance becomes effective in October, it will help the City meet its current obligations and allow the fund balance to grow again for the first time in many years. This ordinance will ensure that the new seven percent sales tax will be collected on transient room rentals and continue to be appropriated into the General Fund. It will further allow for a consistent sales tax code, which is easier on local businesses and meets the goals set by the City Council.

LEGAL: Staff and the City attorney reviewed Title 3 and discussed which sections needed to be amended to be consistent with the new seven percent sales tax provisions. The attorney prepared the attached ordinance.

STAFF RECOMMENDATION: Staff recommends the Council adopt Ordinance No. 1300.

CITY MANAGER'S COMMENTS: The Council took an important first step to bridge the gap in what it costs to run the City, versus what is received in revenues, by adopting Ordinance No. 1297, which increased the sales tax amount from six percent to seven percent. We should have included this wording in Ordinance No. 1297, but missed doing so because the wording in KCC 3.08.010(a) and other areas of Title 3.08 are complex and unclear. This ordinance will keep the sales tax collected on all eligible transactions, including the transient room sales tax, at seven percent, which was the intent of Ordinance No. 1297. It will also become effective on October 1 2012, at the same time as Ordinance No. 1297. I recommend Council adopt this ordinance.

ATTACHMENTS:

Attachment A: Ordinance No. 1300

PROPOSED MOTION:

Move to adopt Ordinance No. 1300.

**CITY OF KODIAK
ORDINANCE NUMBER 1300**

AN ORDINANCE AMENDING KODIAK CITY CODE 3.08.010(A), LEVY OF SALES TAX, TO INCREASE THE RATE OF BED TAX FROM ELEVEN PERCENT TO TWELVE PERCENT ON ALL RENTALS OF TRANSIENT ROOMS; AMENDING KODIAK CITY CODE 3.08.025, ALLOCATION OF SALES TAX PROCEEDS, TO CONFORM TO THE INCREASE IN BED TAX AND THE INCREASE IN SALES TAX UNDER ORDINANCE NUMBER 1297, AND TO ELIMINATE THE ANNUAL PUBLIC HEARING ON SALES TAX EXPENDITURE PRIORITIES; AMENDING KODIAK CITY CODE 3.08.090(F), ADDITION OF TAX, TO CONFORM TO THE INCREASE IN SALES TAX UNDER ORDINANCE NUMBER 1297; AND AMENDING KODIAK CITY CODE 3.08.110(A), TAX SCHEDULE, TO REFLECT THE INCREASE IN THE BED TAX RATE

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

Section 1: Subsection (a) of Kodiak City Code 3.08.010, Levy of sales tax, is hereby amended to read as follows:

(a) A sales tax of ~~eleven (11)~~ **twelve (12)** percent of the rental charge, **consisting of a levy of five (5) percent in addition to the general sales tax of seven (7) percent levied under subsection (b) of this section,** is levied on all transient room rentals within the city. This sales tax will also be known as the "bed tax."

Section 2: Kodiak City Code 3.08.025, Allocation of sales tax proceeds, is hereby amended to read as follows:

3.08.025 Allocation of sales tax proceeds. (a) One-~~seventh sixth~~ of the sales taxes collected under paragraph (b) of section 3.08.010 of this chapter and one-eleventh of the sales taxes collected under paragraph (a) of section 3.08.010 of this chapter shall be allocated to a separate fund or account to be appropriated and utilized solely for road improvements and capital equipment and for park construction and capital improvements, provided, however, that the total amount of sales taxes allocated to the foregoing fund with respect to any one fiscal year shall not exceed \$500,000. This tax will be collected until December 31, 2013, unless further extended by the City Council and is to be allocated as follows:

- (1) Ninety percent for road improvements and capital equipment;
- and
- (2) Ten percent for park construction and capital improvements.

(b) One-~~seventh sixth~~ of the sales taxes collected under paragraph (b) of section 3.08.010 of this chapter and one-~~twelfth eleventh~~ of the sales taxes collected under paragraph (a) of section 3.08.010 of this chapter shall be allocated to a separate fund or account to be appropriated and utilized solely for harbor

capital improvements constructed by or on behalf of the city, provided, however, that the total amount of sales taxes allocated to the foregoing fund with respect to any one fiscal year shall not exceed \$500,000. This tax will be collected until December 31, 2013, unless further extended by the City Council and is to be allocated for port infrastructure maintenance, repair, replacement, and capital equipment.

(c) Five-~~twelfths~~ elevenths of the sales taxes collected under subsection 3.08.010(a) shall be allocated to a separate fund or account to be appropriated and utilized solely for increased development of the tourist industry, and is to be allocated as follows:

- (1) Seventy percent or less to a council approved tourism program;
- (2) Twenty percent or more for tourism enhancement projects, such as beautification within the city, development of which shall be solely at the council's discretion; and
- (3) Ten percent for the administrative costs associated with such programs.

(d) The balance of sales taxes collected shall be deposited to the general fund of the city to be appropriated as determined by the council.

~~(e) There will be an annual public hearing scheduled to discuss the following fiscal year's priorities for the expenditures of the road and harbor dedicated sales tax revenues.~~

Section 3: Subsection (f) of Kodiak City Code 3.08.090, Addition of tax, is hereby amended to read as follows:

(f) When authorized by this section to be included in the price or charge for a product or service, the tax to be collected and remitted shall be determined by multiplying the gross receipts from the services or product by .07 ~~.06~~ and dividing that product by 1.07 ~~1.06~~. Notices required by this section shall be provided by the city.

Section 4: Subsection (a) of Kodiak City Code 3.08.110, Tax schedule, is hereby amended to read as follows:

(a) The amount of the tax to be added to the rental charge for transient room rentals shall be determined in accordance with the following schedule:

Charge	Tax
Under 5 cents	None
\$.05 through \$.14 <u>.12</u>	\$.01
.15 <u>.13</u> through .22 <u>.20</u>	.02
.23 <u>.21</u> through .31 <u>.29</u>	.03
.32 <u>.30</u> through .40 <u>.37</u>	.04
.41 <u>.38</u> through .49 <u>.45</u>	.05
.50 <u>.46</u> through .59 <u>.54</u>	.06
.60 <u>.55</u> through .68 <u>.62</u>	.07
.69 <u>.63</u> through .77 <u>.70</u>	.08

.78 <u>.71</u> through .86 <u>.79</u>	.09
.87 <u>.80</u> through .95 <u>.87</u>	.10
.96 <u>.88</u> through 1.04 <u>.95</u>	.11
<u>.96 through 1.04</u>	<u>.12</u>
Over \$ 1.05	Continue on same scale.

Section 5: This ordinance shall be effective upon the later to occur of (i) the date that is one month after its final passage and publication in accordance with Kodiak Charter Section 2–13; and (ii) October 1, 2012.

CITY OF KODIAK

MAYOR

ATTEST:

CITY CLERK

First Reading: August 9, 2012
 Second Reading:
 Effective Date:

NEW BUSINESS

MEMORANDUM TO COUNCIL

To: Mayor Branson and City Councilmembers

From: Debra Marlar, City Clerk

Date: August 23, 2012

Agenda Item: V.a. Parks and Recreation Advisory Board Appointment

SUMMARY: Natasha Hayden was appointed to a vacant regular seat on the Parks and Recreation Advisory Board on January 13, 2011, for a term ending December 31, 2013. At the time of appointment, Ms. Hayden resided within the Kodiak City limits. Ms. Hayden now resides outside the Kodiak City limits and has requested re-appointment as non-City resident. (Attachment A). Resolution No. 2011–23 stipulates membership shall reflect cultural and ethnic diversity and shall consist of four regular members from residents within the Kodiak City limits and three regular members from residents inside or outside the Kodiak City limits (Attachment B). Excluding Ms. Hayden, of the other six regular members, five reside within the Kodiak City limits and one resides outside the City limits. (Attachment C)

PREVIOUS COUNCIL ACTION: The most recent appointments to the Parks and Recreation Advisory Board were made at the August 9, 2012, regular meeting. The Mayor has appointed and the Council has confirmed various appointments to this board as openings occur and applicants become available.

BACKGROUND: Advisory board members are appointed at the end of each year when terms expire and throughout the year as positions become vacant.

{Mayor Branson will make her appointment}

Parks and Recreation Advisory Board

1 regular non-City resident seat ending December 31, 2013

Applicant: Natasha Hayden

ATTACHMENTS:

Attachment A: Natasha Hayden’s Re-appointment Request and Original Application

Attachment B: Resolution No. 2011–23

Attachment C: Parks and Recreation Advisory Board Member List

PROPOSED MOTION:

Move to confirm the Mayoral advisory board appointment of Natasha Hayden to a non-City resident seat on the Parks and Recreation Advisory Board for a term ending December 31, 2013.

Marlar, Debra

From: Hayden, Natasha [nhayden@dowlhkm.com]
Sent: Friday, August 10, 2012 12:12 PM
To: Marlar, Debra
Subject: City of Kodiak Parks & Recreation

Hi Deb,

Please consider this letter my request to be reappointed to the City of Kodiak Parks and Recreation Committee as a Kodiak Island Borough resident seat. Please let me know if you have any questions. Thank you very much,

Natasha

Natasha M. Hayden, E.I.
Transportation Engineer
907-512-0519 OFFICE
907-539-2296 CELL



(907) 512-0519

104 Center Avenue, Suite 206

Kodiak, Alaska 99615

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City Clerk's Office
 710 Mill Bay Road, Rm 220
 Kodiak, AK 99615
 (907) 486-8636 * (907) 486-8600 (fax)

Advisory Board Application Form

Natasha Hayden
 NAME
486-5922 512-0519 nhayden@dowlhkn.com
 HOME TELEPHONE WORK TELEPHONE FAX EMAIL
~~206 Alder Lane~~ Kodiak AK 99615
 RESIDENCE (STREET) ADDRESS 305 Neva Way
Same KODIAK, AK 99615
 MAILING ADDRESS

35 years
 LENGTH OF RESIDENCE IN KODIAK

39 years
 LENGTH OF RESIDENCE IN ALASKA

Are you a registered voter in the ^{KIB} City of Kodiak?
 Do you own property in the City of Kodiak?

Yes NO
 Yes No

On which boards are you interested in serving?
 (Please list in order of preference)

Please list your areas of expertise and education that
 would benefit the boards for which you are applying.

Parks + Recreation

I am a Civil Engineer
and an avid user of many
of the local facilities.

Community Activities:
Alaskan Native Groups
Emerging Leaders

Professional Activities:
- Presentation for elementary
students on engineering.
- Member of - Alaska Native
Professionals Association
(ANPA)

Natasha M. Hayden
 SIGNATURE

12/30/10
 DATE

Return application to City Clerk, 710 Mill Bay Road, Room 220, Kodiak, AK 99615
 Fax: 486-8600

**CITY OF KODIAK
RESOLUTION NUMBER 2011–23**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK RESCINDING
RESOLUTION 04–25 AND RE-ESTABLISHING A PARKS AND RECREATION
ADVISORY BOARD**

WHEREAS, the City of Kodiak re-established a Parks and Recreation Advisory Board by Resolution 04–25; and

WHEREAS, it is the Council’s desire to encourage membership on the Board that represents the ethnic and cultural diversity of residents both inside and outside the Kodiak city limits.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Kodiak, Alaska, that Resolution 04–25, is hereby rescinded.

BE IT FURTHER RESOLVED as follows:

- Section 1.** A board is hereby re-established which shall be known as the Parks and Recreation Advisory Board.
- Section 2.** The board shall meet with the Council by invitation, the City Manager, representatives of the Parks and Recreation Department, and/or members of the community as necessary to discuss recreation-related issues. The board shall meet not less than four times in any one calendar year.
- Section 3.** Appointment to the board shall be made by the Mayor and confirmed by the Council.
- Section 4.** Membership reflecting cultural and ethnic diversity shall be as follows:
- a. Four regular members from residents within the Kodiak City limits
 - b. Three regular members from residents inside or outside the Kodiak City limits
 - c. Two alternate members
 - d. One United States Coast Guard representative (ex-officio)
 - e. One student representative (ex-officio)

Appointments other than ex-officio members shall be staggered three-year terms and shall end December 31 at the expiration of the term. Four regular members who reside within the Kodiak City limits and three regular members who reside outside the Kodiak City limits, but within the Kodiak Island Borough, shall be appointed. If a City member ceases to reside within the City, that member shall thereupon cease to hold a position on the Parks and Recreation Advisory Board and may reapply for a non-City resident seat when available. The alternate members shall be designated as Alternate No. 1 and Alternate No. 2 and shall not be subject to City residency requirements. In the absence of a regular member, Alternate No. 1 shall have the right to vote on issues before the board. In like manner, the absence of a second regular member confers the same right to Alternate No. 2. The US Coast Guard representative

appointment shall be based on the recommendation of the Commanding Officer of the USCG Integrated Support Command Kodiak. The student representative appointment shall be based on the recommendation of the Kodiak High School Student Council. The terms for the USCG representative and student representative shall be set at the time of appointment. The board's initial composition shall consist of the membership of the board in effect on January 1, 2011, who shall serve for their appointed terms.

Section 5. The Mayor, Council, City Manager, and any Parks and Recreation Department staff members designated shall serve as consulting members of the board, in addition to those appointed, and may attend all meetings, but shall not vote.

Section 6. A Chairperson, Vice Chairperson, and Secretary shall be selected annually by and from the regular members.

Section 7. Proceedings of the board shall be open to the public and permanent minutes shall be kept of the proceedings. The minutes shall record the vote of each member upon every question and the original of such minutes shall be immediately filed in the office of the City Clerk and shall be a public record open to inspection. Every decision or finding shall be directed to the City Council, via the City Clerk, at the earliest possible date.

Section 8. The board shall establish by-laws to govern the conduct of its proceedings, a copy of which shall be filed with the City Clerk. The current edition of *Robert's Rules of Order, Newly Revised* shall be the board's parliamentary authority.

Section 9. The board shall not have direct power to affect policy determinations, but shall be able to make recommendations to the City Council through the City Manager. Said recommendations may evolve into policy decisions of the City Council affecting matters relating to Parks and Recreation. The board shall consider any specific proposal, problem, or project as directed by the City Council through the City Manager.

Section 10. The board shall be in effect until terminated by the City Council.

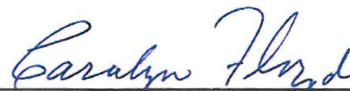
ATTEST:



CITY CLERK



CITY OF KODIAK



MAYOR

Amended and Adopted: August 25, 2011



Office of the City Clerk

710 Mill Bay Road, Room 216, Kodiak, Alaska 99615

PARKS AND RECREATION ADVISORY BOARD

Nine members (including two alternates) from the community chosen to reflect cultural and ethnic diversity, one USCG representative, and one student seat. Four regular members shall be residents within the Kodiak City limits, and three regular members shall be residents from inside or outside the Kodiak City limits.

TERM	BOARDMEMBER	HOME	WORK	FAX	MAILING ADDRESS	City/KIB
2013	Charlie Powers cpowers@koniag.com	512-0998	481-4130		Box 2291	B
2013	Marcus Dunbar mdunbar01@kibsd.org	486-0809	481-2214		1477 Selief Lane	C
2013	Natasha Hayden nhayden@dowlhkm.com	486-5922	512-0519		305 Neva Way	B*
2013	Derrick Magnuson dmagnuson72@hotmail.com derrick.j.magnuson@uscg.mil	486-5771	487-5615		217 Murphy Way	C
2012	Amy Fogle philfogle@hotmail.com	486-3525		486-3250	1136 Wolkoff Ln.	C
2012	Jim Willis jawdavg@gci.net James.B.Willis@uscg.mil	486-3678	487-5391	487-5275	1516 Ismailov St.	C
2012	John Butler jbjhs@ptialaska.net	486-4604	486-3706	486-2497	PO Box 2610	C
2012 Alternate 1	Mary Kay Bunker mbunker@pcl.com	748-2817	512-2023	512-2024	1533 Sawmill Circle	N/A
2012 Alternate 2	Shanna Torgerson storgerson@gci.net	942-1180	486-3215	486-4889	1527 Mission Rd.	N/A
2013 USCG	Andrew Brown andrew.s.brown@uscg.mil	520-2012	487-5320 x. 202	487-5334	606 Lookout Dr.	N/A
Student	VACANT					

Regular terms expire December 31 (three-year terms)

Alternate terms expire December 31 (one-year terms)

USCG term set at appointment

Student term set at appointment

*B Pending reappointment

Legislation

Resolution Number 03–84
Resolution Number 44–86
Resolution Number 2000–4, 01/27/00
Resolution Number 01–7, 02/22/01
Resolution Number 04–25, 07/08/04
Resolution Number 2011–23, 08/25/2011

Appointments

01/12/84	02/26/84	12/13/84
01/10/85	06/13/85	12/19/85
01/23/86	01/08/87	02/12/87
11/03/87	12/14/87	10/27/88
12/12/88	10/12/89	01/11/90
12/14/90	01/09/92	03/12/92
05/14/92	07/09/92	01/14/93
01/27/94	02/10/94	03/10/94
09/22/94	12/22/94	10/05/95
12/14/95	10/24/96	12/12/96
12/11/97	12/10/98	01/26/99
02/25/99	02/10/00	02/22/01
05/24/01	12/13/01	02/28/02
05/09/02	07/24/03	02/26/04
01/13/05	08/24/06	12/14/06
12/13/07	02/28/08	02/12/09
06/24/10	08/26/10	12/9/10
01/13/11	09/22/11	2/23/12
08/09/12		

Updated August 10, 2012

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